



ZULULAND DISTRICT MUNICIPALITY IDP REVIEW



Integrated Development Plan Review 2018/2019

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ABBREVIATIONS USED IN THIS DOCUMENT

BBBEE	:	Broad Based Black Economic Empowerment
BP	:	Business Plan
DBSA	:	Development Bank of Southern Africa
DPLG	:	Department of Provincial and Local Government
DMP	:	Disaster Management Plan
DM	:	District Municipality
DWA	:	Department of Water Affairs
EE	:	Employment Equity
EEP	:	Employment Equity Plan
EMP	:	Environmental Management Plan
EXCO	:	Executive Committee
FMG	:	Finance Management Grant
GAAP	:	General Acceptable Accounting Practice
HH	:	Households
IDP	:	Integrated Development Plan
ITP	:	Integrated Transport Plan
KPA	:	Key Performance Area
KPI	:	Key Performance Indicator
LED	:	Local Economic Development
LUMS	:	Land Use Management System
LM	:	Local Municipality
MIG	:	Municipal Infrastructure Grant
MFMA	:	Municipal Finance Management Act

CHAPTER 1: EXECUTIVE SUMMARY

1.1 WHO ARE WE?

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.

Map 1: Local Municipalities within the ZDM area



The Council of the Zululand District Municipality consists of 36 Councillors, 40% of which are proportionally elected and 60% elected to the district municipality from respective local municipalities. The Council is chaired by the Honourable Speaker, Cllr. S.E Nkwanyana.

The Municipal area consists of scattered rural settlement in Traditional Authority Areas. The following is a list of Traditional Councils in the Zululand District Municipality:

- Mthethwa
- Mavuso
- Msibi
- Ndlangamandla
- Ntshangase
- Simelane
- Hlahlindlela
- Matheni
- Usuthu
- Buthelezi
- Mlaba
- Ndebele
- Nobamba
- Sibiya
- Ndlangamandla Ext
- Disputed Area
- Khambi
- Khambi Ext
- Mandhlakazi
- Zungu
- Mbatha

Table 1; Population Dynamics per Municipality

INDICATOR	ZULULAND	ULUNDI	NONGOMA	OPHONGOLO	EDUMBE	ABAQULUSI
Area (km ²)	14 810	3250	2182	3239	1943	4185
Population (2016)	892,310	205,762	211,892	143,845	89,615	241,196
Sex ratio (M to F) %	86.3	82.4	83.2	88.5	88.2	86.3
Households	178,516	38,553	36,409	34,667	17,415	51,472
People/Household %	5.1	5.3	5.6	4.4	5	4.8
Urban Households %	19	15	3	14	31	38
Rural Households %	81	85	97	86	69	62
Child (0-14yrs) %	39.5	9.64	10.42	6.38	4.18	9.88
Youth (15-34yrs)	341,909	79,508	81,728	58,066	33,922	95,936
Adults (35-64) %	19.9	7.45	7.14	4.84	3.32	9.10
Unemployed %	31.2	38.3	38.5	26.4	29.9	25.9

Source: Community Survey 2016 (StatsSA)

Zululand's population has been gradually increasing. Total population grew by 88,735 when compared to 2011 over the period under review and currently stands at of 845,819. Most of the districts population is made up of Abaqulusi (241,196), Nongoma (211,892) and Ulundi (205,762) local municipalities. The smallest population is recorded as 89,615 in 2015 for eDumbe. In terms of percentage contribution, Abaqulusi contributes the highest percentage towards Zululand's population, followed by Nongoma and Ulundi respectively.

Infants 342,546 and 15-34(youth) makes up 684,455 or 76% of the district population.

1.2 ECONOMIC PROFILE

In terms of GVA contribution per local municipality, Abaqulusi is the economic hub of the Zululand District contributing over 40% to the district's GVA. Table 6 above further demonstrates that the level of economic growth in Zululand is not equally distributed amongst its local municipalities. The spatial economic imbalance is not only unique to this district but rather a prevalent phenomenon across districts in the province. Stark disparities in economic output contribution can also be noted between the provincial districts. eThekweni's contribution to KZN's GVA output is approximately 25 times more than the contribution made by Zululand.

Out of all district municipalities in the province, Zululand District recorded the slowest GVA growth during the period under review.

Table 2; GVA Contribution (R000), Zululand, Local Municipalities, 2012-2015

Municipality	2012	2013	2014	2015
eDumbe	1 254	1 244	1 313	1 310
Phongola	1 360	1 412	1 485	1 476
Abaqulusi	5 174	5 235	5 529	5 532
Nongoma	2 048	2 115	2 236	2 234
Ulundi	2 633	2 692	2 800	2 795
Zululand	12 470	12 698	13 364	13 347

1.3 EMPLOYMENT LEVELS

There were about 892,310 people in the district in 2016 with a total labour force of **151,338**. Only **159,930** of the people were considered economically active. This indicates that there is a large number of people that are economically inactive in the district, hence the labour force participation rate of **23.7%** which indicates that only **30%** of the working age population are engaged in actual employment or are actively seeking work. This level of labour force participation is very low. The implication of this finding is that there are probably a large number of discouraged work-seekers in the economy. This is typical of an economy in which there are high and persistent rates of unemployment.

The table below depicts Employment Levels per Municipality. It is clear from this table that the largest number of people employed are in Abaqulusi and more in particular Vryheid Town where economic activities are concentrated. Ulundi Municipality has the second largest number of people employed and these are concentrated in Ulundi Town which functions as the administrative centre for Zululand and the Northern KwaZulu-Natal Region.

Table 3; Employment Levels per Municipality

Indicator	eDumbe	Uphongolo	Abaqulusi	Nongoma	Ulundi	Zululand
Employment	10 679	11 756	38 473	14 087	19 723	94 717
Unemployment	4 770	7 910	11 938	10 012	11 848	46 477
Economically Active Population	60 184	95 896	165 020	136 603	138 977	596 680
Labour Force Participation	25.7%	20.5%	30.5%	17.6%	22.7%	23.7%
Unemployment Rate	29.9%	26.4%	25.9%	38.5%	38.3%	31.2%

Census 2016

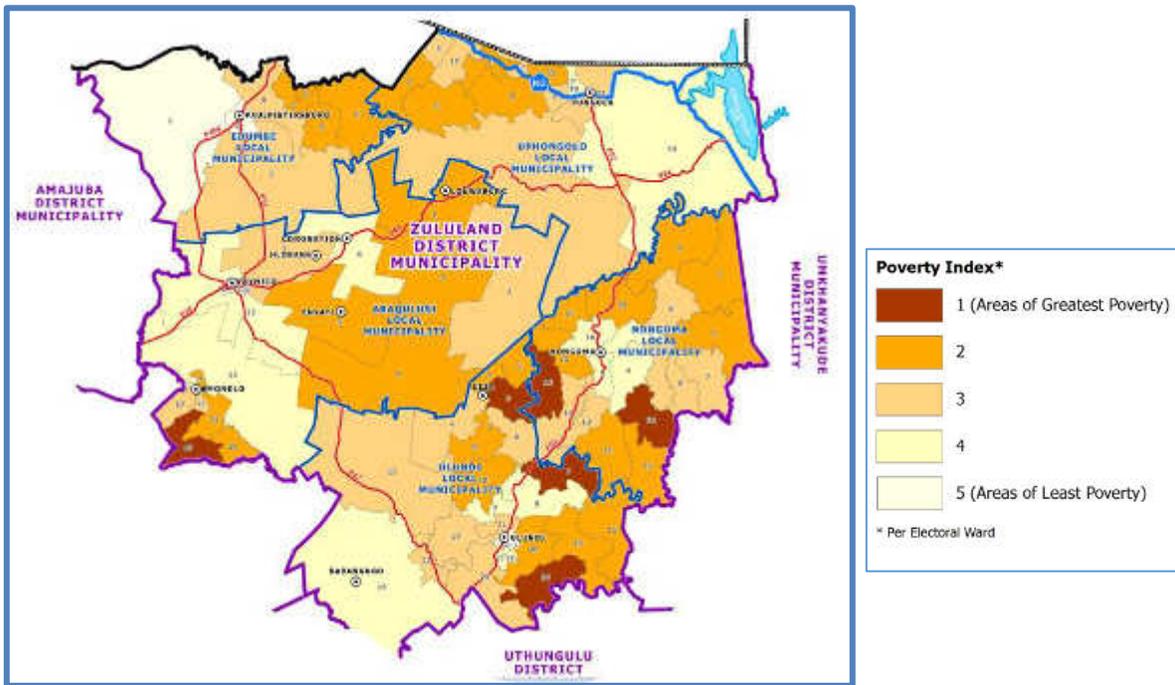
Unemployment in Zululand is unsustainably high and is having the negatively impact of discouraging people from spending the time and money to actively search for jobs.

1.4 POVERTY PROFILE

The population rate of people living below the food poverty line has declined over time, declining from **51%** in 2006 to **38%** in 2015. Even though the declines may also be seen across municipalities, Nongoma and Ulundi showed higher percentages of poverty compared to other municipalities and district average. The declining poverty rates show significant progress that the government is making in terms of ensuring that deserving citizens get their allocated grant social services.

The map below shows where people living below the poverty line are situated.

Map 1; People Living Below the Poverty Line



Percentage of people below food poverty line, Local Municipality, 2012-2015

Table 4; Percentage of People Living Below the Poverty Line per Municipality

Year	eDumbe	uPhongolo	AbaQulusi	Nongoma	Ulundi	Zululand	
2012	43%	38%	39%	44%	40%	41%	
2013			43%	37%	39%	43%	39%
2014			41%	36%	38%	42%	39%
2015			40%	34%	38%	41%	38%

Source: Global Insight, 2017

1.5 ACCESS TO WATER AND SANITATION

A comprehensive infrastructure profile was conducted by the Zululand District Municipality. The findings paint a challenging picture in terms of the infrastructure shortfall and capital investment needed to ensure adequate service provision. The following diagrams present the consolidated District Municipal budget figures for addressing backlogs, refurbishments and necessary bulk capacities.

Table 5; Water and Sanitation Backlog per Municipality

Municipality	No. of Households (WSDP 2017)	Water			Sanitation		
		Households not serviced	Households serviced	% backlog	Households not serviced	Households serviced	% backlog
Zululand	183,177	50,882	132,295	28%	34,973	148,204	19%
Abaqulusi	46,529	11,254	35,275	24%	10,075	36 454	22%
eDumbe	16,405	3,420	12,985	21%	4,339	12,066	26%
Nongoma	45,713	20,964	24,749	46%	11,086	34,627	24%
Ulundi	46,398	9,521	36,877	21%	3,420	42,978	7%
uPhongolo	28,132	5,723	22,409	20%	6,053	12,334	22%

Source: WSDP 2018/2019

According to the WSDP 2018/19, **50,882 or 28% of households** in the Zululand District Municipality have no access to water [RDP standard]. The highest backlog is Nongoma with 46%. Abaqulusi has a backlog of 24% with Ulundi and eDumbe at 21% respectively.

In terms of sanitation, **34,973 or 19% of households** have no access to sanitation. eDumbe carries the highest percentage with Nongoma [24%] and Abaqulusi and Ulundi at 22% respectively.

The Zululand District Municipality needs a **capital investment of R3, 719,319.453** to eradicate the water backlog.

A further investment of **R1, 064,460.000.00** to eradicate the sanitation backlog.

Table 6; Investment required to meet the 2035 District Growth Targets

Infrastructure	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
Housing	External funding dependant																						
Water																							
Sanitation																							
Roads	External funding dependant																						
Electricity																							
Refuse Removal (Short-term interventions)	External funding dependant																						

In order to achieve the 2035 district growth targets, the table above indicates the investment required.

1.6 MUNICIPAL INSTITUTIONAL PROFILE

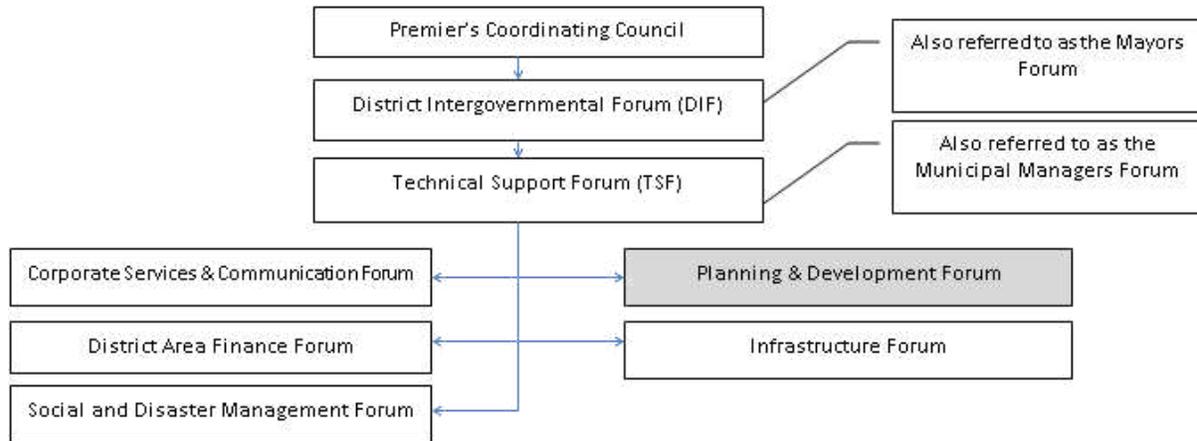
The Council of the Zululand District Municipality consists of 36 Councillors, 40% of which are proportionally elected and 60% elected to the district municipality from respective local municipalities. The Honourable Mayor is Councilor T. Buthelezi with Councilor M Kunene as Deputy Mayor. The Council is chaired by the Honourable Speaker, Cllr. S.E Nkwanyana.

The municipality consists of six (6) departments.

1.7 INTERGOVERNMENTAL RELATIONS

The law makes provision for the establishment of intergovernmental forums as well as implementation protocols whereby the participation of organs of state in different governments are realized to co-ordinate their activities or actions by entering into protocol agreements. The structure is as follows:

Figure 1; Intergovernmental Relations



1.8 KEY CHALLENGES

The Zululand District faces the following **the Key Challenges** we face?

1.8.1 Water&Sanitation

1.8.1.1 **28%** of households have no access to water. **19%** of households have no access to sanitation

1.8.1.2 A capital investment of **R3,8 billion is required to eradicate water backlog**. A capital investment of **R1,1 billion is required to eradicate the sanitation backlog**. At the current rate of funding **universal access may be realized by 2032**.

1.8.1.3 The biggest concentration of backlogs for water and sanitation services is located in the Ulundi and Nongoma and Abaqulusi Local Municipal

1.8.1.4 Sparsely populated settlements, topography and poor quality of ground water increasing the cost of service delivery.

1.8.1.5 Unsustainable and increasing demand on the existing water infrastructure network

1.8.1.6 More than **40%** of the population is indigent.

1.8.1.7 Consumers in the rural areas are content with the 6KL/PPPD free basic water provided daily and barely exceed this amount. Hence no revenue is collected in the rural areas

1.8.2 Disaster Management

1.8.2.1 Lack of disaster management centre

1.8.2.2 Lack of adequate personnel to perform the disaster function

1.8.2.3 Lack of adequate and properly equipped vehicles to respond to disasters

1.8.2.4 Lack of adequate funding for operational management of the disaster unit

1.8.2.5 Limited training of personnel due to budget constraints

1.8.3 District Airports

1.8.3.1 Airport will not be self sustainable in the near future

1.8.3.2 Existing infrastructure is world class but maintenance costs are high and deteriorating

1.8.3.3 Limited flights operating

1.8.3.4 No economic benefit to local and regional community

1.8.4 District Roads

- 1.8.4.1 Function is currently not being performed. Decision by National DoT on roads to be allocated to the district has not been taken
- 1.8.5 **70%** of the road surface network in Zululand has a **0 years** remaining life
- 1.8.6 A capital investment of **R223,740.100.00** is needed to for scheduled maintenance in Year 1
- 1.8.7 A capital investment of **R29,428.100.00** is needed to for periodic maintenance in Year 1
- 1.8.8 **15%** of households in the district have no access to electricity. Abaqulusi and Ulundi have the highest backlog

1.8.5 Social Development

- 1.8.5.1 **38%** of the population is between the age group **0-14 years [infants]**
- 1.8.5.2 **38%** of the population is between the age group **15-34 years [youth]**
- 1.8.5.3 **30%** of the population is between the age group **35-65+ years [adult]**
- 1.8.5.4 **47%** of households in ZDM are indigent (earn below R1,600)
- 1.8.5.6 **32%** of the population has a disability (see, hear, walk, communicate, remember, self care)
- 1.8.5.7 **42%** of the population lives in extreme poverty
- 1.8.5.8 **54%** of households are headed by females
- 1.8.5.9 **1.9%** of households are headed by children
- 1.8.5.10 **11%** of households earn **R0 income**
- 1.8.5.11 **11%** of the Zululand district population is employed
- 1.8.5.12 **16%** of the population forms part of the labour force in the Zululand district
- 1.8.5.13 Labour force participation rate is **32.9%**
- 1.8.5.14 **33%** of the working age population is employed or actively seeking work
- 1.8.5.15 Unemployment is **31.4%**. Provincial average is **26%**. Abaqulusi, oPhongolo, Nongoma and Ulundi have the highest unemployment rates.
- 1.8.5.16 Employment rate grew by 11,847 between 2006 and 2015. Population grew by 40,000 during the same period.

1.8.6 Economic Development

- 1.8.6.1 The district's economy is mostly dominated by government services, wholesale retail and trade which are generally non-tradable and poor manufacturing
- 1.8.6.2 Agricultural sector performance is in decline in terms of production, imports and exports
- 1.8.6.3 Out of 11 districts, Zululand is number 7 in terms of its contribution to the provincial GVA
- 1.8.6.4 GVA growth is in decline in the district

1.8.7 financial administration

- 1.8.7.1 The current ratio comparing the value of a municipality's short-term assets (cash, bank deposits, etc) to short-term liabilities (creditors, loans due and so on) is 0.8. Norm is 1.5-2

1.8.7.2 The liquidity ratio showing the level of cash the municipality has and / or the ability it has to turn other assets into cash to pay off liabilities and other current obligations is 0.39. Norm is more than 1

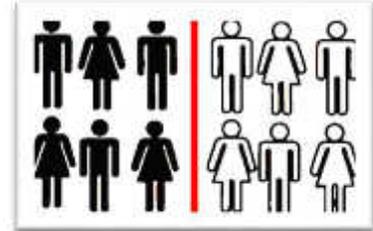
1.8.7.3 The percentage of new revenue collected stands at 60.87%. The norm is 95% or more.

1.8.7.4 Municipality is grant dependent [government transfers for capital and operating expenses]

1.8.8 Key Challenges Faced By Local Municipalities within ZDM

1.8.8.1 AbaQulusi LM

- Apartheid spatial planning footprints: The challenge of the IDP is that of two separate developments which were caused by historical planning or apartheid planning. This requires AbaQulusi to plan and provide time-balance for the provision of basic infrastructure services to rural areas and to maintain and upgrade existing services in urban areas with due regard to limited financial resources. This need to be part of a holistic approach to achieve social upliftment and a better quality of life for all the citizens of AbaQulusi. Specific projects need to integrate social, infrastructural and economic development.
- Declining economic sectors: The AbaQulusi area is facing the challenge of economic development after the close down of the mining sector, which was a major boost for the regional economy. This challenge left many ghost towns and hostels in the area, which also require infrastructure development and maintenance today. As a result, the municipality is required to pull all various resources which, too date have not yet been fully developed. The IDP challenge is to draw on those resources and through creative and visionary means implement measures that will result in the economic regeneration and upliftment of the population. Hence, the AbaQulusi Local Municipality need to create an enabling environment that will stimulate investment interest.
- Lack of skills and high rate of functional illiteracy: In terms of the sectoral departments and municipal own competencies there is a need to address skills training, adult education and increased access to job opportunities. This in turn means implementing the necessary educational programmes as well as encouraging local economic activity. From a sectoral point of view the extension of the primary sector and the development of a secondary sector in conjunction



with this need to be emphasised. Existing opportunities presented through the development of the Zululand Corridor should be embraced. Finally, the role of tourism and its growing contribution to the local economy should be explored and developed.

- Settlement pattern: Spatially the IDP must respond to the need for the development of hierarchy of settlements/nodes, which will rationalise the regional distribution of investment in basic infrastructure and community services. The development of a Rural Service Centres may go a long way in achieving a more equitable development and investment pattern and spatial integration. There is a need to formalise the rural settlements surrounding the urban areas through the implementation of Framework Plans or precinct plans and for consistency in policies, land use management and by-laws.

- Poor access to social facilities: Urban areas within the AbaQulusi Local Municipality are reasonably well developed with social facilities and services. However, the standards do need to be maintained and such facilities need to be expanded to reach the urban population due to high rate of urbanization and migration. The real challenge lies in creating similar standards of provision of facilities in the rural areas in order to achieve social upliftment and a general improvement of socio-economic conditions. Addressing this need becomes even more critical, however the creation of regional sport centres may go a long way to achieve the desired outcome if one consider the dimensions that social facilities need to be accessible and should be provided at convenient locations.



- Service backlog: One of the main elements of socio-economic wellbeing is the access to basic services. The status of the physical and economic development level of a community such as that of AbaQulusi is often measured based on the provision and quality of infrastructure for technical services, i.e. access to roads, electricity, water and sanitation. These are found to be a huge challenge for AbaQulusi Municipality whereas the Vryheid town suffers from maintaining of existing services while rural areas have no basic services at all. In addition, the AbaQulusi Local Municipality is challenged with the maintenance and development of basic road and storm water infrastructure to serve the local community, particularly in eMondlo and rural areas. This will be severely constrained by limited financial resources. Public transport plays an important role in the economy of AbaQulusi and deserves some attention in the planning efforts of the municipality.



- Land Claims: About 80% of the land within AbaQulusi Municipality belongs to White group. The national government had a target of 30% of the land must be transferred to Black communities by 2014. This makes AbaQulusi area to be considered under huge land claims by the Department of Land Affairs (DLA). This poses huge challenges to AbaQulusi Municipality due to lack of internal capacity, skills and adequate financial resources to deal with new infrastructure in the areas under land redistribution by Department of Land Affairs.

- HIV and AIDS: The number of individuals infected with HIV/AIDS continues to be major challenge for all spheres of government, and an attempt to stabilize the pandemic, is reflected in terms of budget allocations and programmes for implementation by the Department of health. The survey done at District level by the DOH in 2005 for pregnant women reflected 37.8% of infected persons in the Zululand District Municipality. The figures are very sensitive considering that AbaQulusi has a highest population in the whole district. The AbaQulusi municipality has participated in the development of a District HIV/AIDS Sector plan, and has developed HIV/AIDS Strategies through the establishment of an HIV/AIDS Council chaired by the District Mayor.

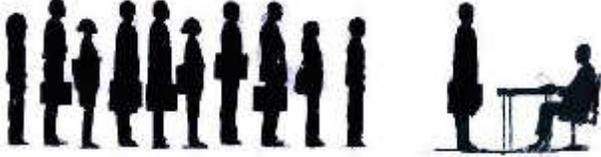


1.8.8.2 EDumbe

- A large rural population that depends on the nearby urban area of Paulpietersburg for commercial and public services (e.g. health, social welfare, police services etc.) places pressure on the primary node because of the lack of social and economic services within the rural areas.
- Most of the rural settlements are small thus making service delivery costly, this effect is compounded by the aspect that only 35% of the municipality's population lives in an urban area while 65% lives in the rural hinterland of the municipality. The spatial development pattern of the municipality will have to be addressed.
- 53% of the population of the municipality are women. Women are assumed to be acting as household heads in the absence of partners seeking employment in other urban centres. It is also accepted that these women are more disadvantaged in terms of resources. Strategies need to be developed in order to create security for women and their dependent children.
- Close to half of the population are children, placing pressure on the need for educational and social facilities. Many of these children will be orphaned as a result of HIV/AIDS. At least 17% of the population is already infected with HIV. The severe impact on the need for health, social and welfare services over the next 20 years will have to be accommodated in the Municipalities strategy for service delivery.
- Income levels in EDumbe tend to be quite low with 69% of the population earning less than R800 a month. The traditional and rural areas are the most poverty stricken.
- The majority of the population relies on public transport facilities. This is primarily taxi based. The quality and efficiency of the public transport sector still needs attention.
- Although a large portion of the population has access to household electricity the low income levels in the municipality puts a severe restriction on the number of people actually using electricity as a primary means of energy. Electricity provision at schools and health facilities are especially critical. In the wake of the looming energy crises faced by this country it is vital that the Municipality adopts policy embracing the use of alternative energy sources for new residential and commercial development.



1.8.8.4 UPhongolo LM

- A large rural population that depends on the nearby urban areas such as the Pongola town for Commercial and public services (e.g. health, home affairs, etc.) places pressure on the primary node because of the lack of services and facilities within the rural areas. Service delivery in the rural areas will need to be attended to.
- The uPhongolo population is characterised by significantly more women than men. 47% households are headed by women in the absence of partners seeking employment in other urban centres. It is accepted that these women are more disadvantaged in terms of resources. Strategies need to be developed in order to create security for women and their dependent children.
- Close to half of the population are children, placing pressure on the need for educational and social facilities. Many of these children will be orphaned as a result of HIV/AIDS. At least 11.7% of the population is already infected with HIV. The severe impact on the need for health, social and welfare services over the next 20 years will have to be accommodated in the Municipalities strategy for service delivery. 
- Income levels are low with 66% of households receiving no income or less than R2 400 per month. The traditional and rural areas are the most poverty stricken.
- Unemployment levels are relatively high and with only 13.43% of the population being formally employed. Dependency levels are also high with every employed person having to support 6.5 persons of which 3 are over 15 years of age. The farming sector employs a significant number of people, indicating the importance of the agricultural sector in the economy of the area. The local economic development strategy needs to build on this strength. 
- The majority of the population relies on public transport facilities. This is primarily taxi based. The quality and efficiency of the public transport sector needs attention.
- Most of the urban communities have access to clean water with severe shortcomings in this respect as far as rural communities are concerned and have access to less than 5 litres of water per day. People rely on natural resources for water and are considered to live at survival levels. 
- The larger urban areas have sanitation systems, but the rural areas rely on septic tanks, pit latrines or no system at all. This places tremendous strain on the environment.
- The population in the urban areas has access to household electricity, but few or the rural settlements have this service. Electricity provision at schools and health facilities are especially critical. In the wake of the looming energy crises faced by this country it is vital that the Municipality adopts policy embracing the use of alternative energy sources for new residential and commercial development.

1.9 MUNICIPAL VISION

What is our long term Vision?

‘We are the Zululand region and proud of our heritage. We are mindful of the needs of the poor and we seek to reflect the aspirations of our communities. We are committed to responsible and accountable actions, tolerance and concern for racial harmony, the protection of our environment, and the strengthening of the role of women and youth. We will strive to improve the quality of life

in Zululand by providing sustainable infrastructure, promoting economic development and building capacity within our communities.'

'WE SERVE THE PEOPLE'

1.10 ZULULAND STRATEGIC PLAN

The basis for strategic planning, in the District, 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

Table 7; Alignment of ZDM IDP to PGDS

No.	PGDS Strategic Goal	Application thereof at ZDM DM Level through appropriate Strategies
1	Job Creation	<ul style="list-style-type: none"> • Applying labour intensive methods in all project implementation • Investigate the feasibility of Fresh Produce Markets and Abattoirs

No.	PGDS Strategic Goal	Application thereof at ZDM DM Level through appropriate Strategies
		<ul style="list-style-type: none"> • promote tourism in the District • To improve the economy of the district, through the creation of job opportunities and additional economic activities
2	Human Resource Development	<ul style="list-style-type: none"> • To develop capacity in the organisation for effective service delivery
3	Human and Community Development	<ul style="list-style-type: none"> • To develop and empower Youth, Gender and people living with Disability – through sports and cultural events • The social upliftment of the communities in ZDM
4	Strategic Infrastructure	<ul style="list-style-type: none"> • To progressively provide a cost effective, reliable water services at a good quality to all potential consumers in the district • To viably operate & maintain a Regional Airport that contributes to the growth & development of the district • To facilitate the provision of a well-developed district road network
5	Responses to Climate Change	<ul style="list-style-type: none"> • To Plan, co-ordinate and regulate Fire Fighting Services in the district • To deal with Disasters efficiently & effectively in the district
6	Governance and Policy	<ul style="list-style-type: none"> • To promote good governance, accountability & transparency
7	Spatial Equity	<ul style="list-style-type: none"> • Applying projects to overturn the spatial structures of the past • Implemented Revised SDF • Prepare and implement District Housing Sector Plan

Another bases for the District's strategic plan is the Back to Basics programme – which seeks to address the local government challenges raised in the State of Local Government Report of 2009. The strategic plan of the Zululand District Municipality has been aligned with the Back to Basics Programme as follows:

1. Good Governance
2. Public Participation: Putting People First

3. Basic Services: Creating Conditions For Decent Living

1.10.1 Good Governance

Table 8; Alignment of ZDM to the Back to Basics Programme (Good Governance)

Indicator	Application @ District Level	District Performance
<ul style="list-style-type: none"> Municipalities will ensure transparency, accountability and regular engagements with communities. 	To promote good governance, accountability & transparency	A communication plan is in place and regular consultation between counselors and the community is monitored according to the plan. Furthermore hotspot areas are minimized through accelerated service delivery within council priority programmes.
<ul style="list-style-type: none"> All municipal council structures must be functional and meet regularly. 	To promote good governance, accountability & transparency To manage risk to the Municipality effectively and efficiently	An annual municipal plan was approved by council in January and includes all the municipal council structures and their scheduled dates.
<ul style="list-style-type: none"> Council Meetings to sit at least quarterly. 	To promote good governance, accountability & transparency	Performance of Council meets at least quarterly otherwise as required.
<ul style="list-style-type: none"> All Council Committees sitting and processing items for council decisions. 	To promote good governance, accountability & transparency To manage risk to the Municipality effectively and efficiently	Minutes are recorded and audited quarterly.
<ul style="list-style-type: none"> Clear delineation of roles and responsibilities between key leadership structures. 	To promote good governance, accountability & transparency	Delegation of powers are reviewed and approved by council annually.
<ul style="list-style-type: none"> Functional oversight committees must be in place, e.g. Audit Committee and MPAC's. 	To manage risk to the Municipality effectively and efficiently	Oversight committee, audit committee and MPAC sit at least quarterly in a financial year and minuted records are kept.

1.10.2 Public Participation: Putting People First

Table 9; Alignment of ZDM IDP to the Back to Basics Programme (PUBLIC PARTICIPATION: PUTTING PEOPLE FIRST)

Indicator	Application @ District Level	District Performance
<ul style="list-style-type: none"> Implement community engagement plans targeting hotspots and potential hotspots areas. 	To promote good governance, accountability & transparency	A communication plan is in place and regular consultation between counsellors and the community is monitored according to the plan. Furthermore hotspot areas are minimized through accelerated service delivery within council priority programmes. The customer care system is also utilized to effect to identify area specific trends and respond to those areas politically and administratively.
<ul style="list-style-type: none"> Municipalities to implement responsive and accountable processes to communities. 	To promote good governance, accountability & transparency	Communities are engaged through IDP roadshows and other community engagements at least quarterly
<ul style="list-style-type: none"> Ward committees must be functional and Councillors must meet and report back to their constituencies quarterly. 	NA	NA
<ul style="list-style-type: none"> Utilise the CDWs, Ward Committees and Ward Councillors to communicate projects earmarked for implementation. 	NA	Communities are engaged through IDP roadshows and other community engagements at least quarterly
<ul style="list-style-type: none"> Municipalities must communicate their plans to deal with backlogs. 	To promote good governance, accountability & transparency	The IDP through its sector plans comprehensively quantifies backlogs and costs to eradicate backlogs where applicable.
<ul style="list-style-type: none"> Municipalities to monitor and act on complaints, petitions and other feedback. 	To promote good governance, accountability & transparency	The customer care system is utilized to effect to identify area specific trends and respond to those areas politically and administratively.

1.10.3 Basic Services: Creating Conditions for Decent Living

Table 10; Alignment of ZDM IDP to the Back to Basics Programme (BASICS SERVICES: CREATING CONDITIONS FOR LIVING)

Indicator	District Performance in 2013/2014	District Performance
<ul style="list-style-type: none"> Implement community engagement plans targeting hotspots and potential hotspots areas. 	To promote good governance, accountability & transparency	A communication plan is in place and regular consultation between counsellors and the community is monitored according to the plan. Furthermore hotspot areas are minimized through accelerated service delivery within council priority programmes. The customer care system is also utilized to effect to identify area specific trends and respond to those areas politically and administratively.
<ul style="list-style-type: none"> Municipalities to implement responsive and accountable processes to communities. 	To promote good governance, accountability & transparency	Communities are engaged through IDP roadshows and other community engagements at least quarterly
<ul style="list-style-type: none"> Ward committees must be functional and Councillors must meet and report back to their constituencies quarterly. 	NA	NA
<ul style="list-style-type: none"> Utilise the CDWs, Ward Committees and Ward Councillors to communicate projects earmarked for implementation. 	NA	NA
<ul style="list-style-type: none"> Municipalities must communicate their plans to deal with backlogs. 	To promote good governance, accountability & transparency	The IDP through its sector plans comprehensively quantifies backlogs and costs to eradicate backlogs where applicable.
<ul style="list-style-type: none"> Municipalities to monitor and act on complaints, petitions and other feedback. 		

ZDM will strive to ensure that the following key issues in local government influence future strategic plans of the municipality.

- Municipalities must deliver the basic services (Basic electricity, basic water, sanitation, waste removal etc.).
- In addition to the above, municipalities must ensure that services such as cutting grass, patching potholes, working robots and streetlights and consistent refuse removal are provided.
- Council to ensure proper maintenance and immediate addressing of outages or maintenance issues.
- Municipalities must provide basic services and maintenance.
- Municipalities must improve mechanisms to deliver new infrastructure at a faster pace whilst adhering to the relevant standards.
- Focus must be placed on the operations and maintenance of existing infrastructure to ensure continuity of service provision.
- Increase of CWP sites targeting the unemployed youth in informal settlements to render day to day services such as, cutting grass, patching potholes, cleaning cemeteries, etc.
- Extend reach of basic services to communities living in informal settlements by providing temporary services such as: (i) potable water, (ii) temporary sanitation facilities, (iii) grading of gravel roads and (iv) refuse removal.
- Improve policing and installation of high mast lighting.
- Cities to announce plans for township establishment where they exist.

Sound financial management

- All municipalities must have a functional financial management system which includes rigorous internal controls.
- Cut wasteful expenditure.
- SCM structures and controls with appropriate oversight.
- Cash-backed budgets.
- Post Audit Action Plans are addressed.
- Act decisively against fraud and corruption.
- Supply Chain Management structures in place and functional according to regulations.
- Conduct campaigns on 'culture of payment for services' led by councillors.
- Conduct campaigns against 'illegal connections, cable theft, manhole covers' etc.

Building Capable Institutions and Administrations

- All municipalities enforce competency standards for managers and appoint persons with the requisite skills, expertise and qualifications.
- All staff to sign performance agreements.
- Implement and manage performance management systems.
- Municipal management to conduct regular engagements with labour.

1.11 SUMMARY OF MUNICIPAL STRATEGIES 2018 – 2012

The following is a summary of the strategic plan developed by Council for implementation until 2022. It will be subject to annual review.

INFRASTRUCTURE & SERVICES	
Focus Area	Goal
Water and Sanitation	To progressively provide a cost effective, reliable water and sanitation services at a good quality to all potential consumers in the district
Municipal Airports	Efficient operations of the district airport
	Effective financial administration of the district airport
	Ensuring sustainability of the district airport
	Reaping benefits of the district airport
Municipal District Roads&Public Transport	To provide reliable road condition information and co-ordinate provision of a well maintained district road network&Public Transport System
Regulation of Passenger transport services	To clarify the DM's role in the Regulation of Passenger Transport Services
Fire Fighting	To Plan, co-ordinate and regulate Fire Fighting Services in the district
Disaster Management	To maintain a well established, co-ordinated and efficient disaster management service
Solid Waste	To ensure effective co-ordination of regional solid waste management
Municipal Health Services	To deliver an effective environmental municipal health service
Regional Fresh Produce Markets & Abattoirs	To establish co-ordinated and efficient regional fresh produce infrastructure where feasible
District Cemeteries	To establish co-ordinated and efficient regional burial infrastructure where feasible

ECONOMIC , AGRICULTURE & TOURISM	
Focus Area	Goal
Economic Development	To transform the environment in which future Economic Development will be achieved
Tourism	To Build the Economy
	Built places & Infrastructure
	Tourism Development
	Tourism Marketing

SOCIAL DEVELOPMENT	
Focus Area	Goal
HIV/AIDS	To actively contribute towards reduction of the impact of HIV on the community

Youth, Gender & Windows	To prioritise & support development and empowerment of youth, gender & widows
Orphans, Elderly & disabled	To support establishment of support services to orphans & elderly
Early childhood development	To support development of education infrastructure at lower grades
Arts & Culture	To support the preservation and promotion of local indigenous skills and heritage
Community Development & Support	To support communities suffering from abject poverty
Sports & recreation	To promote social cohesion through sporting events within the district across all age groups

INSTITUTIONAL DEVELOPMENT & TREASURY	
Focus Area	Goal
Informations & Communications Technology	To use ICT as a catalyst for development of employee skills
	To utilise effective systems as a tool to support service delivery mechanisms
Municipal Buildings & assets	To ensure ample office space for staff and record keeping
	To manage municipal buildings and assets and equipment effectively
Employment Equity	To establish an efficient and productive administration
Organisational Structuring & Development	To establish an efficient and productive administration
Supply Chain Management	To establish an efficient and productive administration
Fleet Management	To establish an efficient and productive administration
Organisational labour relations	To establish an efficient and productive administration

FINANCIAL VIABILITY	
Focus Area	Goal
Financial Management	To build municipal viability to become financially sound
Budgeting & Compliance	To promote good financial practices

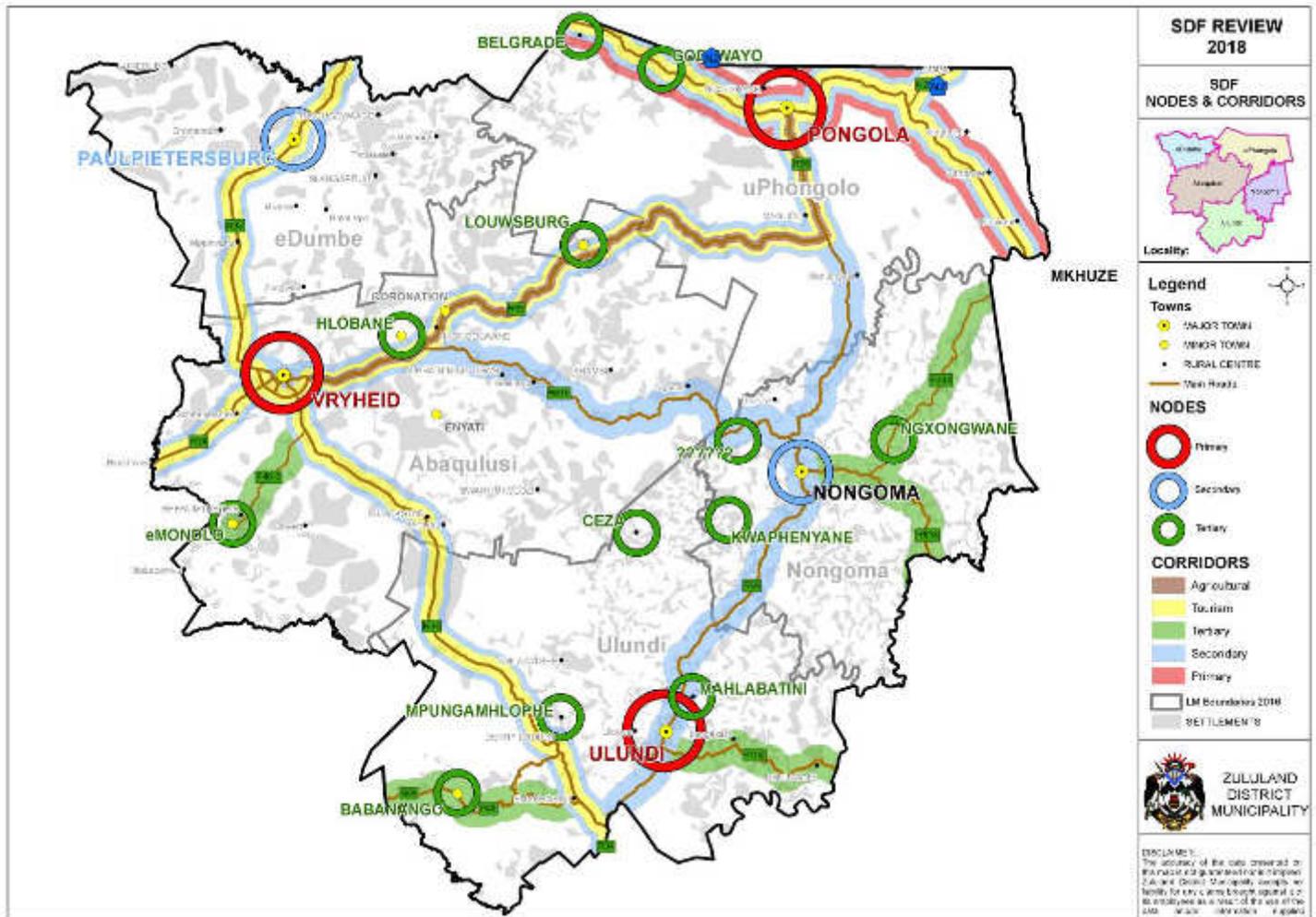
DEMOCRACY & GOVERNANCE	
Focus Area	Goal
Clean & Sound Administration	To ensure effective administrative practices
Public Participation & Communication	To promote good governance, accountability & transparency
Communication	To promote good governance, accountability & transparency
Organisational Performance Management Systems	To promote good governance, accountability & transparency
Audit Management	To promote good governance, accountability & transparency
Risk Management	To manage risk to the Municipality effectively and efficiently

Integrated and coordinated development

To continuously promote integrated & co-ordinated planning and development within the District

The spatial manifestation of the strategies above is reflected in the spatial development framework

Map 2; ZDM Spatial Development Framework



1.12 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:

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

The Zululand District 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 Zululand District Municipality Performance framework has the following steps:

Table 11; Steps in preparing the ZDM 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 ZDM 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
	Document meeting comments and representations and include in Performance sheet	Planning; Depts

RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
	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 developed 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

RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
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
	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

2. DEVELOPMENT OF A FRAMEWORK FOR THE PMS		
RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
	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
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 of the Key Performance Indicators	Confirmation that the PMS prescribes an annual performance review process for the review of KPIs	Planning; 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;

4. PROCESS FOR SETTING PERFORMANCE TARGETS		
RESPONSIBILITY	KEY ACTIONS	PARTY/IES RESP. FOR ACTIONING
targets		Depts
	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/IESR ESP. 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 ongoing 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	Proof that the Audit Committee performs continuous audits assessing : 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	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

1.13 HOW WAS THIS PLAN (IDP) DEVELOPED

The following processes were followed as part of preparing the Integrated Development Plan for the District:

Phase/Activity	Completion Timeframe
Situational Analysis	30 Sept 2017
Development Strategies	30 Nov 2017
Projects	15 Dec 2017
Integration	15 Dec 2017
Draft Approval	28 Feb 2018
Final Approval	30 May 2018

Source: Process Plan 2018/19

The Situational Analysis was conducted to identify key issues and challenges of development within the district in line with our powers and functions.

1.13.1 Consultation with stakeholders

In order to ensure alignment with local municipality IDPs and other government stakeholders, the Planning and Development Technical Forum met as follows:

1.13.2 Consultation with the community

The IDP roadshows designed to establish awareness and communication with the community on the budget, IDP, disaster and LED programmes met as follows:

Date	Municipality
02-May-18	oPhongolo
04-May-18	Abaqulusi
09-May-18	eDumbe
11-May-18	Ulundi
26-May-18	Nongoma

Source: IDP Process Plan 2018/19

The draft Integrated Development Plan was also advertised in newspapers, websites and display boards so as to enable the public to make comments during April 2018.

CHAPTER 2: LEGISLATIVE AND POLICY FRAMEWORK

2.1 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

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:

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

2.3 THE MUNICIPAL SYSTEMS ACT

The preparation of Integrated Development Plan (IDP) is a legislative requirement as entailed in terms of Section 25 of the Municipal Systems Act (MSA) Act (No 32) of 2000. An IDP is one of the key tools for Local Government to cope with its new developmental mandate. Furthermore it seeks to facilitate strategic decisions on issues of Municipal budgets, Land Use Management, Local Economic Development and Institutional transformation in a consultative and systematic manner. The Municipal Systems Act which provides a framework for the preparation of IDP's recommends that once in place, each IDP must be reviewed annually to re-assess and re-evaluate Municipal's development priorities and challenges and to accommodate new developments in local government processes.

Section 25 (1) of the Municipal Systems Act (32 of 2000) requires each Council, within a prescribed period after the start of its elected term in office, to prepare and adopt a single and all-inclusive strategic plan for the development of the municipality which:

- Integrates, links and coordinates plans and takes into account proposals for the municipality's development;
- Aligns both resources and capacity within the municipality with the implementation plan;
- Forms the general basis and framework upon which the annual budget is based; and
- Ensures compatibility with both national and provincial development plans as well as planning requirements binding on the municipality in terms of legislation.

The municipality is guided by a number of pieces of legislation and policies when formulating its IDP. The following section summarises these important pieces of legislation.

2.4 THE MUNICIPAL FINANCE MANAGEMENT ACT

Section 21 of the MFMA stipulates that the mayor of a municipality must:

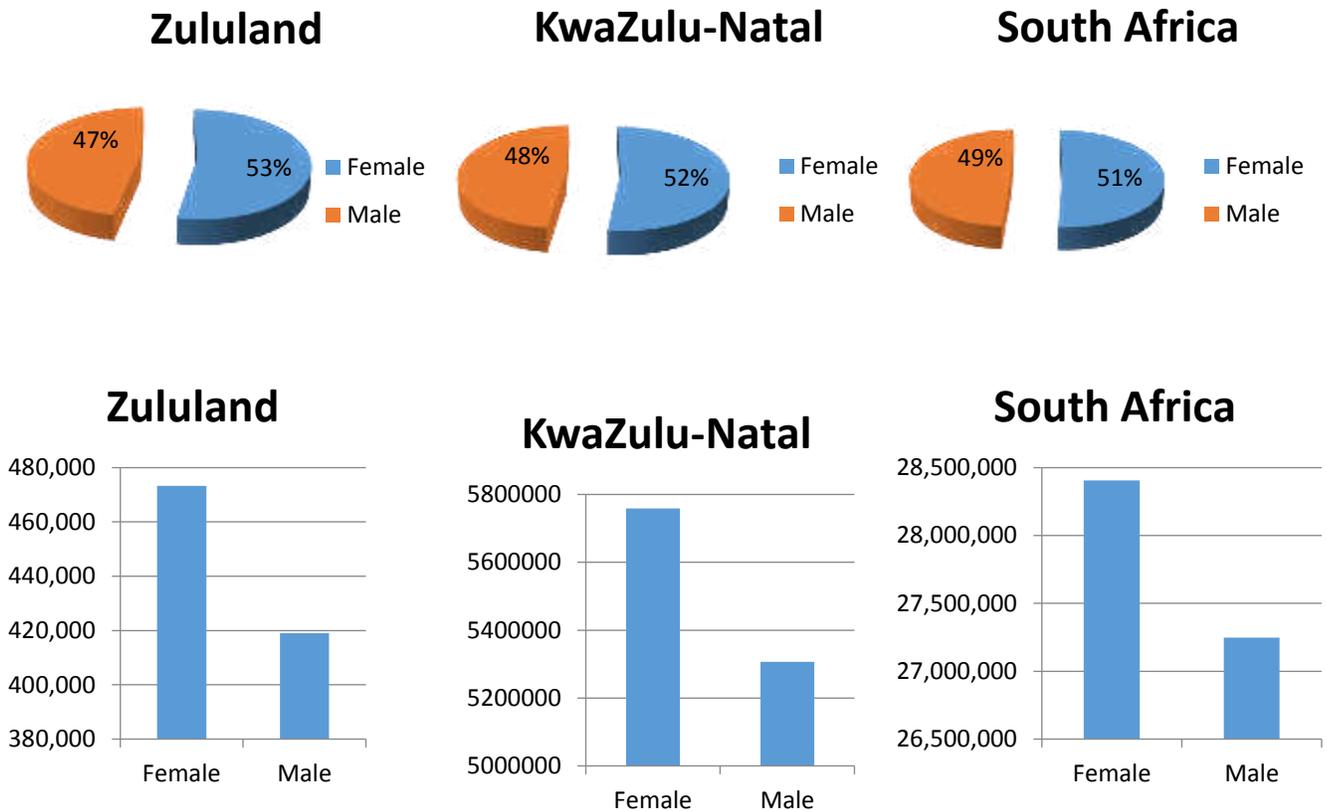
- Coordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget – related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget related policies are mutually consistent and credible.
- At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for –
 - (i) The preparation, tabling and approval of the annual budget;
 - (ii) The annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act; and the budget related policies;
 - (iii) The tabling and adoption of any amendments to the integrated development plan and budget related policies; and
 - (iv) Any consultative processes forming part of the processes referred to in subparagraph (i), (ii) and (iii).

CHAPTER 3: SITUATIONAL ANALYSIS

3.1 DEMOGRAPHIC CHARACTERISTICS

3.1.1 Population by Gender

Figure 2; Population by Gender

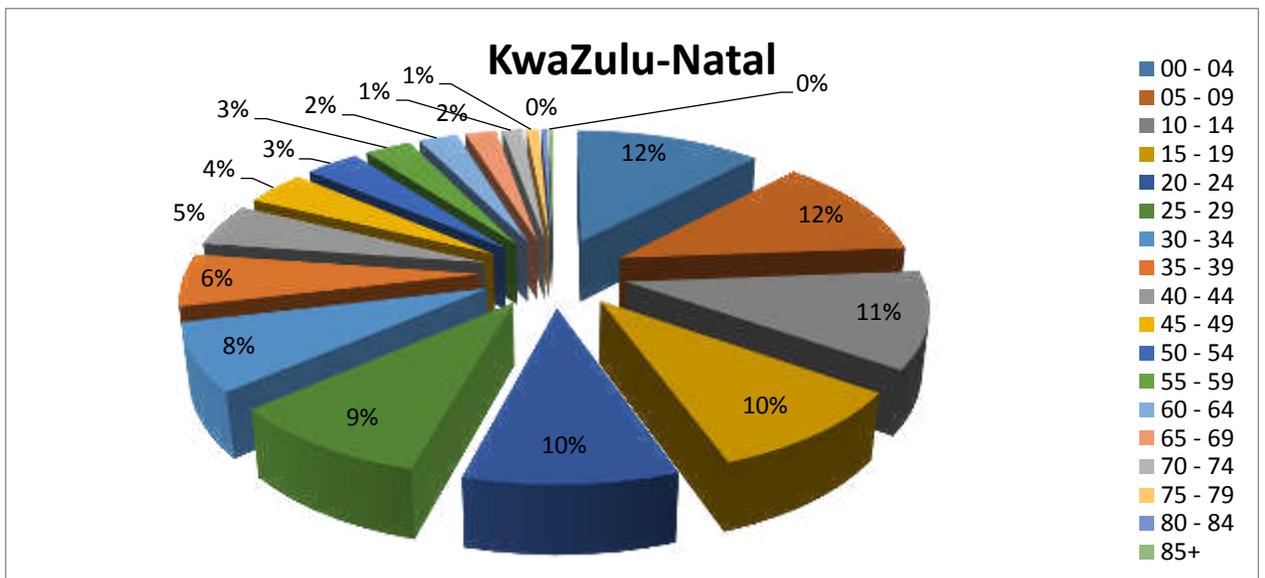
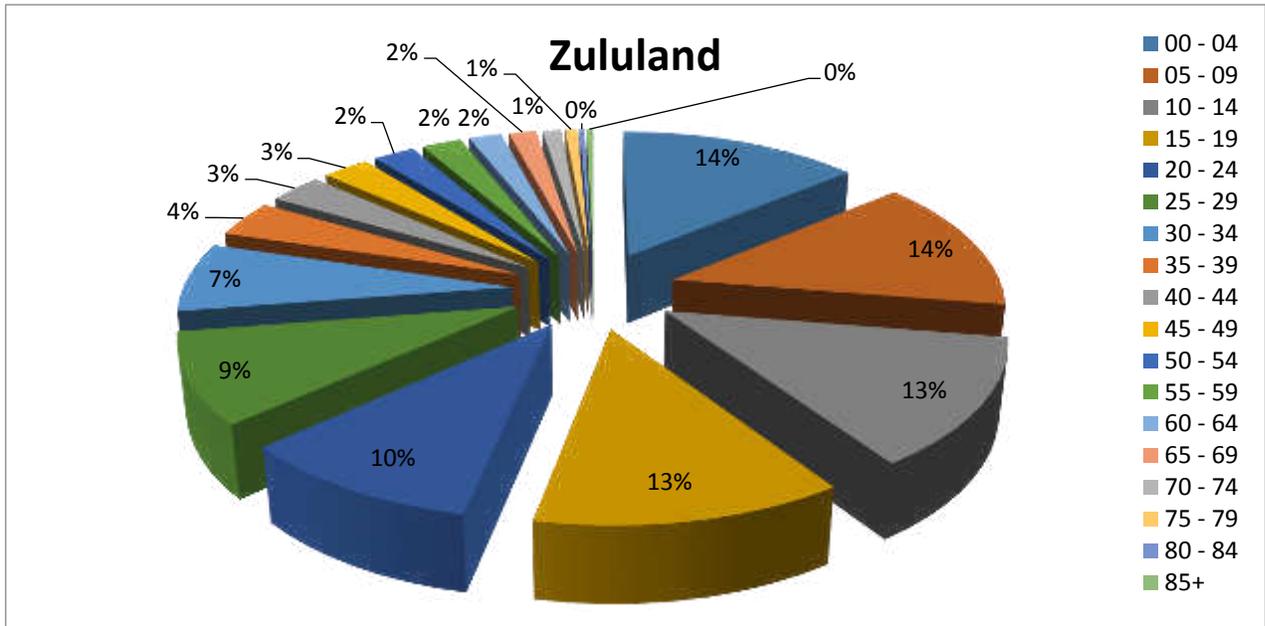


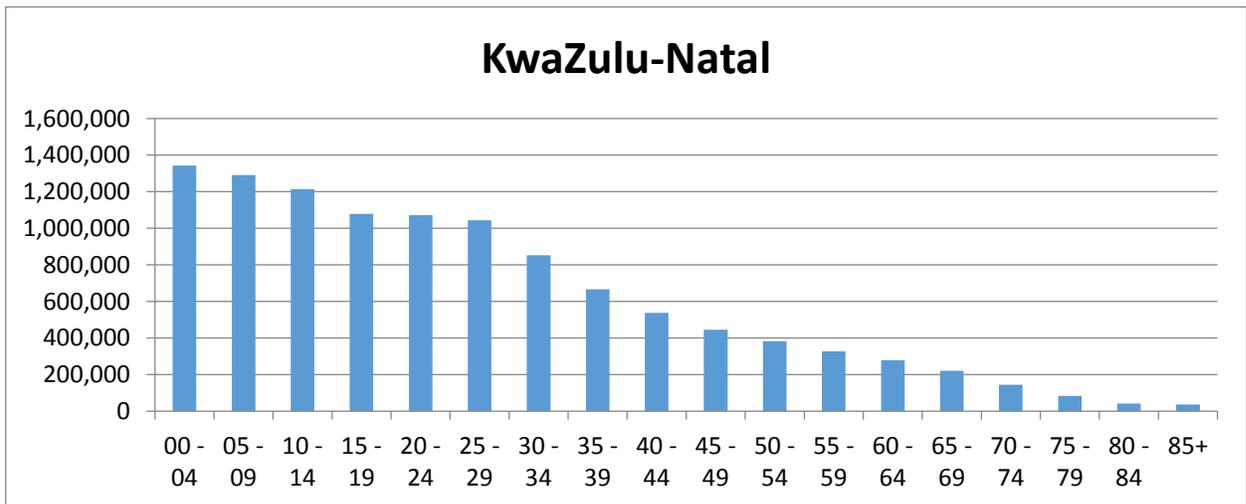
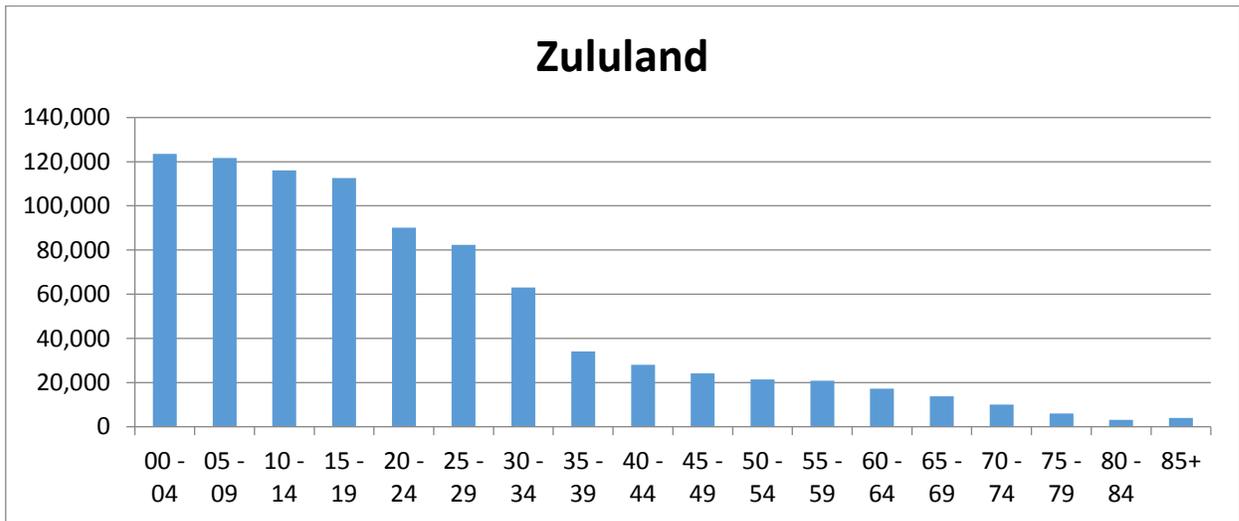
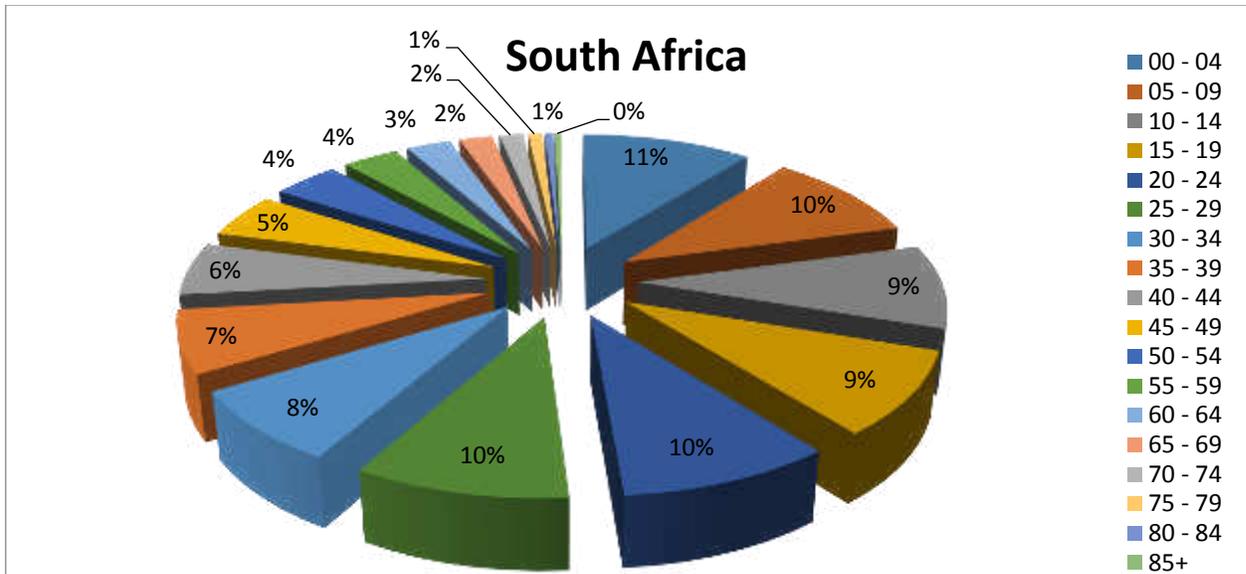
Source: StatsSA (Community Survey 2016)

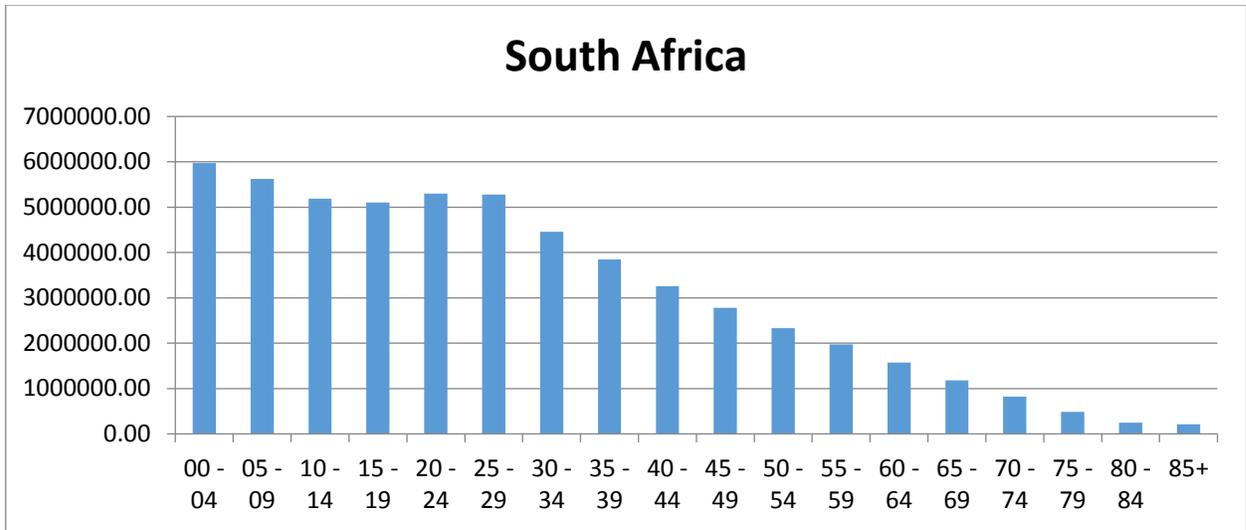
The District has a slightly higher proportion of female citizens than the male proportion, when compared to the province and the national statistics. The province of KwaZulu-Natal has a marginally higher proportion of females to males, than the national ratio.

3.1.2 Population by Age

Figure 3; Population by Age





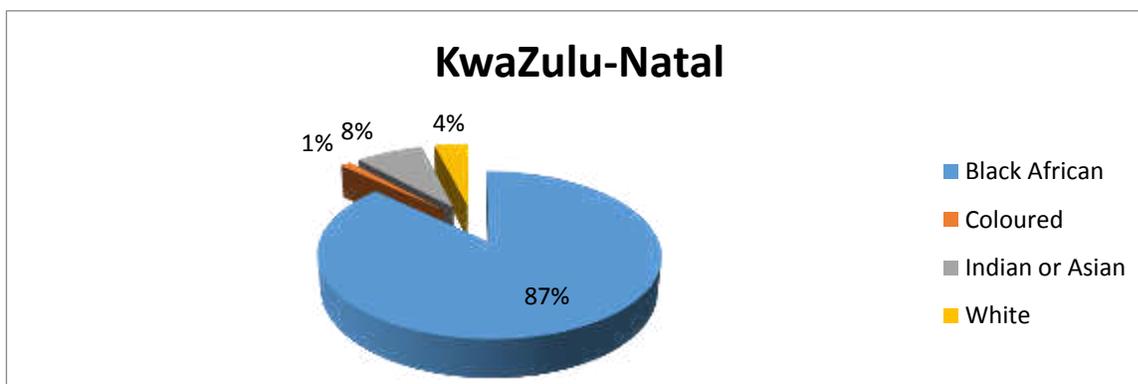


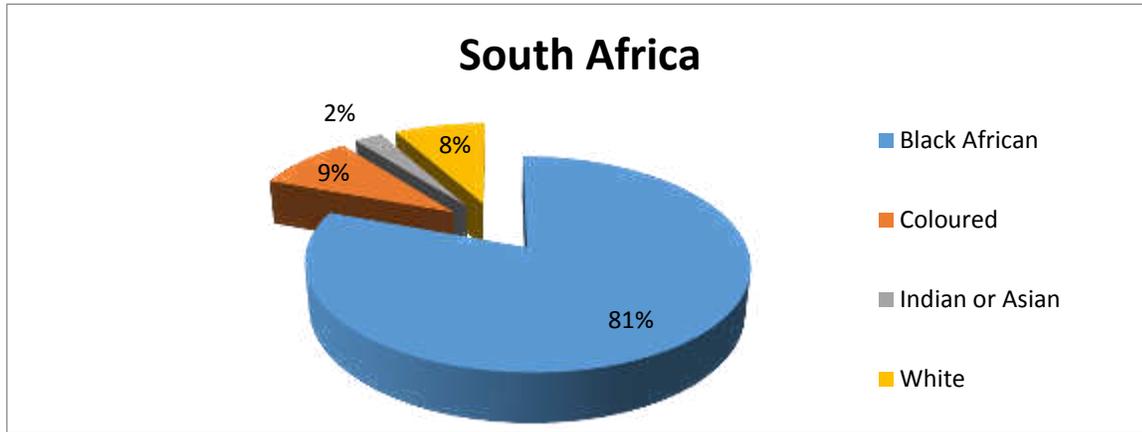
Source: StatsSA (Community Survey 2016)

The age distribution in the District is larger for children 0-9 years at 28% and it is 26% for people 10-19 years. This suggests that the majority of the District’s population is still in school. In total, there is 54% of the District population, 45% of the KZN province and 39% of the national population in the age group 0-19 years.

3.1.3 Population by Race

Figure 4; Population by Race





Source: StatsSA (Community Survey 2016)

Zululand has a much lower proportion of white, coloured and Indian/Asian citizens. This is a much more homogenous area. This emphasises again the largely rural and Zulu-nature of the municipality.

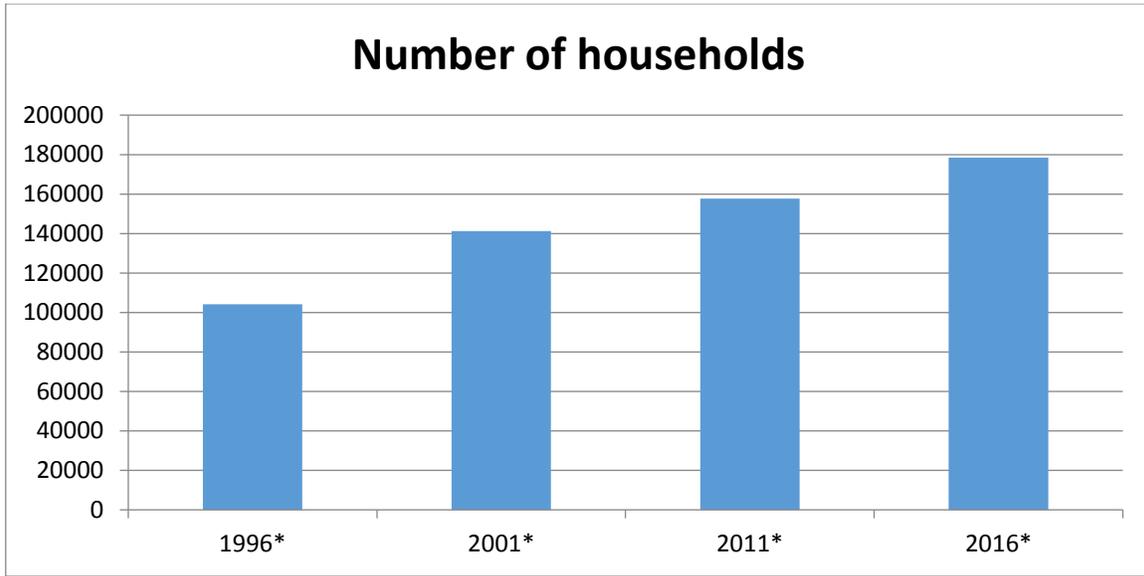
3.1.4 Population by Household

Table 12; Population by Household

Zululand	1996	2001	2011	2016
Total population	691,055	760,464	803,575	892310
Number of households	104,110	141,192	157,749	178516
Average household size	6.6	5.4	5.1	5.0

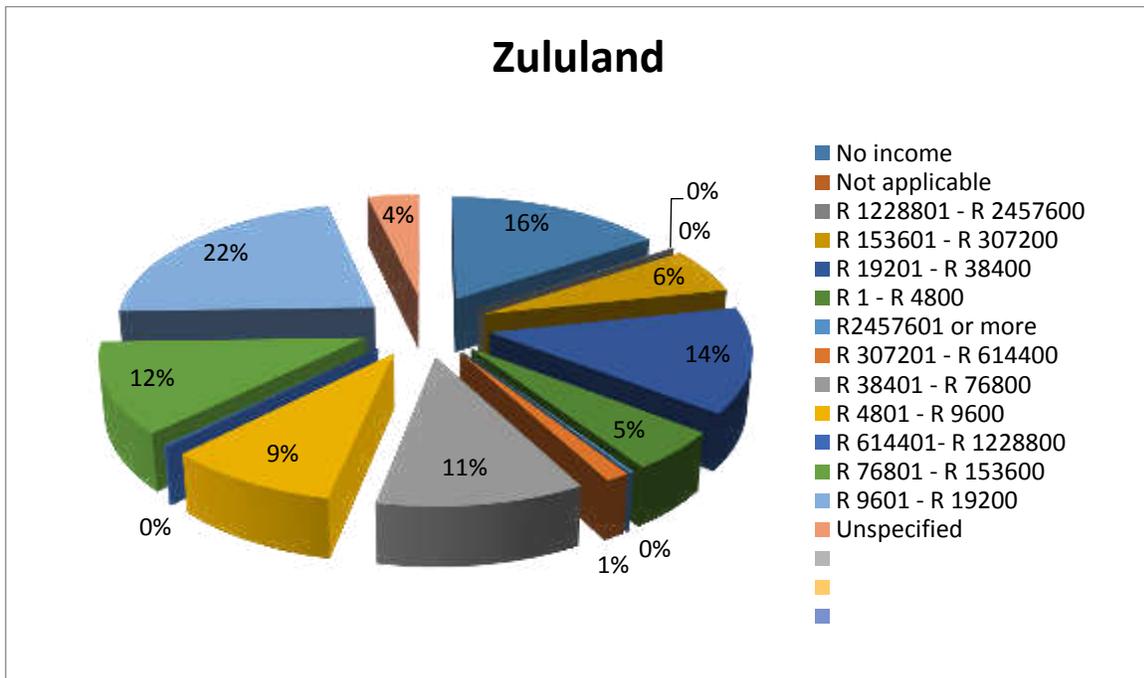
Source: StatsSA (Community Survey 2016)

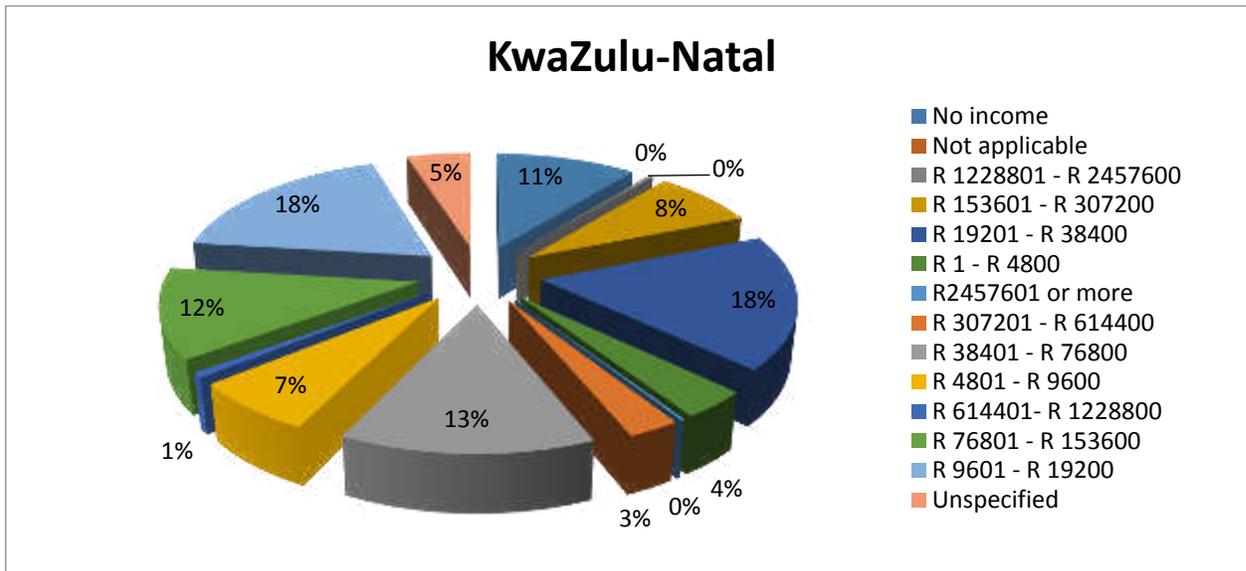
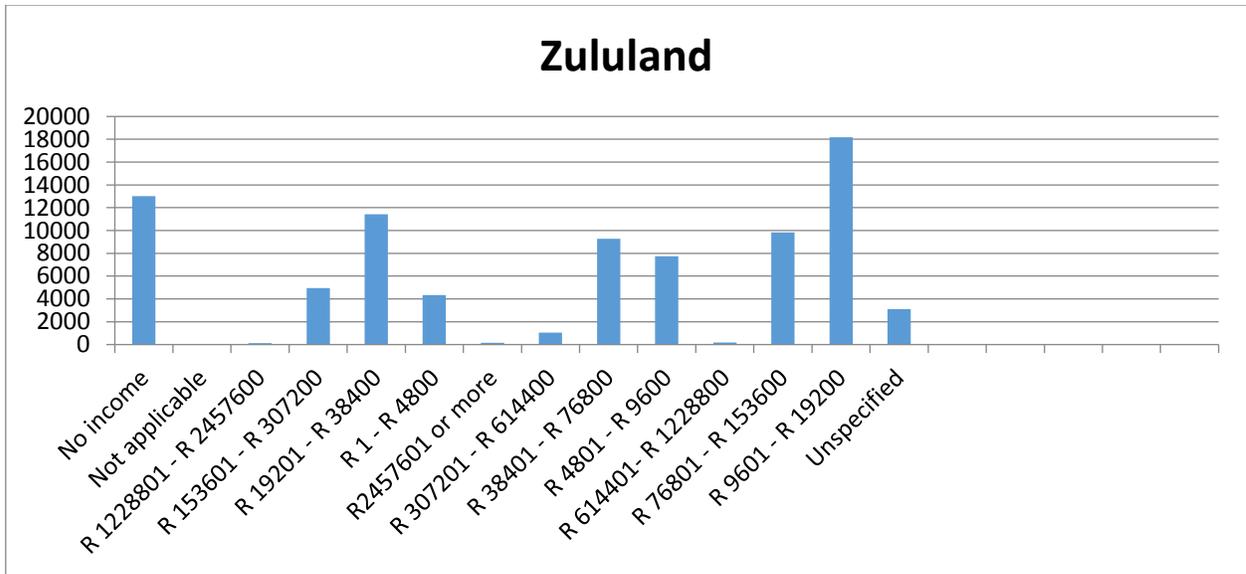
Figure 5; Population by Household

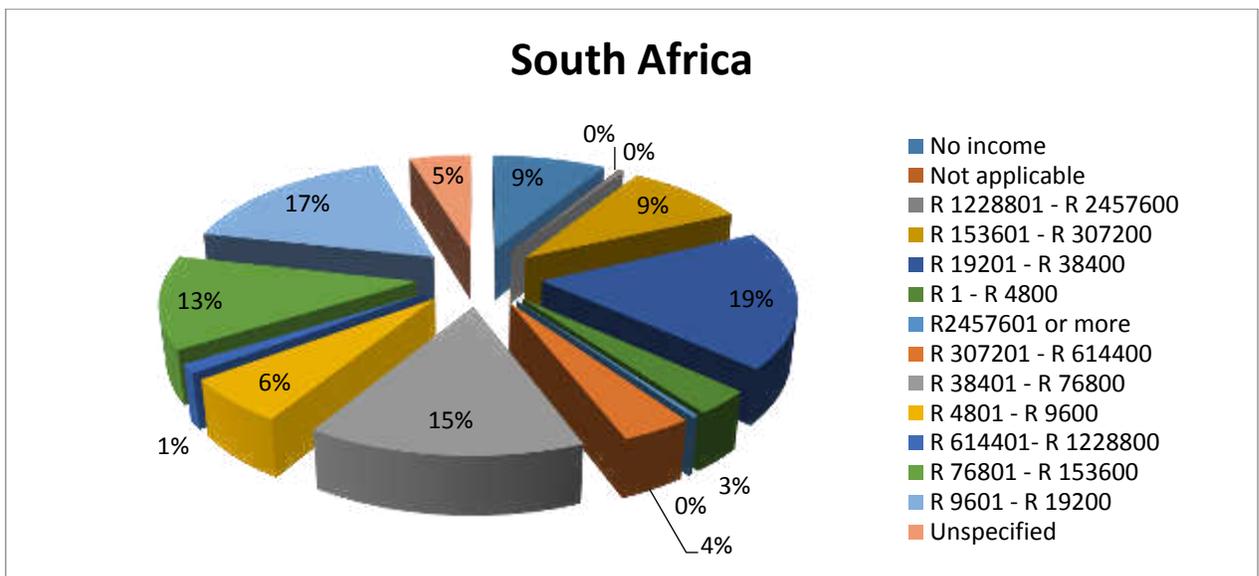
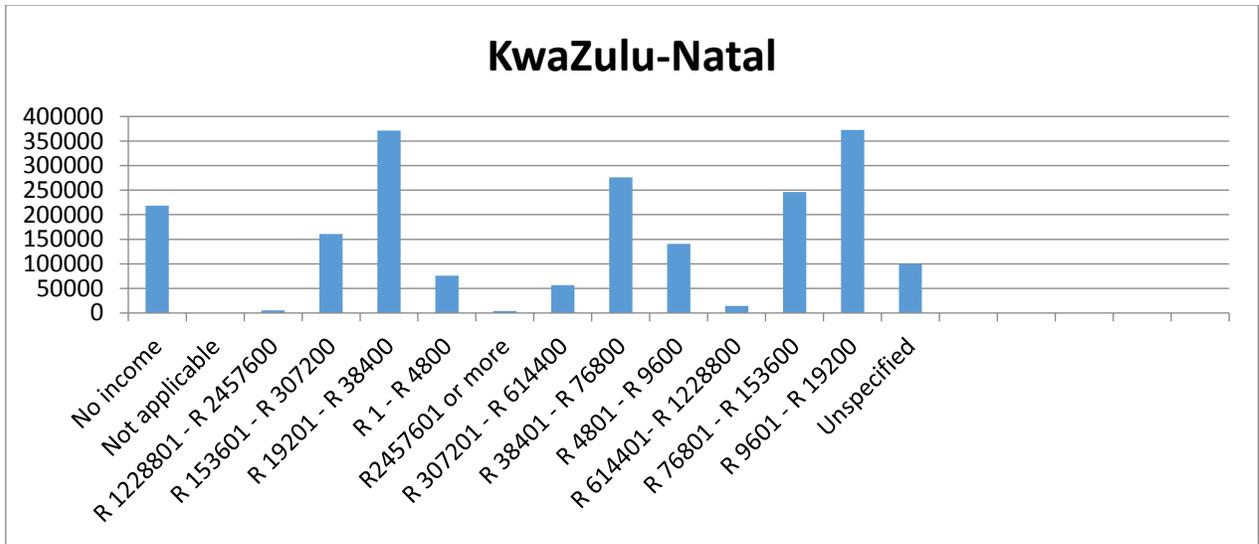


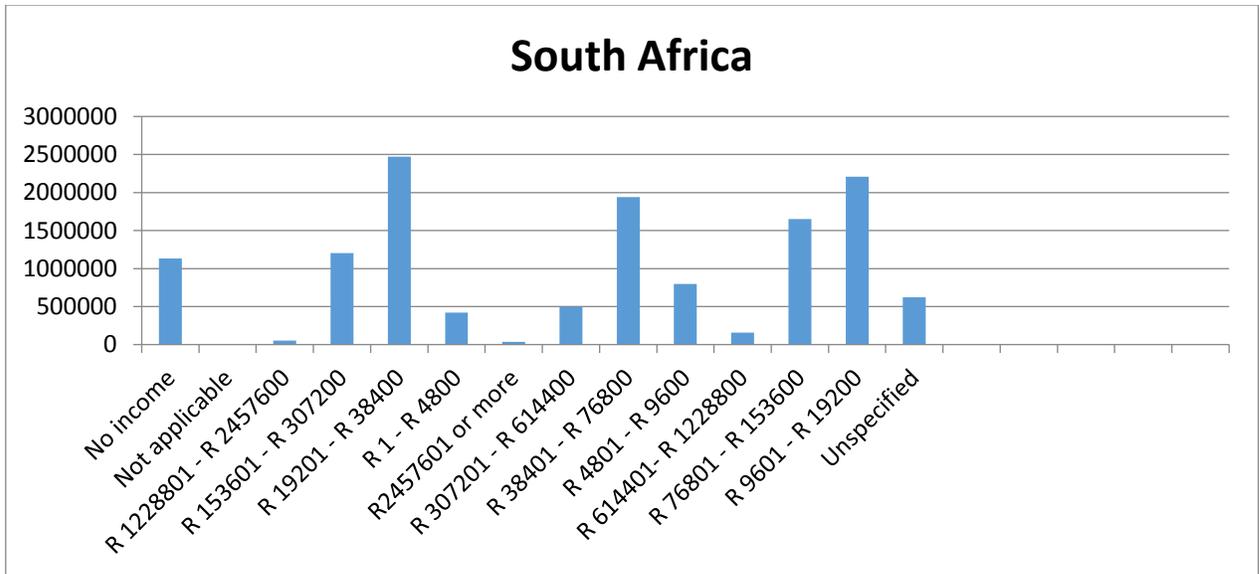
3.1.5 Poverty

Figure 6; Poverty Levels







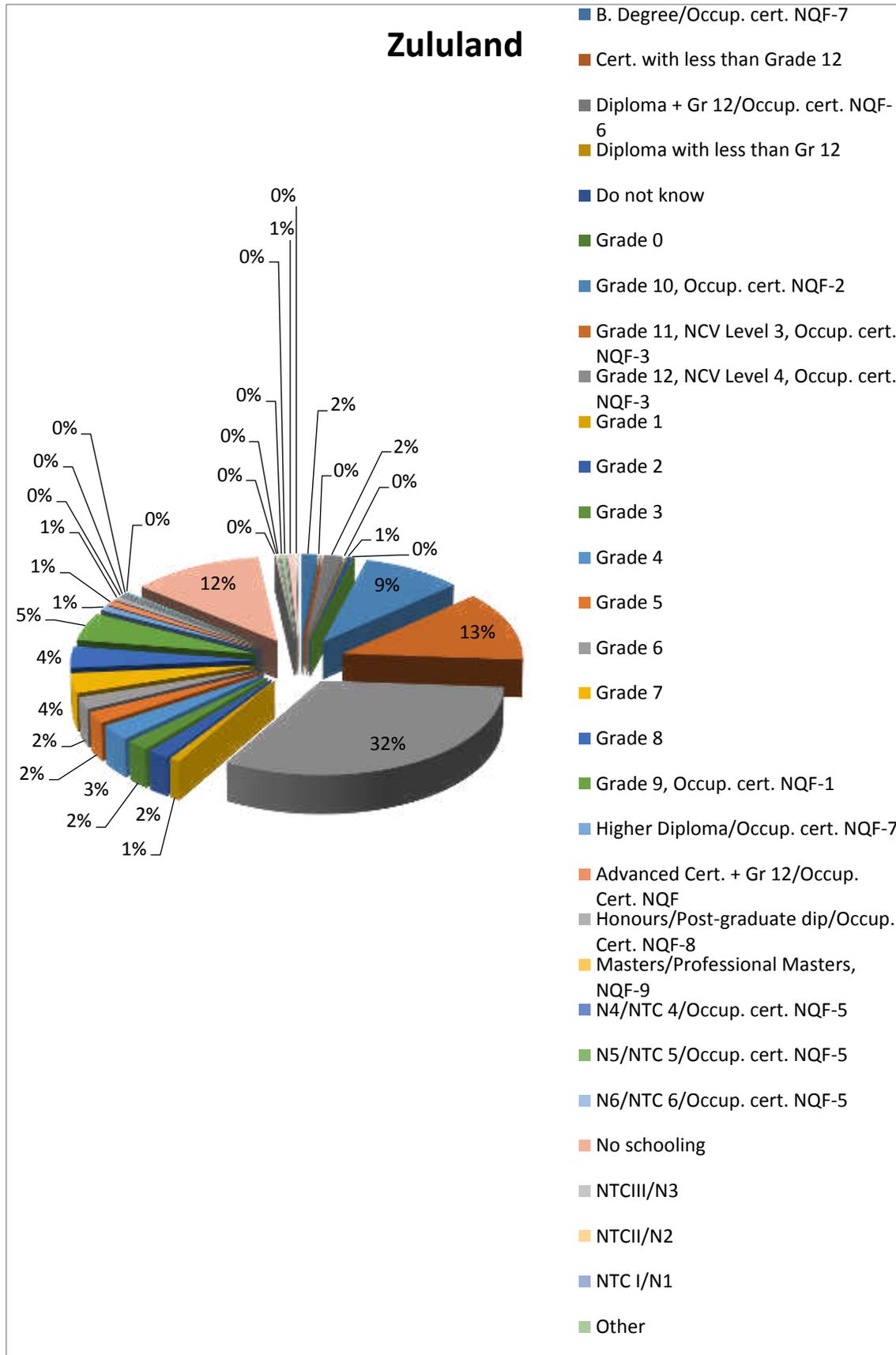


Source: StatsSA (Community Survey 2016)

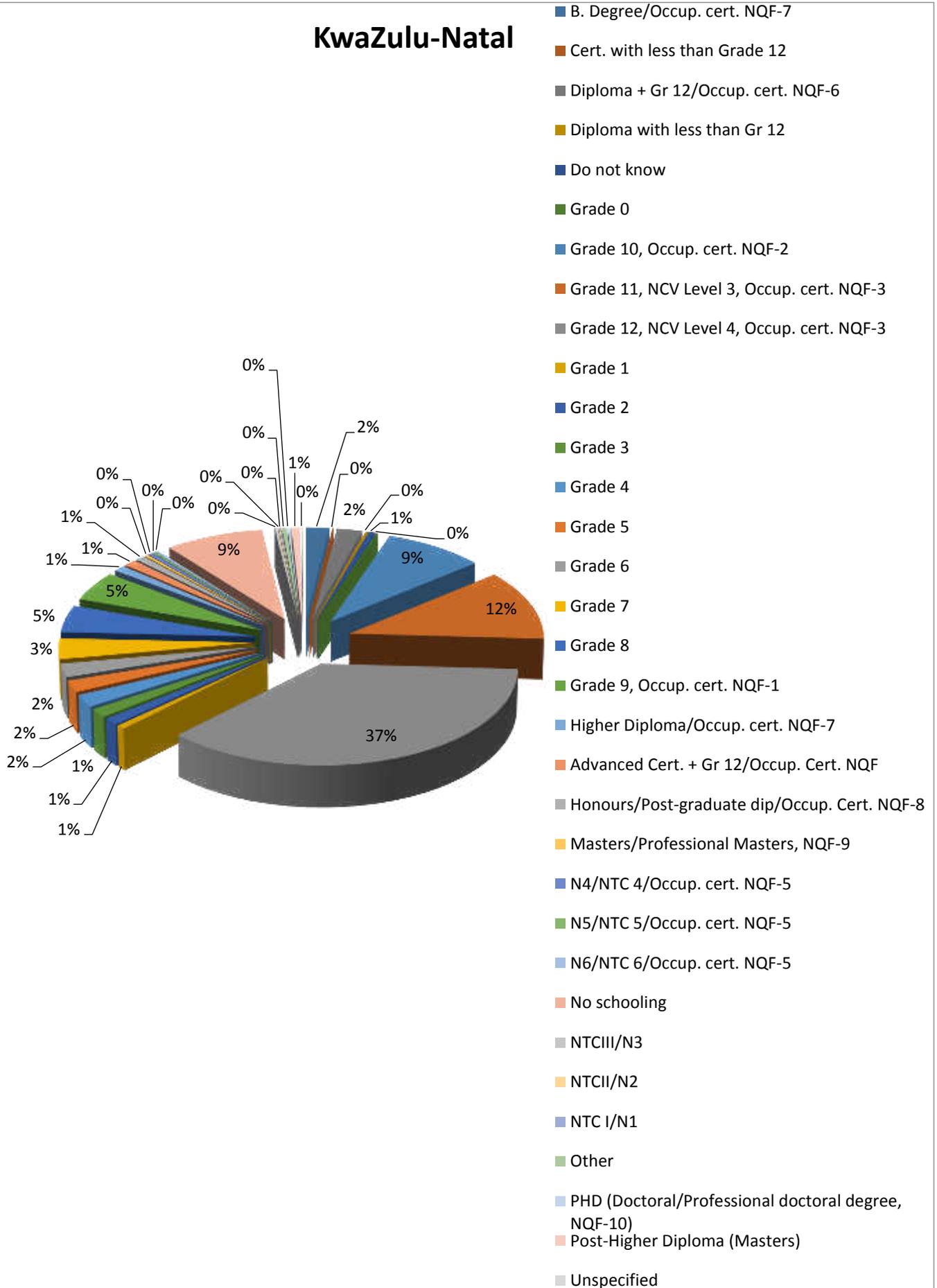
There is an estimated 16% of the District population, 11% of the Provincial population and 9% of the National population that has no income. There is also 5% of the District population, 4% of the Provincial population and 3% of the National population that earns less than R4,800p/m. This suggests a large population who are indigent which means government needs to adequately cater for this part of the population.

3.1.6 Education

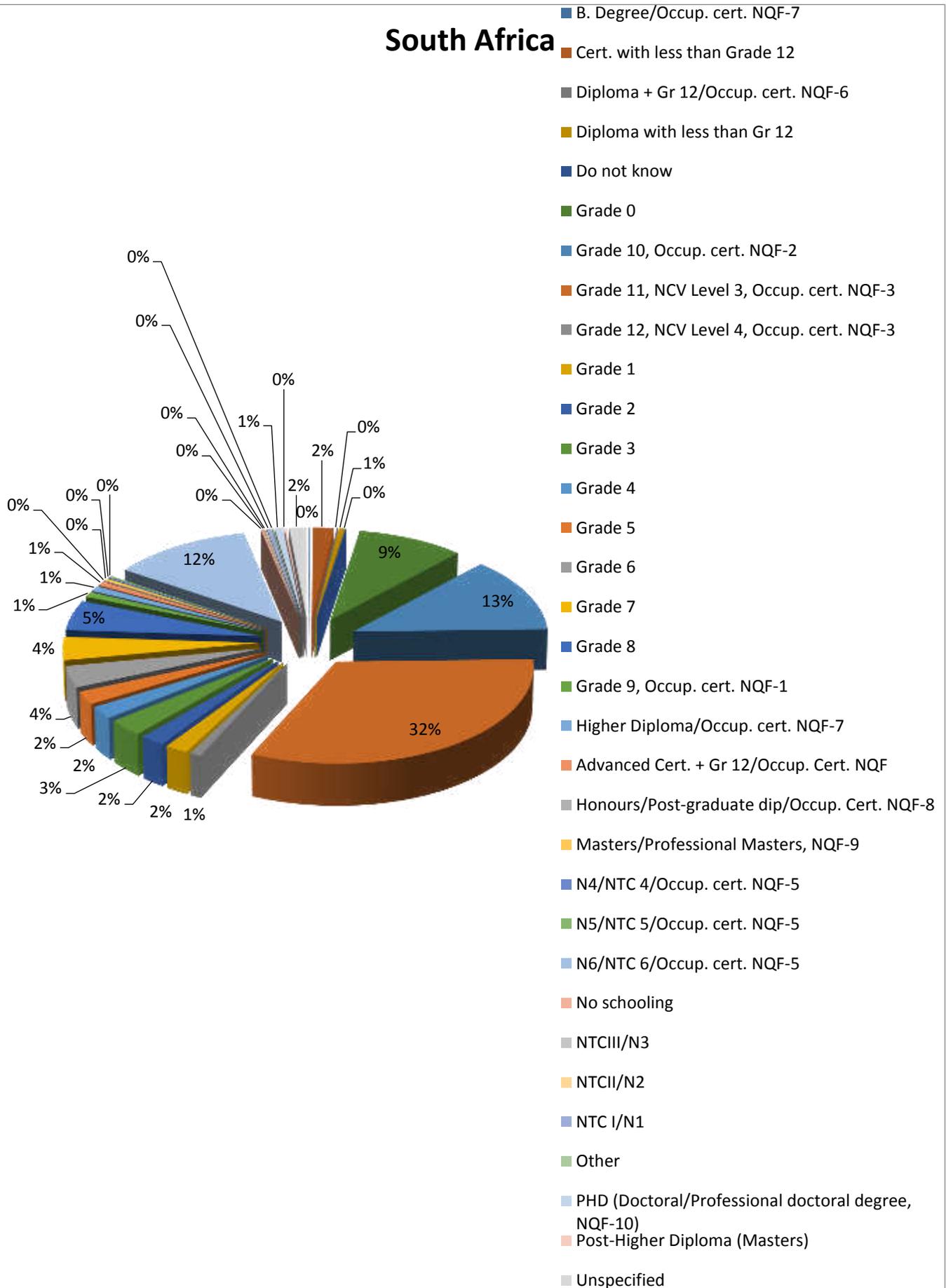
Figure 7; Education Levels

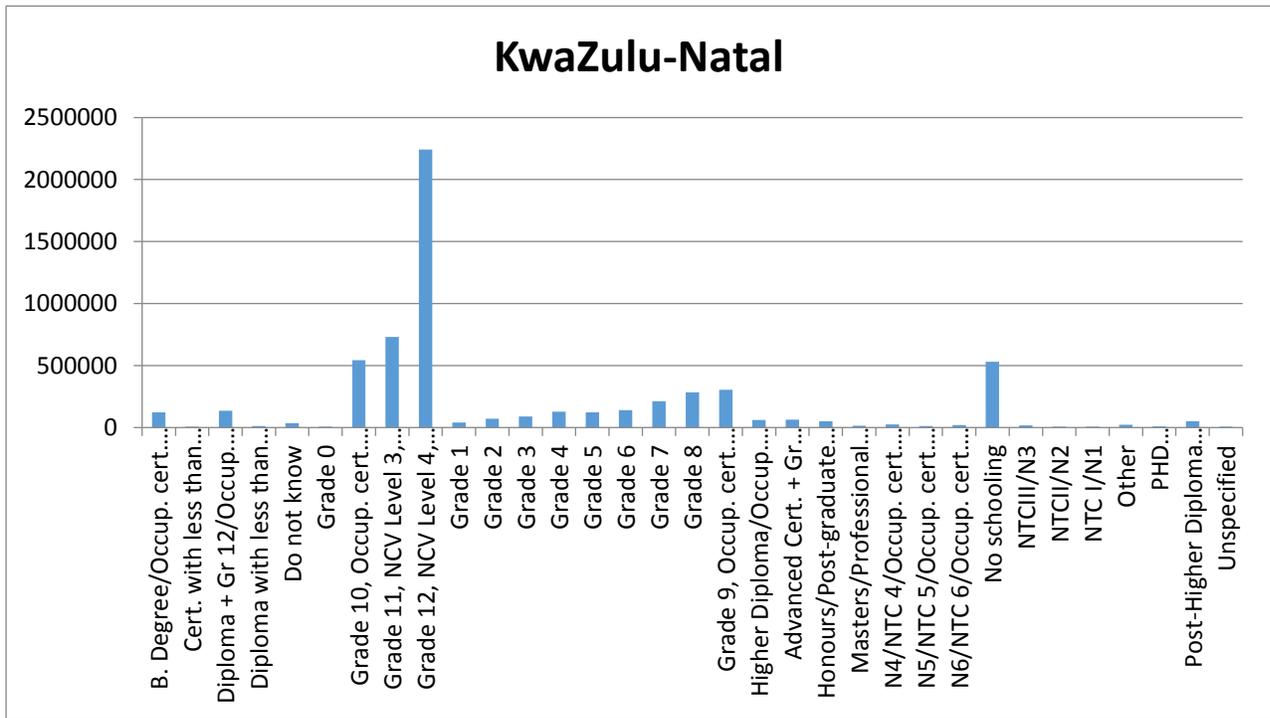
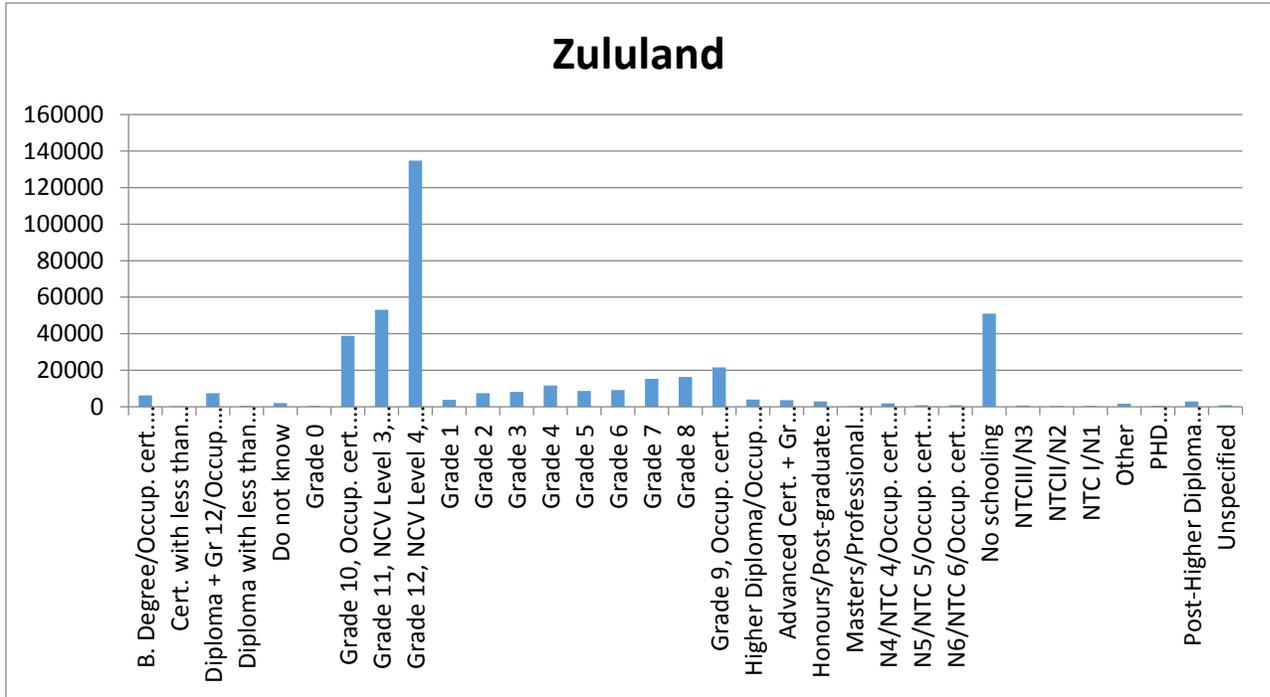


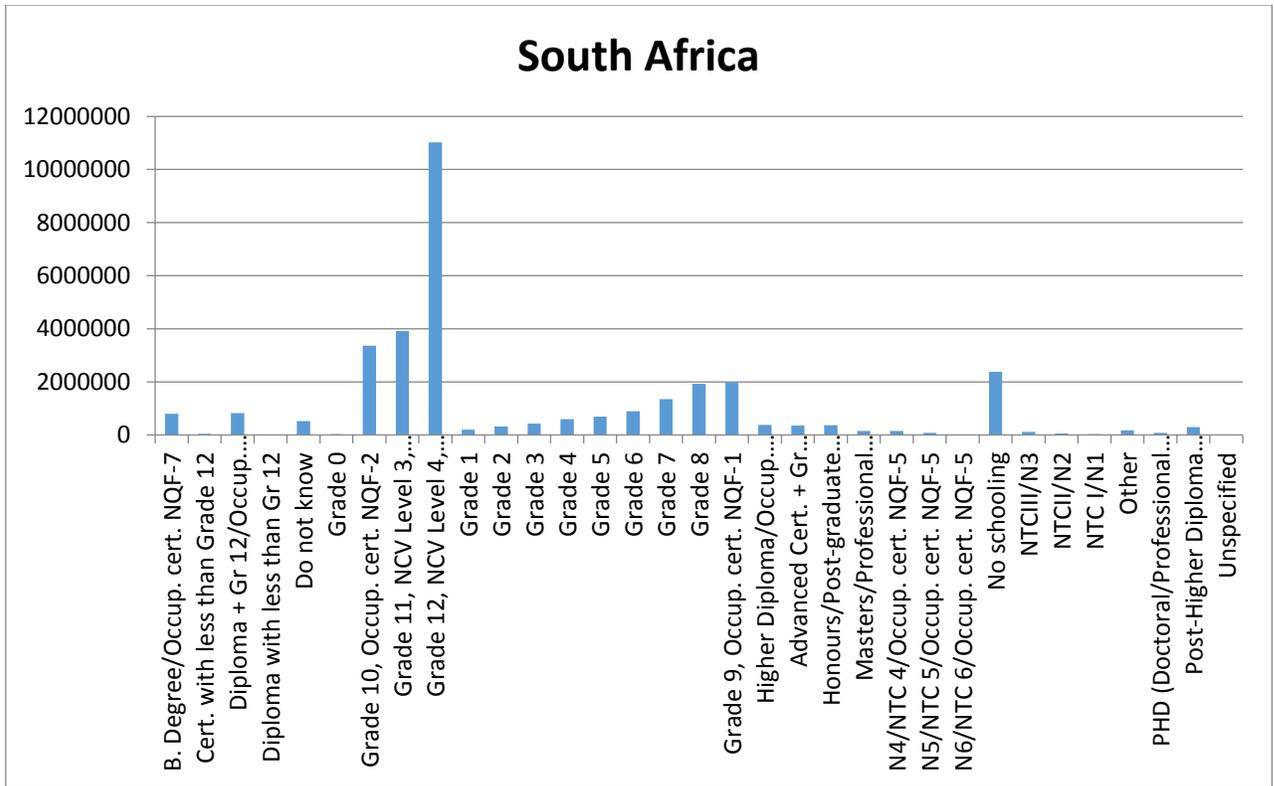
KwaZulu-Natal



South Africa







Source: StatsSA (Community Survey 2016)

It is reported that 32% of the District population and 37% of the Provincial population have literacy levels that include a Grade 12 certificate and Diploma, whilst 32% of the National population have Certificates with less than Grade 12. This implies that there are more people in the District that have Grade 12 without skills whilst at National level there are more people with less than Grade 12 but with skills to be employable.

3.2 SPATIAL ANALYSIS

3.2.1 Regional Context

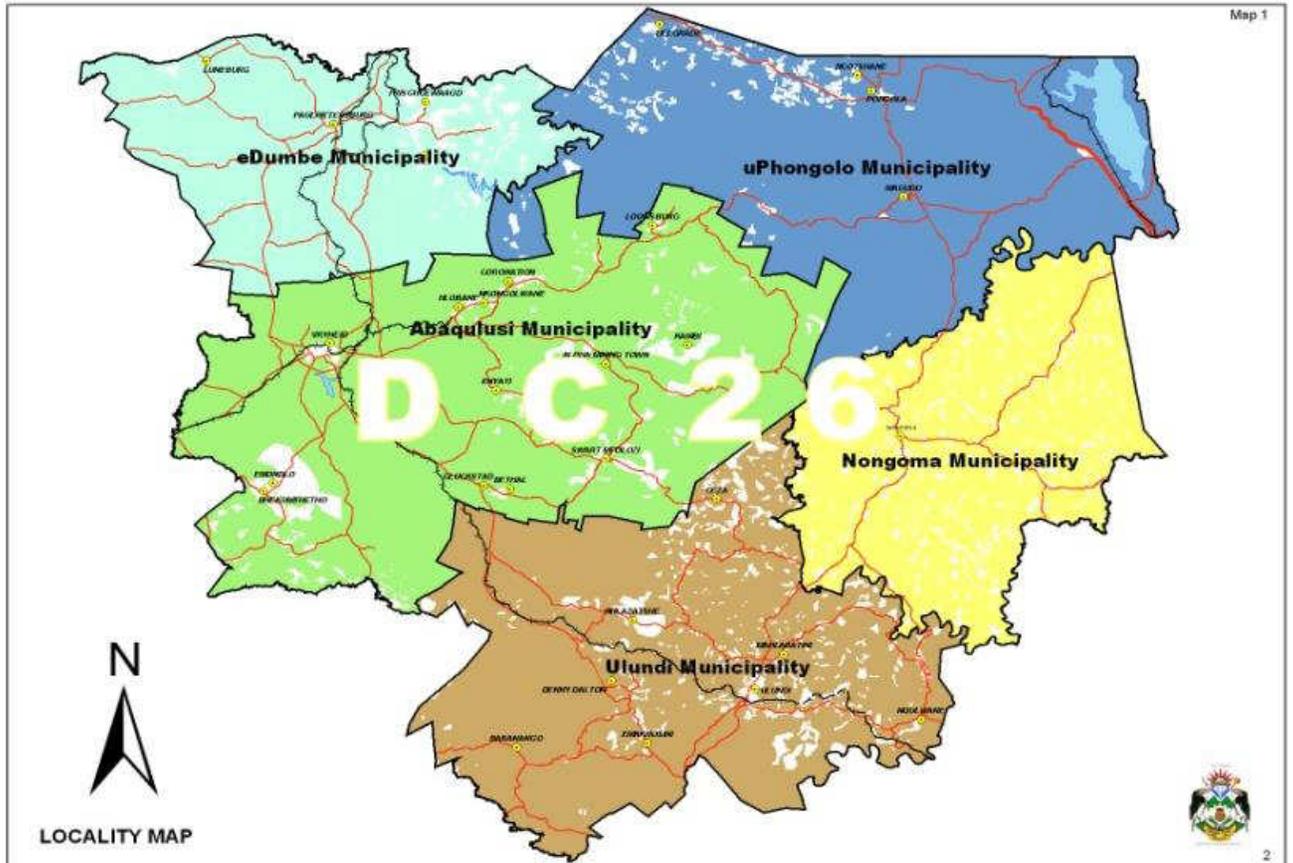
The Zululand District is located on the northern regions of the KwaZulu-Natal Province and it covers an area of approximately **14,810 km²**. Approximately half of the area is under the jurisdiction of traditional authorities while the remainder is divided between commercially-owned farms and conservation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

The District comprises the following five local municipalities:

- eDumbe (KZ 261)
- uPhongolo (KZ 262)
- AbaQulusi (KZ 263)

- Nongoma (KZ 265)
- Ulundi (KZ 266)

Map 3; Local Municipalities within ZDM



3.2.2 Land Restitution and Land Reform

The south-eastern part of the Municipal Area, a small portion to the central-west and portion in the central-north constitutes Ingonyama Trust Land. It is particularly the Ulundi and Nongoma LMs that have large tracts of Ingonyama Trust Land upon which scattered, relatively low density rural settlement is evident. The remaining areas are mainly used for commercial farming and are in private ownership.

3.2.3 Land Capability

The Zululand District is surrounded by the following neighbors:

- Amajuba to the north-west (DC25)

- Gert Sibande in Mpumalanga to the north (DC30)
- The kingdom of Swaziland to the north
- Umkhanyakude to the east (DC27)
- Umzinyathi to the south-west (DC24)
- uThungulu to the south (DC28)

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.

According to the Community Survey of 2016, the District has a total population of 892310 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 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.

3.2.4 Human Settlement

The Provincial Department of Housing has been engaged in a number of housing projects throughout the Zululand District. It should be noted that in the past, the focus has solely been in providing housing in urban areas as shown by the completed and current housing projects in the District. However, a shift has been made recently to provide housing in rural areas in light of poverty prevalence that exists in these rural areas. It should be noted that the Department of Housing requires of local municipalities to prepare Municipal Housing Plans. The importance of including housing in a district IDP is borne in the fact that housing, albeit a local function, is dependent on bulk infrastructure that is planned, coordinated and implemented at the district level.

3.2.5 Determining the Housing Demand

In order to quantify the demand for housing, agreement has to be reached on what is considered to be a housing backlog. There are number of opinions on this matter. Some people consider a ratio of more than 5 people per household as overcrowding and indicative of a backlog. Other sources are of the opinion that any housing structure that is not formal (constructed of brick and mortar) is a backlog.

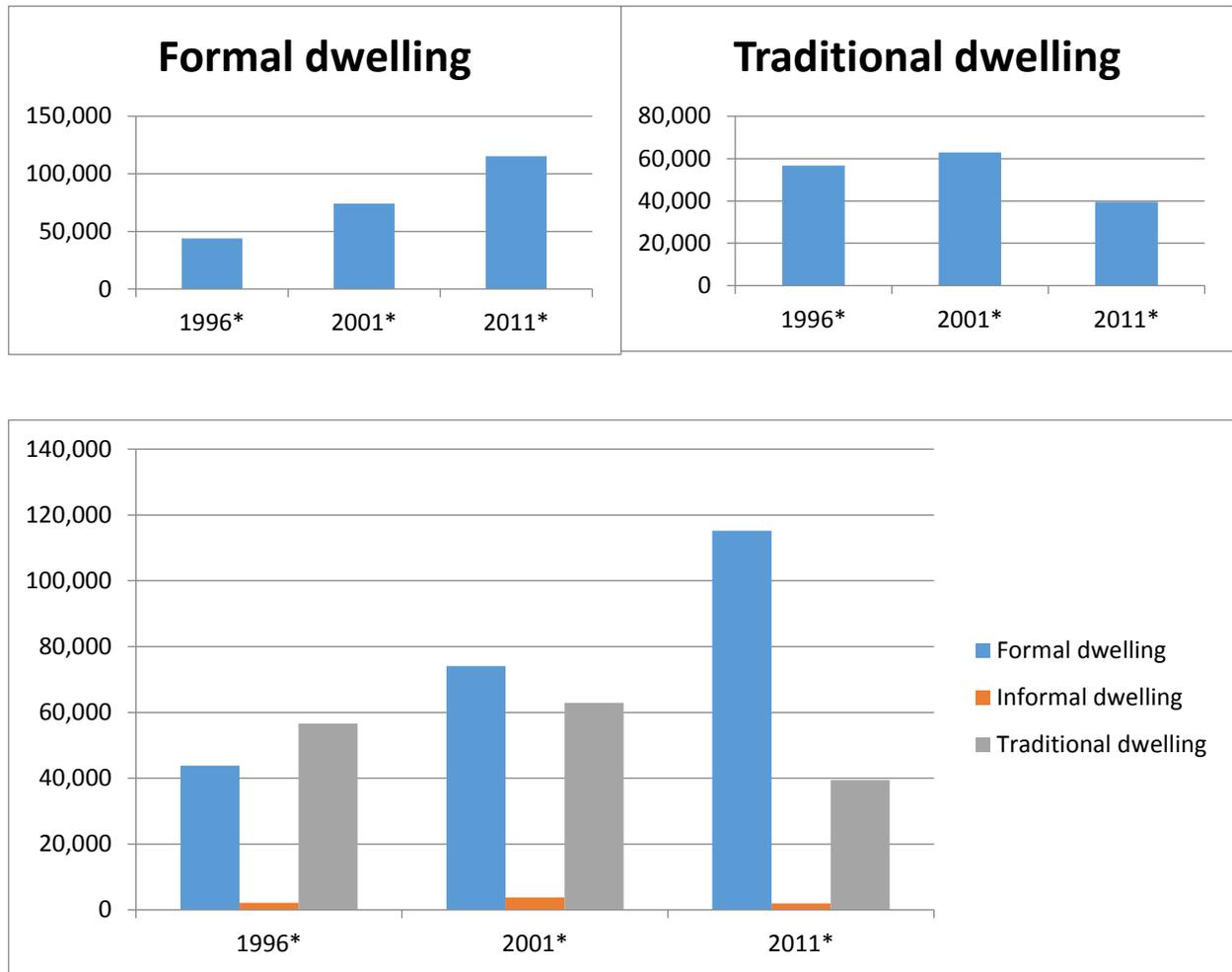
There are three main ways of determining housing demand/need within municipal areas, these are:

- using statistical calculations captured through the census or other relevant studies;
- through the analysis of housing waiting lists; and
- through the provincial housing database.

The Constitution of South African details the right of access to adequate housing when considering backlogs. The census data base was used to determine the demand for housing. This is because some beneficiaries may put their names in more than one municipality's database thereby inflating the waiting list of several municipalities.

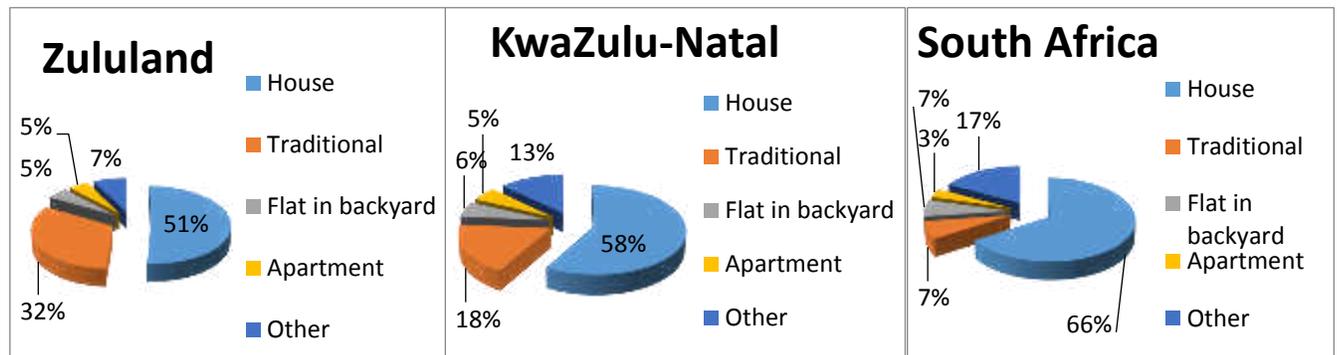
According to the 2011 Census, 34% of the households in Zululand live in traditional dwellings.

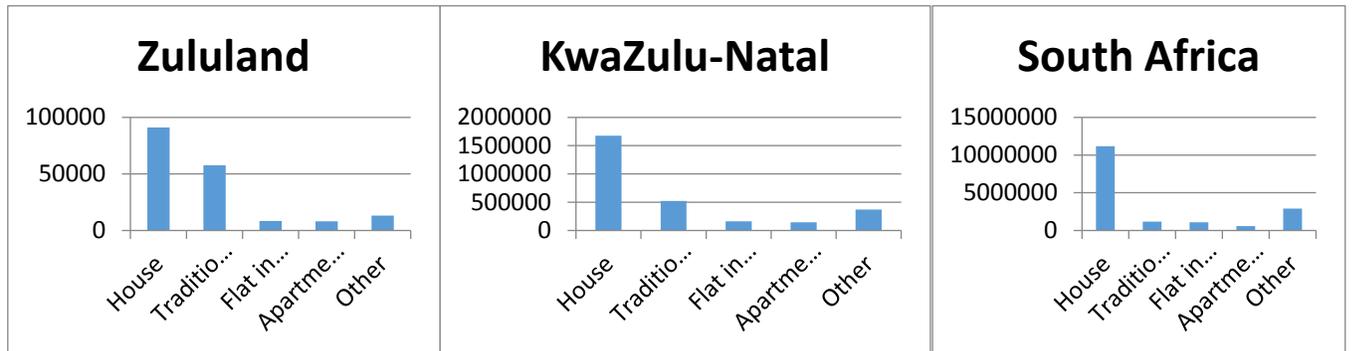
Figure 8; Number of households by dwelling type (1996, 2001 & 2011)



Source: Census 2011 Municipal Report

Figure 9; Number of Households by Dwelling Type





The District has a much larger proportion of traditional dwelling types – when compared to the provincial and national, emphasizes the rural characteristic of the local municipality.

3.3 STRATEGIC ENVIRONMENTAL ASSESSMENT

3.3.1 *The Environmental Management Structure*

Within the District Municipality, in the Community Services Department, there is an Environmental Health division. The staff in this division is as follows:

Assistant Director – South, Mr. Ntshalintshali.

Municipal Health Secretary, Mrs. A Greer.

Assistant Director – North, Mr. ME Dlamini.

Environmental Health Practitioners – AbaQulusi, Ms. S Madlala and Ms. NS Mahlobo.

Environmental Health Practitioners – uPhongola, Ms. MN Mabuza and Mr. SR Zulu.

Environmental Health Practitioners – Nongoma, Ms. SW Sibiya and Mr SH Zondi.

Environmental Health Practitioners – Ulundi, Ms. PND Zikhali and Ms. S Mzobe.

Environmental Health Practitioners – eDumbe, Ms. TS Nguse and Mr. Xolo.

3.3.2 *Promoting Integrated Planning*

Integrated planning is about planning in a non-isolationist manner; it’s about bringing in as many relevant aspects as possible into the fore, and into consideration when planning.

Planning in an integrated manner is about good coordination. It is also about participation; South Africa is a democracy and input from people has been prioritised, as a very important and necessary step in planning and the implementation of projects. It is anticipated that, hopefully from this participation what will be achieved is a level of social justice and consideration of all parties/stakeholders. A certain set of interests, or a certain stakeholder viewpoint, will not trump everything else; interests are balanced.

There must be an attempt to bring about social integration, this will result in more sustainable communities. For instance, communities with different social/income classes will be more sustainable in terms of services – they will have the necessary cross-subsidisation of poorer citizens by richer ones.

Integrated planning is also about planning for the disabled, different religions and taking into account the need to make all marginalised groups (children, sexual minorities, women, gender non-conformist, etc.) feel free to fully realize their capabilities and to partake in all the opportunities available in the District.

It is also about being environmentally sensitive. For instance, it is important to maintaining the correct balance of built-up areas and open/non-built up areas – to maintain permeability (for rainwater), particularly in catchment areas. Build in correct areas, do not build below certain flood lines. Utilise greyfield sites as much as possible (already developed and connected to services). Rehabilitate and utilise as many brownfields as possible.

There are many other aspects of integrated planning such as, transport being easily accessible, designing more compact settlements, more mixed-use developments, safety and security, food and resource security and so on.

3.3.3 Biodiversity Management

When looking at the United Nations' "Sustainable development goals" the goals 14 and 15 speak to this issue.

Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development. How this will be realised in ZDM is by encouraging sustainable practices within the District. There will be implementation of biodiversity management projects and strict adherence to resource usage limits

Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss. This will be realized through the encouraging of sustainable practices within the District. There will be Implementation of biodiversity management projects. Communities will be educated (correct ploughing methods, overgrazing, etc.). There will also be the implementation of greening programmes. Development edges should be considered and protecting areas of significant biodiversity should be at the utmost importance.

Sustainable use of natural resources is vital. It is important to utilise resources in a manner that does not diminish them over time, that uses them in a way that the environment can replenish – a way that satisfies today's needs without diminishing the ability for future generations to meet their own needs.

South Africa is a member of the United Nations, and there has been a push for the individual states to meet individual targets in addressing climate change and making sure development happens in a much more sustainable manner.

The District plans to be in step with the Sustainable Development Goals. Whereby there will be the protection and restoration and promotion of the sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

This will be done by encouraging sustainable practices within the District. As well as, implementation of biodiversity management projects.

3.3.4 Freshwater Biodiversity (Hydrology)

Freshwater resources need to be properly managed – including the river catchments. Improving the management of river catchments will help reduce potable water losses. This has to be done in alignment and in conjunction with the relevant authority the Department of Water Affairs.

3.3.5 Pressures and Opportunities Related to Biodiversity Management

There are a lot of pressures on the land in the District. People who keep cattle need it for grazing, there are development pressures and the changing climate means there is a need to be vigilant to maintain the biodiversity in the District.

These pressures and issues should be utilised as motivating factors, for officials and for communities to work together to better manage land and protect areas of significant biodiversity.

3.3.6 Waste Management

There is a need to address the waste disposal issues - solid waste management is a critical issue for the municipality. Almost all the landfill sites within Zululand need upgrading in order to comply with the legal requirements related to waste management.

In future, the solid Waste Management; Environmental issues and impacts will need to be addressed in developments and projects. Environmental accounting needs to become more integrated into the development planning process and must be considered in the very initial phases of planning any new development or upgrade, prior to any costly mistakes being made.

There is also a need for rural waste management units.

3.3.7 Mining within the District

Mining activities in the district have decreased in the mid 1990's mainly due to closure of mines as a result of open market in coal mining and agriculture. Opportunities still exist for small scale mining. These opportunities include:

- Mine rehabilitation
- Engineering support
- Equipment maintenance and support
- Preparing Environmental Management Plans

3.3.8 Air Quality Management

The district is said to have "Clean air" because of a few industrial activities. Mining activity is evident in the districts however the dust inside the mines is usually addressed through occupational boundary and usually does not affect the whole community as it is below the acceptable threshold levels. Veld fires need to be monitored and maintained at acceptable levels

Key Pressures:

- Veld is currently over burnt and thus contributing to air pollution.
- Rural communities' dependence of wood and gas

Proposed Interventions:

- Industries (those few) will be located in the best possible areas for particular emissions.
- Emissions will be strictly curtailed and monitored according to accepted protocols.
- Reduce over burning of veld, and limit unnecessary veld fires and have them controlled.

3.3.9 Responding to Impacts of Climate Change

Climate change will have an effect on biodiversity – and this may have knock on effects on tourist. Water availability will also be problematic – this being a major issue. There will be irregular and increasingly scarce rainfalls. Improving access to or maintaining a decent level of quality of life for District citizens will become increasingly difficult. These are just some of the anticipated negative effects of climate change.

The district is looking at adapting to climate change. Through the Local Government Climate Change Support Programme (LGCCSP) key climate change vulnerability indicators will be identified. Broadly looking at: agriculture, human health, human settlements infrastructure and disaster management.

3.3.10 Towards the Green Economy

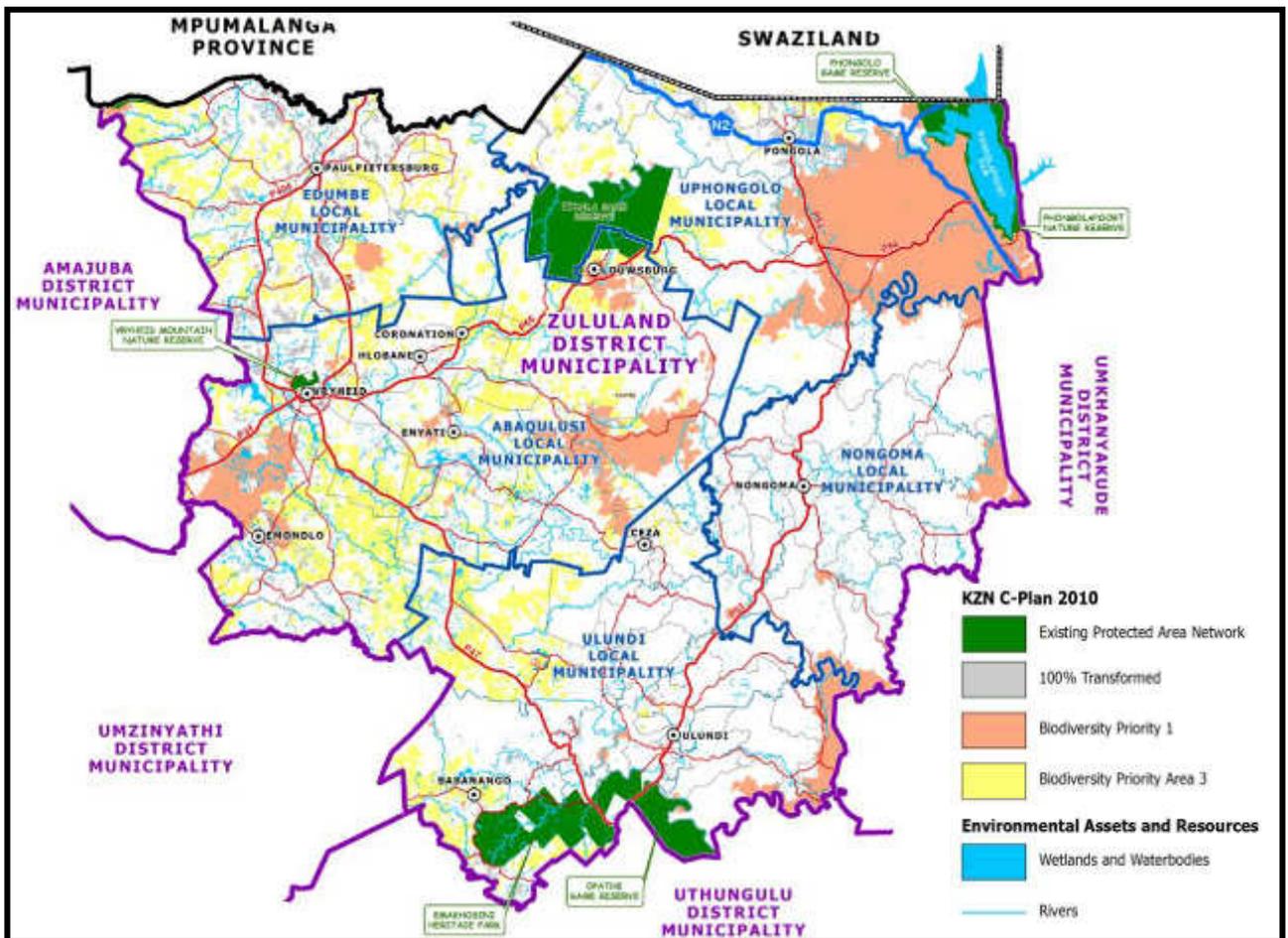
The move to a green economy is very much tied in with climate change. The absolute importance of this move is because of the anticipated negative effects of climate change, and the need to try and avoid the worst impacts. This requires all stakeholders to do their part - - Zululand District municipality is moving in this direction.

The province is planning to invest in green economy research – this is the development of the KZN Green Economy strategy. The project will be located in Dundee.

3.3.11 Strategic Environmental Assessment (SEA)

The main Issues within the municipality were identified within the following categories: Housing, Soil, Water, Waste, Biodiversity and Tourism. The Fundamental Tools to be considered when contemplating each issue and acting on these issues are: Awareness, Regulation and Enforcement, Sustainability, and Delivery. Some of the Main Issues fall under more than one category, for example, “Wetland Degradation” might fall under Water, Soil and Biodiversity and even Tourism and Housing, as it is quite often housing developments that damage wetlands, and loss of the wetland systems could affect tourism.

Map 4; Environment Resources



It is evident from the above map that the ZDM Area has large tracts of Biodiversity 1 and 3 designated areas. The eastern parts of the uPhongola LM, adjacent and including the Pongola Poort Dam are classified as a Biodiversity 1 area. There is also an area to the north of Ceza, within the

AbaQulusi LM, as well as an area north of Emondlo, also within the uPhongola LM, that are also classified as Biodiversity 1 areas. Large tracts of the eastern half of the ZDM Municipal Area are also classified as Biodiversity 3 areas. Protected areas within the Municipal Area, are:

- Emakhosini Heritage Park;
- Opathe Game Reserve;
- Vryheid Mountain Nature Reserve;
- Ithala Game Reserve;
- Phongolo Game Reserve; and
- Phongolapoort Nature Reserve.

3.3.12 Environmental Education, Awareness Programmes

Educating the public and decision makers is vital. Having a certain level of environmental issues, for all, is going to be an important factor for the sustainability of the community.

It is therefore very important to facilitate opportunities to further environmental awareness amongst politicians and officials. As well as to encourage community awareness programs. There will be an improvement to access to environmental education to all sectors of society. For example, workshops will be conducted.

Citizens need to be informed on how to live in harmony with the land – how their actions may affect water quality and availability, as well as how they could negatively affect the soil. These have further knock-on effects. They need to be made aware of scarcity of rainfall for the foreseeable future. They need to use water sparingly and start rearranging the way they interact or even get water – for example, water saving and water collecting from rare rain.

3.3.12 Sector Plan; Ezemvelo KZN Wildlife: Biodiversity Sector Plan For The Zululand District Municipality

The report was completed in February 2010 and made the following Recommendations with regards to Biodiversity in the Zululand District Municipal Area:

The following is essential to achieving biodiversity targets in the long term:

- a) Conservation efforts must be focused on CBAs and ESAs identified within the BSP, focusing on 'at risk' areas, considering the most important areas for conservation. In order to create a conservation management priority map, biodiversity features were firstly ranked according to their perceived biodiversity significance, where after each specific ranking was assigned a value (Classification) and an intersect analysis was performed. The classification values from all layers within the intersecting areas were then summed, and from this output it was possible to identify priority areas for conservation management according to the values of the summed classifications. The Provincial CPlan Irreplaceable Areas and Aquatic Plan Earmarked Areas were ranked highest, followed by the various CBAs, and finally corridor ESAs under threat (designated as CBAs). This exercise highlighted a number of key focus areas (red – highest priority, dark green – lower priority), illustrated in Figure 34. Ezemvelo KZN Wildlife should increase their presence in these areas through regular monitoring and interaction with

landowners, and management inputs should focus on controlling further land transformation and degradation.

- b) Development threats, particularly from areas designated for development in the SDF and IDP, and as a consequence of potential rural settlement expansion, must be addressed at a strategic planning level to ensure that development does not take place at the expense of critical biodiversity asset.
- c) Land use and environmental management guidelines provided in the BSP must be integrated into multi-sectoral planning, including EKZNW conservation programmes, the municipal Integrated Development Plan and Spatial Development Plan, and the Provincial Spatial Economic Development strategy; this should be monitored by EKZNW.
- d) Water quality management is essential in the Aquatic Ecological Support Areas, Wetland CBA and the Earmarked Aquatic Planning Units. Management actions should focus on reducing soil erosion and chemical and microbial inputs, and the management of associated terrestrial vegetation to ensure sustained inflow of clean water.
- e) Opportunities for conservation-oriented local economic development must be explored within CBAs and ESAs, particularly within areas adjacent to Protected Areas, areas earmarked for the Stewardship and Protected Areas Expansion Programmes, and areas contributing to sustainable rural livelihoods, keeping in mind the need to secure land within formal conservation land use across the entire biophysical gradient. Conservation land use must be investigated as a tool for economic empowerment of local communities.
- f) Payment for ecosystem services should be explored by EKZNW in conjunction with private land owners and local communities, emphasizing potential socio-economic benefits.
- g) The ecological linkages identified on the interface between the District and adjacent municipalities, and Swaziland, must be taken into account in conservation planning adjacent Districts.
- h) The importance of conserving endemic vegetation types within the municipality must comprise a core focus of EKZNW; any activity that could result in a further loss of these vegetation types must be critically evaluated, and rehabilitation efforts to reclaim degraded areas must be considered.
- i) Additional water impoundments and proposed abstraction schemes within the District must be critically evaluated.
- j) The EKZNW CPlan should be re-run at the District level, based on any new data, and biodiversity targets scaled to the District Level. Planning Units would then better reflect the municipal context at a finer-scale, based on the best realistic conservation options in the landscape. This is considered a critical task as a consequence of rapidly retreating options in the District.
- k) The BSP should be updated regularly within EKZNW, based on a monitoring programme and the most recent land cover data available, to inform decision-making within the planning department and other relevant EKZNW structures. Multi-sectoral reporting should at a

minimum coincide with the municipal Integrated Development Plan and Land Use Management System review cycle, comprising a minimum 5-year cycle.

Not all of the “Inappropriate / incompatible land uses and activities” provided in the Land Use Guidelines require environmental authorisation in terms of the NEMA Environmental Impact Assessment Regulations (2006), and therefore would not be subject to any environmental authorisation process. The BSP, apart from being the precursor to a Bioregional Plan, provides an opportunity for the competent authority to initiate an Environmental Management Framework for the District, adopting the CBAs and ESAs as Geographical Areas within an Environmental Management Framework. A key outcome of an EMF is the re-evaluation of the applicability of scheduled Listed Activities in terms of NEMA, whereby Listed Activities may be amended or additional activities may be promulgated in sensitive areas; the EMF therefore provides an opportunity for ensuring that critically important biodiversity is adequately considered in authorisation processes.

3.3.13 Spatial & Environmental: SWOT Analysis

3.3.13.1 Strengths and Opportunities

- The towns have comparatively good levels of infrastructure and services.
- 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.
- towns within the ZDM area are considered as Provincial Tertiary Nodes, namely Ulundi, Vryheid and Pongola.
- There are numerous protected areas in the ZDM that offer tourism and economic opportunities.
- 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
- 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 scheme
- large tracts of commercial farmland are located in the north-western part of the Municipal Area vis-à-vis the area between Vryheid and Paulpietersburg
- Good to High Potential Agricultural land is particularly evident in the north-western parts of the Municipal Area, i.e. the area from Emondlo to Paulpietersburg
- ZDM Area has large tracts of Biodiversity 1 and 3 designated areas

3.3.13.2 Weaknesses and Threats

- the rural settlements are small, making service delivery costly
- access to the rural areas is limited

- The central and north-western parts of the Municipal area are mountainous with slope of 1:3 and steeper. The slopes decrease (become less steep) towards the eastern half of the Municipal Area
- Large disparities are apparent in terms of the nature and structure of the built environment with the most significant disparity between the level of services and development in the rural and urban areas of the District.
- Unresolved land claim issues

Table 13; EMP/SEA Key Issues

Key Issue	Brief Description
Wetland Degradation	Wetland degradation is especially evident near urban or built up areas and occurs mainly as a result of inappropriate formal and informal development.
Soil Erosion	Soil erosion occurs throughout the region, but especially in the rural areas and in association with roads, pathways and subsistence agriculture.
Low Cost Housing Problems	Typical low cost housing related problems are subsidence, sewage problems and collapsing of houses.
Poor Sewage System Maintenance/Infrastructure	Instances of overflowing sewage treatment plants or emergency overflows as a result of failed, incorrectly installed, or vandalised pump houses.
Over Utilization of Soils	Over utilisation of soils in some areas (no crop rotation) results in reduced agricultural potential, and eventually soil erosion and subsidence.
Sand Winning	Illegal sand winning without permits.
Mining and Mine Rehabilitation	Several mines within the Zululand District Municipality have not been rehabilitated, and this is leading to severe environmental degradation, especially in terms of erosion, leaching, proliferation of alien invasive plants, collection of standing water and the associated diseases which result.
Alien Invasive Weeds	Proliferation of alien invasive plants throughout the region in rural and urban areas, in watercourses, wetlands, and especially around or on the edges of forests and afforested areas.
Family Planning and Poverty	While the national population growth rate is currently estimated at around 0%, with possible increases only resulting from influxes of immigrants, the impact of poor family planning on the families involved and their surrounding environment is considerable.
Personal Wealth and Environmental Sustainability	It must be noted that financially wealthy families, more often than not, have a tremendous impact on the environment in terms of their rates of consumption of numerous resources, and this issue should be

Key Issue	Brief Description
	addressed.
Management of Water Resources	Incorrect citing of high-impact developments (such as low cost housing with poor sewage, wastewater and storm water management) in close proximity to wetlands, drainage lines, rivers and dams is resulting in water pollution. There is a need to protect water resources as a means to prevent waterborne diseases and ensure adequate supply of quality water for household consumption.
Threat from Forestry to the Natural Environment	The municipality is located in an area well suited to commercial forestry, but a forestry threat to the natural environment is evident – especially in terms of encouraging unchecked alien invasive plant growth within or on the borders of afforested areas, and in the utilisation of high priority ecological / biodiversity and tourism areas for forestry.
Veld Fires	The veld is currently considerably over-burnt and this is resulting in soil erosion, damage to soil conditions and nutrients and the proliferation of: alien invasive plants; undesirable, less-palatable grass species; and woody species, which in turn create impenetrable thickets and further soil erosion.
Requirement for a Municipal Open Space System	A clearly defined municipal open space system (for the entire municipal area, but especially in the ‘urban’ areas of Vryheid, Ulundi, Paulpietersburg, Louwsburg, and Pongola, and later in the more rural areas (but still built up) of eDumbe, Hlobane and Emondlo etc.) is required for the protection of wetlands, associated rivers, streams and catchments and areas of natural beauty.
Amenity and Shelter Planting	Amenity and shelter planting (in all built up areas) is required to improve the residential and commercial centres and the general ‘feel’ or amenity of the area. This will improve the quality of life for all residents, as well as enhancing the natural environment, and could even attract tourists and business.
Solid Waste Management	Address waste disposal issues - solid waste management is a critical issue for the municipality. Almost all the landfill sites within Zululand need upgrading in order to comply with the legal requirements related to waste management.
Environmental Accounting	Environmental issues and impacts are often not addressed in developments and projects. Environmental accounting needs to be become more integrated into the development planning process and must be considered in the very initial phases of planning any new development or upgrade, prior to any costly mistakes being made.
High Tourism Potential	The region has a high tourism potential, which has not been properly exploited, environmentally or otherwise. Numerous sites of tourism significance are being ignored or insufficiently marketed.

Key Issue	Brief Description
Illegal Muthi Harvesting	Excessive / illegal muthi harvesting – damages indigenous populations of plants and animals, without restocking (See Ngome, Swart Umfolozi, State Forest).
Unsustainable Agricultural Practices/Management	Loss of agricultural land due to development pressure, in which hard surfaced developments use up agricultural land is a serious issue, as this land is usually permanently lost to agriculture once covered over. Only land with low agricultural potential should be utilised for these types of developments.
Loss of Indigenous Vegetation Communities	Loss of indigenous vegetation communities and habitats due to: <ul style="list-style-type: none"> • Afforestation • Poor farming practices • Alien plant invasion • Poor catchment management • Informal housing
Conservation of Biodiversity	Active protection of valuable environmental resources is regarded as critical (wetlands, indigenous forests, grasslands, and bushveld). Community involvement in viable tourism enterprises, which conserve the environment while providing employment and /or income, should be fostered and encouraged.
Rehabilitation of Damages and Degraded Areas	Rehabilitation of damaged and degraded areas does not ordinarily occur, as there was not previously any legislation to enforce it, (this has now changed), and the municipality could begin to enforce this legislation.
Management of Cemeteries	Upgrade and institute proper management of cemeteries (according to National Legislation guidelines).
Management of Biodiversity outside Protected Areas	Critical pieces of land (as identified by Ezemvelo KZN Wildlife) are required to sustain the natural resource base outside Protected Areas; these should be managed under appropriate protection measures.
Community Benefits from the Environment	Communities who value biodiversity should be able to share in the benefits of natural resources and community-based tourism initiatives. Environmental management plans should incorporate social issues in order to get 'buy in' from affected communities, including decision makers.

3.3.14 Environmental Project Matrix

To protect and promote environmental protection and awareness, the ZDM has many projects and drives that are taking place within the District.

One awareness drive that is taking place in the District, is that of “Sifunda Imvelo, Environmental Education Programme”. From the name of the programme, we can already tell that this is an initiative aimed at raising awareness on and educating about environmental issues. This programme particularly focuses on school children (but also their teachers) – educating them about the importance of environmental protection. This is a programme by Ezemvelo KZN Wildlife.



The schools and the age groups have been intentionally selected because of their known impact (the learners will echo and reverberate what they have learned, and the schools surround the natural parks and reserves).

Furthermore, It is also anticipated that children with such experiences and awareness of environmental issues, will be the future tourists for natural parks and nature reserves. This experience will make them want to come back.

The teachers are first workshopped prior to going to the park with the children. Resource Packs are given to the participating schools. These packs include: worksheets, games, posters and fact books. They are intended to be of assistance, in this programme – and they have been developed in conjunction with the KZN Department of Education Curriculum development team. Then there are the park visits. These are tailor-made for each park or reserve, responding to their specific environmental issues. The cultural and historical significance of the area is also investigated.

Ezemvelo also has other programmes besides S’fundimvelo, such as: Youth in Conservation, Traditional Health Practitioners, Local Boards and Co-Management.

3.4 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 and veld fires.

Vision: Disaster Risk Management

The Zululand District Municipality’s vision is to build informed and resilient communities and ensure a safe and healthy environment in the Zululand District Municipality.

Mission Statement: Risk Management

The Zululand District Municipality’s mission is to develop and implement holistic and integrated planning and practice in a cost-effective and participatory manner to reduce vulnerabilities and build resilient communities through sustainable development and service delivery.

The aim of the Integrated Development Plans (IDP) of the Zululand District Municipality is to promote sustainable development and uses the spatial development framework (SDF) to visualize future development.



In terms of Section 26(g) of the Municipal Systems Act, 200, Act 32 of 2000, a Municipality's IDP must contain a disaster management plan. Development projects in the Municipality, as contained in the Municipality's IDP, is thus interlinked with disaster management planning and activities. Risk reduction projects identified as part of disaster risk management planning, such as those identified in this plan and the contingency plans developed and risk assessments should be included into the Municipal IDP.

The Zululand District Municipality prepared this Level 1 Disaster Risk Management Plan which establishes the arrangements for disaster risk management within the Zululand District Municipality and has been prepared in accordance with the requirements of the Disaster Management Act, 57 of 2002 (the Act).

3.4.1 Municipal Institutional Capacity

3.4.1.1 Institutional Arrangements

The disaster risk management function and DMC in the municipality resort under the Corporate Services Department of the Zululand District Municipality. The Municipal Disaster Offices are also located in the Protection Services Departments under Corporate Services.

The Disaster Management Centre has the following personnel:

1. District Disaster Manager
2. Disaster Management Officers per Local Municipality

Disaster Management Advisory Forum

Section 44(1)(b) of the Disaster Management Act No. 57 of 2002 (Act) calls for an integrated and coordinated approach to disaster risk management in municipal areas. Such a committee is in the final stages of establishment.



Local Municipal Disaster Management Committees

Local Municipalities have established local offices to manage and or discuss disasters and response to local disasters.

District Technical Advisory Committee

This committee was established at the District level and comprises of local and district political and administrative officials and identified sector departments

Municipal Inter-Departmental Disaster Risk Management Committee



This committee is to be established.

Ward Structures

Ward Structures are a key community awareness and important communication and information link between the municipality and the communities on the ground. Ward structures are operational in all of the municipalities.

3.4.2 Risk Assessment

Table 14; Current Risk Profile for ZDM

Types of disasters	Types of incidents		Priority in terms of occurrence	Priority in terms of damage	Priority for contingency planning	Discipline involved
Fires	Forest					DFA / FPASA, Fire Fighting Services
	Building					
	Veld		1	2	1	
	Vehicle					
Hazardous	Road					Environmental Affairs, Clean-up Specialists
	Rail					
	Individual					
Floods	Flash		3	3	3	Welfare, CMA, Farmers
	Rising water					
	Raging water					
Snow						Rescue Services
Environmental	Drought	Natural	4	4	4	Farmers, CMA, Scientists, Technical
		Man made				
	Insects					
Epidemics	Cholera					Technical, Farmers, Health, Scientists
	Foot-and-mouth					
	Rabies					

Types of disasters	Types of incidents		Priority in terms of occurrence	Priority in terms of damage	Priority for contingency planning	Discipline involved
	Newcastle sickness					
Tropical Cyclones / Severe Thunderstorms			2	1	2	Weather, Welfare
Civil unrest						Protection services
Aeronautical						Fire Fighting Services, Civil Aviation
Rail / road						Rescue Services
Mountain accidents						Rescue Services
Essential services						

The tables below indicate, per LM, the potential risks, as a result of risk assessment:

Table 15; eDumbe, uPhongolo and Abaqulusi LM – Potential Risks

eDumbe LM, uPhongola and Abaqulusi
Hydro-meteorological Hazards - Severe Storms (Wind, Hail, Snow, Lightning, Fog)
Fire Hazards - Formal & Informal Settlements/Urban Area
Fire Hazards - Veld/Forest Fires
Disease / Health - Disease: Human (HIV/AIDS & TB)
Disease / Health - Disease: Human (Other Disease)
Hydro-meteorological - Drought
Infrastructure Failure / Service Delivery Failure -Water
Hydro-meteorological Hazards - Floods (River, Urban & Dam Failure)
Infrastructure Failure / Service Delivery Failure -Electrical
Civil Unrest - Crime

Table 16; Nongoma LM – Potential Risks

Nongoma LM
Disease / Health - Disease: Human (HIV/AIDS & TB)
Hydro-meteorological Hazards - Severe Storms (Wind, Hail, Snow, Lightning, Fog)
Disease / Health - Disease: Human (Other Disease)

Nongoma LM
Fire Hazards - Formal & Informal Settlements /Urban Area
Fire Hazards - Veld/Forest Fires
Hydro-meteorological Hazards - Floods (River,Urban & Dam Failure)
Hydro-meteorological - Drought
Infrastructure Failure / Service Delivery Failure -Water
Infrastructure Failure / Service Delivery Failure -Electrical
Civil Unrest - Crime

Table 17; Ulundi LM – Potential Risks

Ulundi
Hydro-meteorological Hazards - Severe Storms (Wind, Hail, Snow, Lightning, Fog)
Disease / Health - Disease: Human (HIV/AIDS & TB)
Fire Hazards - Formal & Informal Settlements / Urban Area
Fire Hazards - Veld/Forest Fires
Disease / Health - Disease: Human (Other Disease)
Hydro-meteorological - Drought
Infrastructure Failure / Service Delivery Failure - Water
Hydro-meteorological Hazards - Floods (River, Urban & Dam Failure)
Infrastructure Failure / Service Delivery Failure - Electrical
Civil Unrest - Crime

3.4.3 Risk Reduction & Prevention

3.4.3.1 Assistance

It is the responsibility of a municipal disaster management centre to assist both the national- and provincial disaster management centres with:

- The identification and establishment of communication links with disaster management role-players in the municipal area;
- Development and maintenance of the disaster management electronic database; and
- Develop guidelines for the preparation and regular review of disaster management plans and strategies, including contingency plans and emergency procedures, and the integration of the concept and principles of disaster management and particularly the prevention and mitigation strategies, with development plans and programmes.

3.4.3.2 Prevention and Mitigation

The District Municipality’s Disaster Management Centre must give guidance to assess and prevent or reduce the risk of disasters, including ways and means of:



- Determining levels of risk;
- Assessing the vulnerability of communities and households to disasters that may occur;
- Increasing the capacity of communities and households to minimise the risk and impact of disasters that may occur; and
- Monitoring the likelihood of, and the state of alertness to disasters that may occur.

The district municipality is also responsible for the following in terms of prevention and mitigation:

- The development and implementation of appropriate prevention and mitigation methodologies;
- The integration of prevention and mitigation methodologies with development plans, programmes and initiatives; and
- The management of high-risk developments.

Lastly, it is the responsibility of the disaster management centre of a district municipality in terms of prevention and mitigation to promote formal and informal initiatives that encourage risk avoidance behaviour by organs of state, the private sector, non-governmental organisations, communities, households and individuals in the municipal area.

3.4.4 Response & Recovery

The Council of a District Municipality is primarily responsible for the co-ordination and management of local disasters. This is the first sphere of government from where a local state of disaster may be declared by way of a notice in the Provincial Gazette.



When a disastrous event occurs or is threatening to occur in the area of a municipality, the disaster management centre of the municipality concerned must determine whether the event should be regarded as a disaster in terms of the Act and if it is regarded as a disaster, the municipality must immediately:

- initiate efforts to assess the magnitude and severity or potential magnitude and severity of the disaster;
- inform the National Centre and the relevant provincial disaster management centre of the disaster and its initial assessment of the magnitude and severity or potential magnitude and severity of the disaster;
- alert disaster management role-players in the municipal area that may be of assistance in the circumstances; and

- initiate the implementation of any contingency plans and emergency procedures that may be applicable in the said circumstance
- When reporting the disaster to the National Centre and the relevant provincial disaster management centre, the municipal disaster management centre may make a recommendation regarding the classification of the disaster.

3.4.5 Disaster Management Strategic Plan

The ZDM Disaster Management Strategic Plan is presented overleaf:

Table 18; ZDM Disaster Management Strategic Plan

MULTI-YEAR OBJECTIVES	PROGRAMMES/PROJECTS	TARGET DATE FOR COMPLETION OF OUTSTANDING ACTIONS	POSSIBLE BUDGET	RESPONSIBLE DEPARTMENT / INSTITUTION
OBJECTIVE 1: ESTABLISH INTEGRATED INSTITUTIONAL CAPACITY				
Establish functionally effective arrangements for the development and adoption of an integrated policy for Disaster Risk Management	Develop the District Disaster Management Policy	Package Business Plan for funding by 30 June 2018	80000	Disaster Management Centre, in collaboration with all departments and external stakeholders
Establish functionally effective arrangements for integrated direction and implementation of the Disaster Management Act, 2002; the NDMF; the provincial and district DMFs.	Package business plan/proposal for funding MIDRMC. The business plan will include the establishment of local disaster management satellite offices with personnel and equipment.	Package Business Plan for funding by 30 June 2018	R 100,000	Disaster Management Centre, in collaboration with all departments and external stakeholders
Establish functionally effective arrangements for stakeholder participation and the engagement of technical advice in disaster risk management planning and	Ensure optimal functioning of disaster management structures and maximising stakeholder participation	Ongoing	No budgetary impact	Disaster Management Centre, in collaboration with all departments and external stakeholders

operations				
Establish functionally effective arrangements for national, regional and international cooperation for disaster risk management	Maintaining close collaboration with Provincial and National Disaster Management Centres and institutions, as well as neighbouring municipalities and provinces and the private sector.	Ongoing	No budgetary impact	Disaster Management Centre
OBJECTIVE 2: CONDUCT DISASTER RISK ASSESSMENTS AND MONITOR DISASTER RISK TO INFORM DISASTER RISK MANAGEMENT PLANNING AND DISASTER RISK REDUCTION UNDERTAKEN BY ORGANS OF STATE AND OTHER ROLE PLAYERS				
Conduct comprehensive disaster risk assessments to inform disaster risk management and risk reduction policies, planning and programming	Update relevant chapter in the District Disaster Management Plan	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments and external stakeholders
Generate an Indicative Disaster Risk Profile for the area of the District Municipality	Update relevant chapter in the District Disaster Management Strategic Plan	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments and external stakeholders
Identify and establish effective mechanisms and systems to monitor, update and disseminate disaster risk information	Investigate best practice disaster mechanisms and or systems that can best be applied to the Zululand DM	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments and external stakeholders

Identify and apply mechanisms to conduct quality control	Ensure optimal functioning of technical advisory committees comprising the relevant specialist scientific and technical expertise to assist with monitoring standards and progress of disaster risk assessments and with the validation and/or interpretation of findings.	Established already. Ongoing quarterly meetings are held to monitor.	No budgetary impact	Disaster Management Centre
OBJECTIVE 3: DEVELOP AND IMPLEMENT INTEGRATED AND RELEVANT DISASTER RISK MANAGEMENT PLANS AND RISK REDUCTION PROGRAMMES IN ACCORDANCE WITH APPROVED FRAMEWORKS				
Compile and implement integrated and relevant disaster risk management plans	Maintain an updated District Disaster Management Plan	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments and external stakeholders
Determine municipal priority disaster risks and priority areas, communities and households	Update relevant chapter in the District Disaster Management Strategic Plan	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments and external stakeholders
Scope and develop disaster risk reduction plans, projects and programmes	Update relevant chapter in the District Disaster Management Strategic Plan	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments and external stakeholders

Incorporate disaster risk reduction efforts into strategic integrating structures and processes	Incorporate risk related information into spatial development and environmental management frameworks.	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments and external stakeholders
	Disaster risk reduction programmes, projects and initiatives need to be implemented by municipal departments, the DMA (if applicable), local municipalities and any other municipal entities.	Ongoing	No budgetary impact	Disaster Management Centre, in collaboration with all departments and external stakeholders
	Encourage and regulate risk avoidance behaviour through Regulations, standards, minimum criteria, by-laws and other legal instruments and document in annual reports to the municipal disaster risk management centre, Disaster centre and the provincial disaster risk management centre concerned.	Ongoing	No budgetary impact	Disaster Management Centre, in collaboration with all departments and external stakeholders
OBJECTIVE 4: DEVELOP AND IMPLEMENT MECHANISMS TO ENSURE APPROPRIATE AND EFFECTIVE DISASTER RESPONSE AND RECOVERY IN ACCORDANCE WITH STATUTORY REQUIREMENTS				
Identify and implement mechanisms for the dissemination of early warnings	Develop & implement effective and appropriate early warning strategies	Ongoing	No budgetary impact	Disaster Management Centre, in collaboration with all departments and external stakeholders
	Establish strategic emergency communication links in high-risk areas and communities.	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be	0	Disaster Management Centre, in collaboration with all departments

		conducted internally or externally		and external stakeholders
Develop and implement mechanisms for the assessment of significant events and/or disasters for the purposes of classification and declarations of a state of disaster to ensure rapid and effective response	Develop and adopt uniform methods for the assessment and costing of significant events or disasters, which are consistent with national requirements	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments and external stakeholders
	Routinely submit research reports on significant events and trends to the municipal disaster risk management centre, the NDMC and the relevant provincial disaster risk management centre	Ongoing	No budgetary impact	Disaster Management Centre, in collaboration with all departments and external stakeholders
	Review reports on actual disasters routinely submitted to the municipal disaster risk management centre, the NDMC and the provincial disaster risk management centre	Ongoing	No budgetary impact	Disaster Management Centre, in collaboration with all departments and external stakeholders
Develop and implement mechanisms to ensure integrated response and recovery efforts	Develop & co-ordinate implementation of contingency plans for certain known hazards by all municipal departments, local municipalities and any other municipal entities.	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments and external stakeholders
	Maintain updated response and recovery plans annually.	Ongoing	No budgetary impact	Disaster Management Centre, in collaboration with all departments and external

				stakeholders
	Develop, constantly review & implement Field Operations Plans (FOPs) for the various activities associated with disaster response and recovery	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments and external stakeholders
	Constantly manage, review&update multi-agency responses in accordance with national regulations and directives and the relevant provincial disaster risk management policy framework	Ongoing	No budgetary impact	Disaster Management Centre, in collaboration with all departments and external stakeholders
	Develop, gazette & regulate adherence to policy and directives for the management of disaster response and recovery operations	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments and external stakeholders
Develop and adopt mechanisms for the management and distribution of disaster relief in accordance with national regulations and directives of the provincial DMC	Manage, monitor& review disaster relief measures in accordance with national regulations and directives	Ongoing	No budgetary impact	Disaster Management Centre, in collaboration with all departments and external stakeholders
Develop and implement mechanisms to ensure that integrated rehabilitation and	Ensure establishment & effective operation of Post-disaster technical task teams for rehabilitation and reconstruction projects	Ongoing	No budgetary impact	Disaster Management Centre, in collaboration with all departments

reconstruction activities are conducted in a developmental manner				and external stakeholders
	Constantly review mechanisms for the monitoring of rehabilitation and reconstruction projects and that regular progress reports are submitted to the municipal disaster risk management centre, the NDMC and the provincial disaster risk management centre concerned.	Ongoing	No budgetary impact	Disaster Management Centre, in collaboration with all departments and external stakeholders
Establish mechanisms to ensure that all relevant data is gathered and captured simultaneously in the process of developing and implementing disaster risk management plans and risk reduction programmes	Develop a Disaster Management & Communications Information System	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments and external stakeholders
	Constantly identify education, training, public awareness and research (knowledge management) needs in respect of disaster risk reduction planning and implementation	Organise a two day a disaster management workshop including councillors, portfolio committees and advisory forum members by 30 June 2018	100,000	Disaster Management Centre, in collaboration with all departments and external stakeholders
	A business plan and a budget for the development and implementation of response and recovery operational plans is prepared, submitted and approved for the current and ensuing financial year.	Scope and conduct cost investigation by 30 June 2017 and determine if exercise will be conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments and external stakeholders

3.4.6 Funding Arrangements

Table 19; Disaster Management Funding allocation

	2016/2017	2017/2018
Disaster Portfolio Projects	1 200 000.00	1 273 200.00

Source: Final Budget 2017/2018

3.4.7 Disaster Management: SWOT Analysis

The table below is an analysis of summary of challenges that prevent the Disaster Offices from operating optimally.

Table 20; Challenges facing LMs in terms of Disaster

Municipality	Challenges
uPhongola	Funding, Response, Prevention
AbaQulusi	Vehicles, Funding, Response
Ulundi	Equipment, Funding
Nongoma	Staff, vehicles, equipment, facilities
eDumbe	Vehicles, facilities, prevention, response
Zululand	Equipment, funding

Source: Disaster Management Plan 2011

CHAPTER 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

This section of the report focuses on the organisational capacity in terms of human capital and how this is utilised to meet service delivery requirements. As such, the focus of this section is also on the organisational structuring in terms of line departments, the roles and responsibilities of the line departments and how these are lead. This is demonstrated in the Organisational Organogram.

Although the Zululand District Municipality does not have a Human Resource Strategy in one document i.e. as a sector plan, all the elements of a Human Resource Strategy in terms of legislation have been developed and fine-tuned over a number of years. The following chapter talks to each of those elements whose key issues have also been tackled in the strategic plan. Furthermore, the HR policies are reviewed every year and tabled to Council for adoption.

4.1 INSTITUTIONAL ARRANGEMENTS

The municipality consists of six (6) departments namely:

- Municipal Manager's office
- Budget and Treasury
- Technical Services
- Planning and Water Services Authority
- Corporate Services
- Community Development

These departments are headed by Officials appointed in terms of Section 56. The responsibilities and functions of each of these departments are explained in further in this report.

4.2 POWERS & FUNCTIONS

Table 21; ZDM Powers and Functions

Function	Responsible Department
IDP	Planning
Water Supply (<i>National Fx</i>)	Technical Services
Electricity (<i>National Fx</i>)	Technical Services
Sewerage Systems (<i>National Fx</i>)	Technical Services
Solid Waste	Technical Services
Municipal Roads (District)	Planning
Regulation of passenger transport services	Planning
Municipal Airports (District)	Corporate Services

Function	Responsible Department
Municipal Health (<i>National Fx</i>)	Community Development Services
Fire Fighting Services	Corporate Services
Fresh Produce Markets, Abbatoirs	Planning
District Cemeteries	Planning
District Tourism	Community Development Services
Public Works	Technical Services
Grants distribute	Budget and Treasury
Collection of levies	Budget and Treasury
Other: Disaster Management	Corporate Services

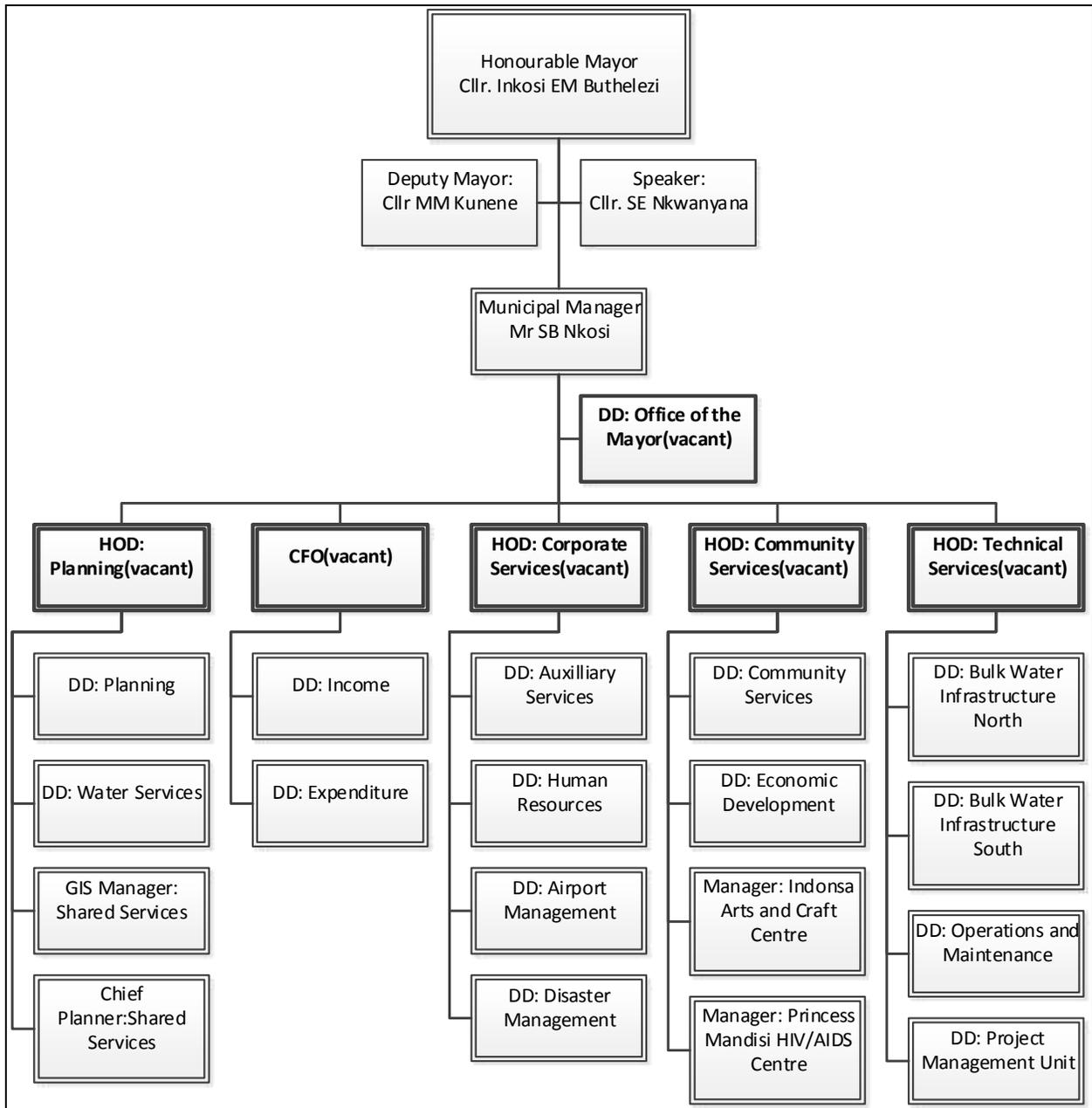
Table 22; Functions as per the Constitution of the Republic of South Africa and the Municipal Structures Act

No.	Functions as per the Constitution of the Republic of South Africa; Municipal Structures Act	Role of the District Municipality?
1.	Integrated development planning for the district municipality	Regional/Sectoral Planning, Spatial Planning Land Use Policy
2.	Bulk supply water	Provision and regulation
3.	Bulk sewage purification works and main sewage disposal	Provision
4.	Municipal (district) roads	Not yet defined
5.	Regulation of passenger transport services	planning of infrastructure Regulating (permits, control)
6.	Municipal airports (regional)	operation, management
7.	Municipal health services	Limited to Environmental health services and Includes regulation of Air and noise pollution, storm water management, water and sanitation, refuse and solid waste disposal
8.	Fire fighting services	Planning, coordinating and regulating Standardization of

		infrastructure, vehicles and procedures Disaster Management Plan
9.	The establishment, conduct and control of fresh produce markets and abattoirs serving the area of the district municipality	The need for a regional fresh produce market does not exist.
10.	The establishment, conduct and control of cemeteries and crematoria	The study revealed that there is no need for a regional cemeteries
11.	Promotion of local tourism for the area of the district municipality	Co-ordination, strategic planning
12.	Municipal public works relating to any of the above functions or any other functions assigned to the district municipality	construction and maintenance of public infrastructure and facilities
13.	The receipt, allocation and if applicable the distribution of grants made to the district municipality	The grants gazette for ZDM are received and spent according the grant conditions. ZDM does not distribute grants.

4.3 ORGANISATIONAL STRUCTURE

Figure 10; Municipal Organogram



4.4 HUMAN RESOURCE DEVELOPMENT

4.4.1 *Human Resource and Administration*

4.4.1.1 *Core Functions*

- Recruitment and selection
- Engagements and terminations
- Keeping and updating of personal files
- Administration of staff benefits
- Employment Equity Planning and Reporting (Section 21 EEA)
- Attendance registers, Leave administration and Management

4.4.2 *Training and Development*

4.4.2.1 *Core Functions*

- Represent Council pertaining to Training and Development matters (Secondary SDF)
- Conduct and analyse skills audits
- Prepare and implement WSP
- Plan , Co-ordinate and Implement Training
- Report on training implemented – Annual Training Reports
- Prepare Training budget and Monitor expenditure of the training budget.
- Act as Corporate Services IT representative

4.4.3 *Labour Relations*

4.4.3.1 *Core Functions*

- To Implement Council HR Policies and Procedures
- To represent Council in the CCMA and Bargaining Council
- Monitor and administer disciplinary processes
- To advise the Municipality on the implementation of relevant policies
- Monitor the Labour Relations trends and advise on the changes accordingly
- Monitor and update HR policies in line with changes from time to time

4.4.4 *Human Resource Policies and Legislation*

The policies applicable to Human Resource are among others the following which are all captured into the policy and procedure manual of the Municipality.

4.4.4.1 *Existing Policies*

- Occupational Health and Safety Policy
- Employee Assistance Programme Policy
- HR Policy: Disciplinary Policy, Death, leave etc.

4.4.4.2 *Policies to be reviewed*

- Occupational Health and Safety Policy
- Employee Assistance Programme Policy

- HR Policy: Disciplinary Policy, Death, leave etc.

4.4.4.3 Policies to be formulated

- Training and Development Policy

4.4.5 Human Resource Related Programmes

- New employees Induction Programme
- Training and Development Programme
- Employee Assistance Programme
- Occupational Health and Safety Programme

4.4.6 Human Resources Related Forums and Committees

- Local Labour Forum
- Training and Development Committee
- Occupational Health and Safety Representatives Forum

The table below indicates other existing HR Policies and Plans and the date of last review.

Table 23; HR Policies and plans

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted
1	Affirmative Action	Yes	Yes	28 May 2017
2	Attraction and Retention	Yes	Yes	28 May 2017
3	Code of Conduct for employees	Yes	Yes	28 May 2017
4	Delegations, Authorisation & Responsibility	Yes	Yes	28 May 2017
5	Disciplinary Code and Procedures	Yes	Yes	28 May 2017
6	Essential Services	Yes	Yes	28 May 2017
7	Employee Assistance / Wellness	Yes	Yes	28 May 2017
8	Employment Equity	Yes	Yes	28 May 2017
9	Exit Management	Yes	Yes	28 May 2017
10	Grievance Procedures	Yes	Yes	28 May 2017
11	HIV/Aids	Yes	Yes	28 May 2017
12	Human Resource and Development	Yes	Yes	28 May 2017
13	Information Communications Technology	Yes	Yes	28 May 2017
14	Job Evaluation	No	No	Guided by SALGA
15	Leave	Yes	Yes	28 May 2017
16	Occupational Health and Safety	Yes	Yes	28 May 2017
17	Official Housing	n/a	Yes	28 May 2017
18	Official Journeys	Yes	Yes	28 May 2017
19	Official transport to attend Funerals	Yes	Yes	28 May 2017
20	Official Working Hours and Overtime	Yes	Yes	28 May 2017

21	Organisational Rights	Yes	Yes	28 May 2017
22	Payroll Deductions	Yes	Yes	28 May 2017
23	Performance Management and Development	Yes	Yes	28 May 2017
24	Recruitment, Selection and Appointments	Yes	Yes	28 May 2017
25	Remuneration Scales and Allowances	Yes	Yes	28 May 2017
26	Resettlement	n/a	Yes	28 May 2017
27	Sexual Harassment	Yes	Yes	28 May 2017
28	Skills Development	Yes	Yes	28 May 2017
29	Smoking	no	Yes	28 May 2017
30	Special Skills	n/a	No	28 May 2017
31	Uniforms and Protective Clothing	Yes	Yes	28 May 2017

4.5 MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT: SWOT ANALYSIS

4.5.1 *Strengths and 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
- Stable workforce particularly management

4.5.2 *Weaknesses and Threats*

- Support and buy-in from government departments and local municipal structures cannot be ensured.
- Limited budget to implement comprehensive capacity building on all identified staff
- Insufficient budget to appoint staff particularly in functions that are an unfunded mandate

CHAPTER 5: GOOD GOVERNANCE ANALYSIS

5.1 NATIONAL AND PROVINCIAL PROGRAMMES

5.1.1 *Operation Sukuma Sakhe (OSS)*

The origin of Masisukuma Sakhe, which is the motto on the crest of the Provincial Government of KwaZulu-Natal, is taken from the Prophet Nehemiah 2:18, where he yearns to rebuild a city that has been destroyed. Operation Sukuma Sakhe then 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.

5.1.1.1 *OSS Achievements*

Newsletter titled Operation Sukuma Sakhe has gone far in Zululand:

The program which is an initiative of the cabinet started in July 2009 as Flagship has now been branded to Operation Sukuma Sakhe (OSS) it focuses in fighting diseases such as HIV/AIDS, TB and Chronic, women and youth empowerment, food security, etc.

In Zululand District, team members were elected to represent all departments who further visit five local municipalities. Local task teams were also elected. There are Master trainers who trained cadres on the program which includes households profiling. In this district the program was initiated in the 10 most deprived wards out of 89 wards, that was ward 1,2,3,6,16 and 24 in Ulundi and 1,3 and 14 in Nongoma and ward 3 in Abaqulusi. Zululand District Municipality also conducted its own ward profiling in all the wards in 2012.

Household profiling started in these wards, the main aim was to identify and analyse needs of people and give intervention which could immediately, medium term or long term be effective.

Five local AIDS councils and District AIDS council were launched. Various conferences were hosted. Ward committees were also launched and the new areas are being orientated on Operation Sukuma Sakhe. In different wards community halls are identified as war rooms. In specific days ward convener, community leaders and different stakeholders meet in war rooms so that the community bring their needs for the attention of Operation Sukuma Sakhe.

Every year in July Senior managers for Zululand District is allocated in different wards for profiling and this helps in giving them the experience on what is happening in the District. This is a new approach which emphasizes the service delivery in every ward. In Zululand District the program is championed by the KwaZulu-Natal Premier and the Head of Department of Health.

5.2.1 Intergovernmental Relations (IGR)

5.2.1.1 *Legal Framework*

Intergovernmental Relations (IGR) in South African context concern the interaction of the different spheres of government. The Constitution declares that government is comprised of National, Provincial and Local spheres of government which are distinctive, interdependent and interrelated. According to the Constitution of the Republic of South Africa, Act, No.108 of 1996, Section 41 (2), an Act of Parliament must establish or provide structures and institutions to promote and facilitate Intergovernmental Relations and provide for appropriate mechanisms and procedures to facilitate settlement of Intergovernmental disputes.

- a) Establishment of a fully functional and operational IGR structure;
- b) Development of a business engagement model which will encourage all stake holder involvement towards economic viability within the district;
- c) Capacitation of Mayors on IGR; and
- d) Development of a monitoring mechanism which will be used to track and report on IGR progress.

5.2.1.2 *Established Forums*

There are two forums established for inter-governmental relations, the IGR Forum for the mayors of the municipalities that comprise the area of jurisdiction of the Zululand District Municipality and a Technical Forum to be attended by the respective municipal managers.

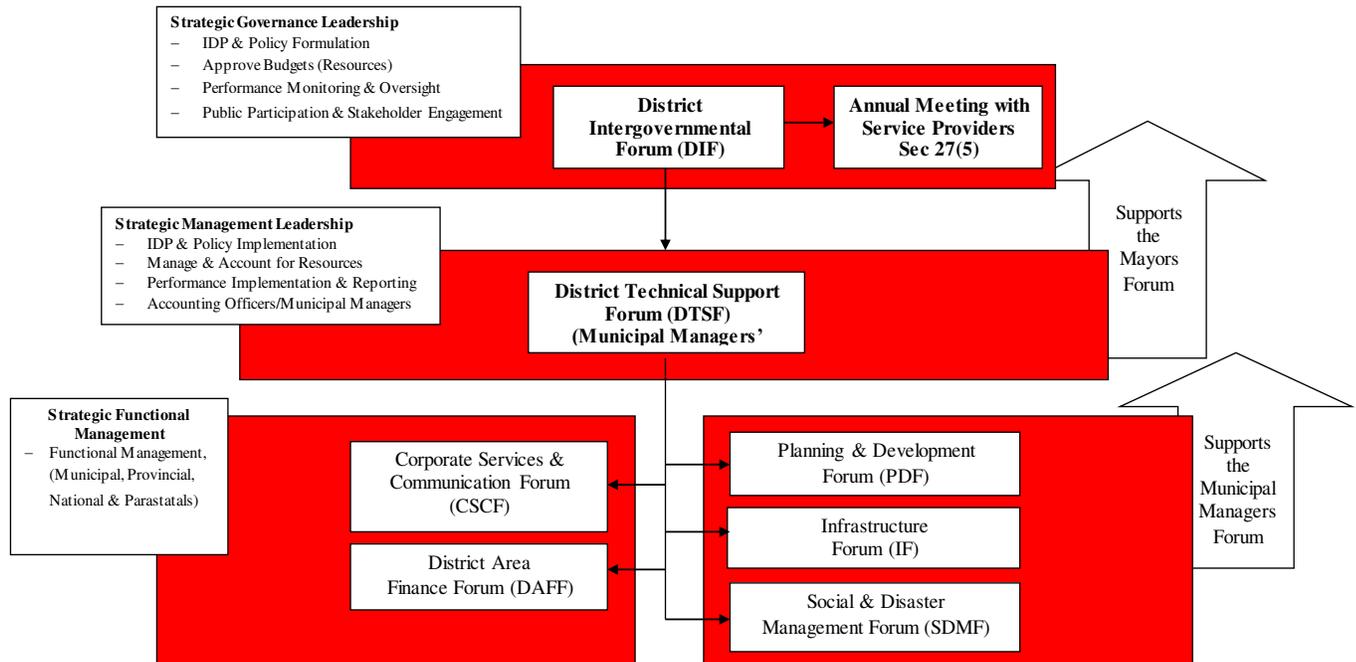
In the past the sector departments of the KZN Provincial Government have delivered projects and programmes within the service area of the Ulundi Municipality without reference to the needs expressed in the IDP; in preparation for this IDP review significant contact has been made with the sector department representatives in order to promote alignment between the programmes and projects driven by the Municipality and those that are undertaken by sector departments, whether at a national or provincial level. In future it is purposed that a regular schedule of engagement between the Municipality and the sector departments will be agreed and adhered to.

IGR Functionality

5.2.1.3 Developing the Organogram

The Diagram overleaf depicts the IGR Organogram:

Figure 11; IGR Organogram



5.2.2 Municipal Structures

Other than legislated and political structures, the following structures are also in place in the Zululand District Municipality:

5.2.2.1 Planning Department

- District Planning and Development Technical Forum
- IDP Representative Forum
- Pongola Poort dam Inter Municipal Forum
- Zululand / Umkhanyakude cross boundary bulk water supply Technical Committee

5.2.2.2 Social Services

- Human rights forum
- Sports forum
- Gender forum

- Youth Council
- Men's forum (about to be launched)
- District Aids Council
- Local Aids Council
- District War Room

5.2.2.3 LED Section

- Tourism forum
- Agricultural forum
- Business forum

5.2.2.4 Corporate Services

- District Disaster Management Advisory Forum
- District Disaster Management Practitioners Forum
- Skills Development Facilitators Forum
- Local Labour Forum
- Corporate Services Technical Forum

5.2.2.5 Finance

- District CFO Forum: This forum comprises of all CFO's in the district.

5.2.2.6 Office of the Mayor and Municipal Manager

- District Coordinating Forum
- Mayors Coordinating Forum
- MM's Technical Committee

5.2.3 *Audit Committee*

5.2.3.1 Audit and Risk Management Committee

The Zululand District Municipality has an Audit and Risk Management Committee set up in accordance with the prescripts of the Municipal Finance Management Act No. 56 of 2003, section 166. The Committee comprises of two independent members, who are not in the employ of the Zululand District Municipality, nor are they political office bearers.

The Chairperson of the Audit Committee is an independent person who is knowledgeable of the status of the position and has the requisite legal, business and leadership skills. The Committee operates in terms of written terms of reference approved by the municipality's Accounting Officer and Council's Executive Committee, which is in accordance with best practice.

The Committee performs its responsibilities as required in terms of the Municipal Finance Management Act (MFMA), as well as the code of Corporate Governance. The Audit Committee

meets a minimum of four (4) times during a financial year. The Following issues are deliberated upon:

- The adequacy, reliability and accuracy of financial reporting and information;
- The activities and effectiveness of internal audit function;
- The accounting and auditing concerns identified as a result of the internal or external audits;
- The effectiveness of the internal control systems;
- Risk Management;
- Compliance with the MFMA and other applicable legislation;
- Performance Management; and
- Reports on forensic investigations.

This structure sits quarterly to deliberate on matters on the agenda particularly policy, reports from the internal audit and other related performance information.

5.2.3.2 Internal Audit

The Zululand District Municipality has a system of Internal Audit under the control and direction of its Audit and Risk Committee. Based on the results of assurance work carried out by the Internal Audit unit, areas of weakness are identified and addressed. The weaknesses in internal control systems are brought to the attention of management to take corrective measures. Internal Audit Reports are tabled to the Performance Audit Committee every quarter or on a needs basis.

5.3 PUBLIC PARTICIPATION ANALYSIS

In terms of Chapter 4 of the Municipal Systems Act, municipalities must find ways of involving and facilitating community participation in the planning, implementation and monitoring of service delivery.

The following consultation structures have sought to achieve this:

5.3.1 Public Participation and Communication Structures

IDP, LED, Budget, Disaster Roadshows:

The purpose of these roadshows 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 spread and share awareness and counselling to communities in how they should re-act and prepare for natural events that tend to cause disasters including firefighting, floods and storms which are predominant in their areas. These events are also utilised in order to promote small businesses and co-operatives

within the municipality via the Local Economic Development Programme. Events were held as follows:

Date	Municipality
02-May-18	oPhongolo
04-May-18	Abaqulusi
09-May-18	eDumbe
11-May-18	Ulundi
26-May-18	Nongoma

Water Roadshows: Water is an important resource to the sustainability of human nature as well as environment thus communities need to take care and protect water resources. The campaign is aimed at promoting Zululand District Municipality communities to use water efficiently and understanding the importance of water conservation.

Annual Report Back: In order to report back to its communities, the municipality hosts the communities around Zululand to reflect on key achievements made during the course of the year. The event is also aimed at encouraging communities and civil servants to take care of themselves and to limit situations whereby they put their lives in danger so that they can continue to play an important role in the economy of Zululand.

5.3.2 Good Governance & Public Participation: SWOT Analysis

5.3.2.1 *Strengths /Opportunities*

- 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.

5.3.2.2 *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.

CHAPTER 6: INFRASTRUCTURE AND SERVICES ANALYSIS

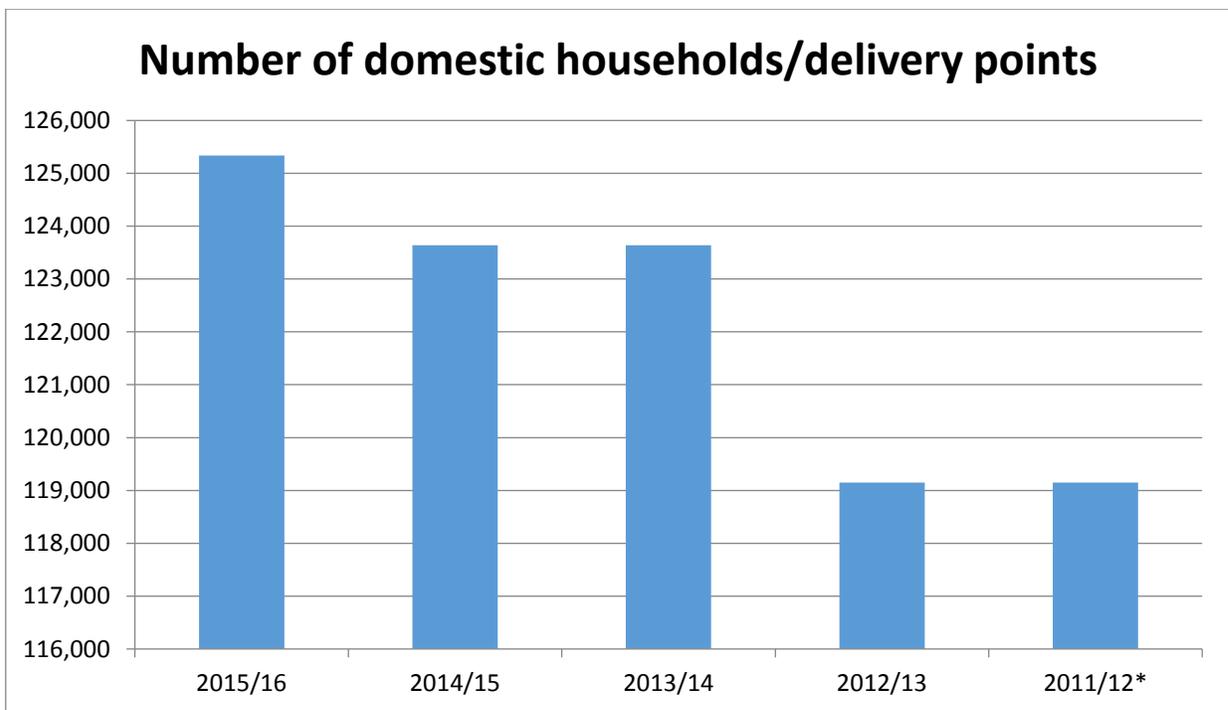
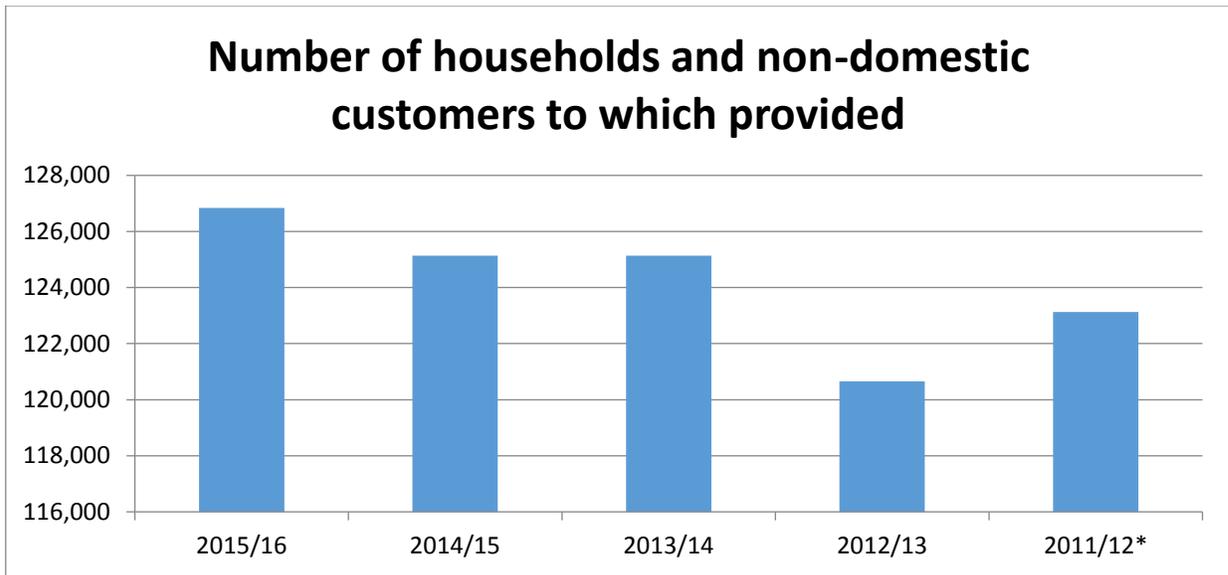
6.1 ACCESS TO WATER

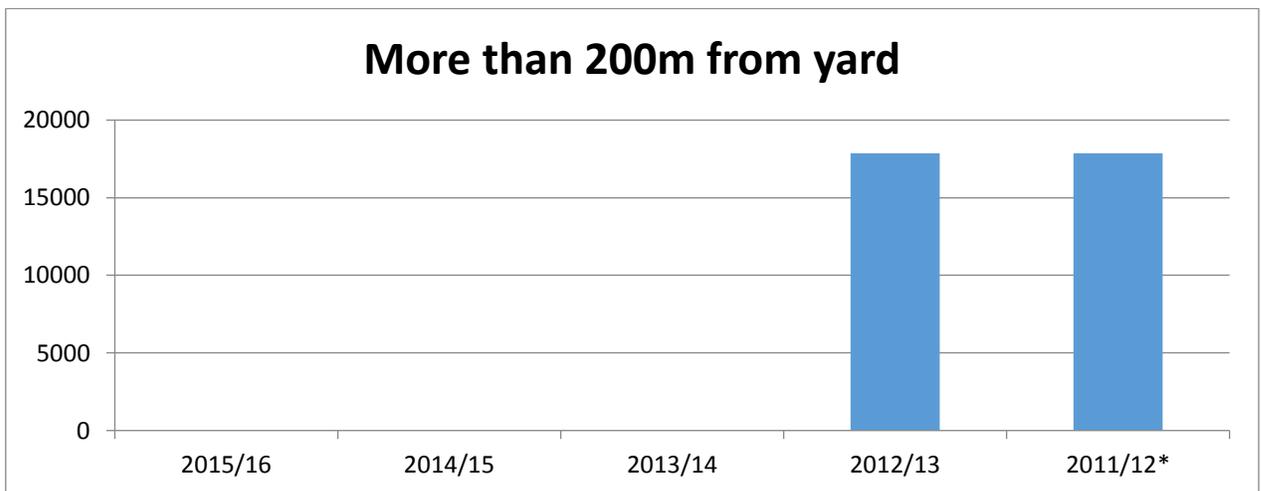
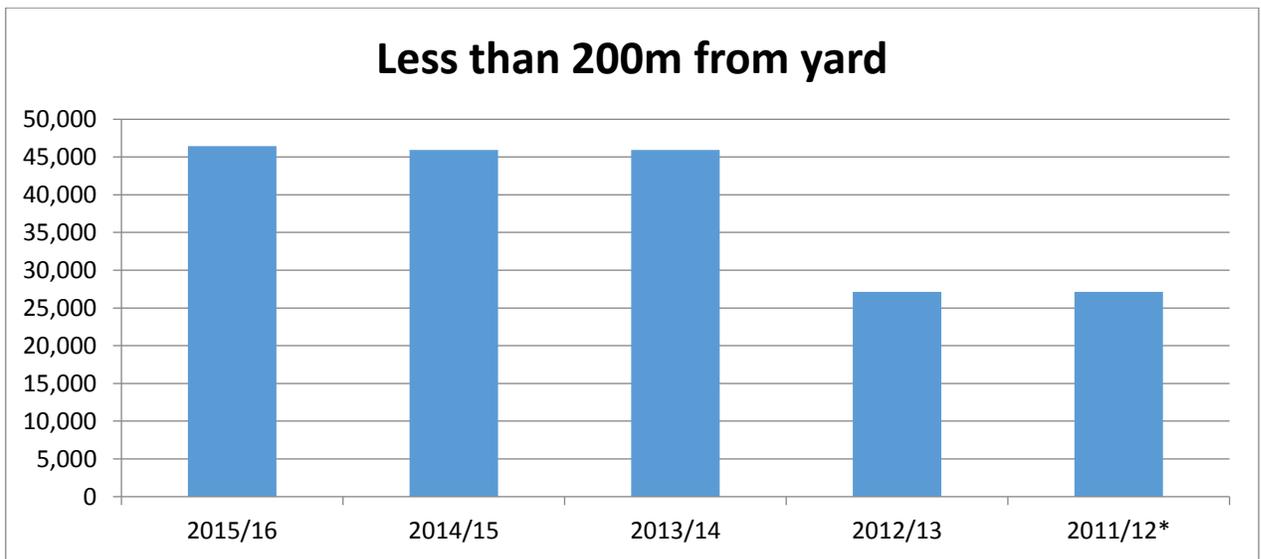
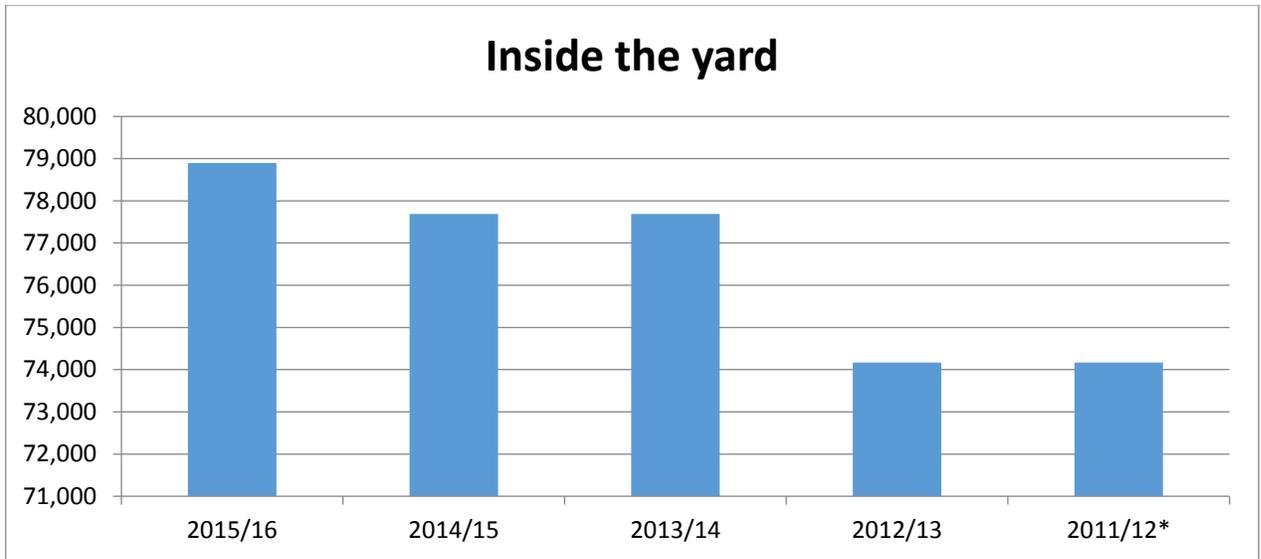
Table 24; Water Delivery Status (2015/16, 2014/15, 2013/14, 2012/13, 2011/12)

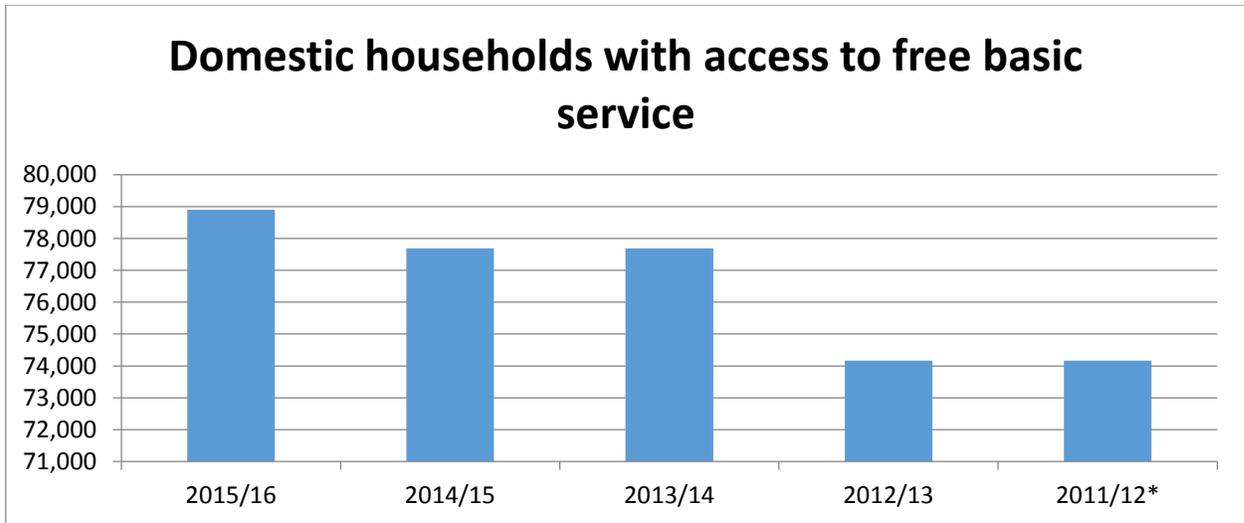
Blue Drop Score	n/a	n/a	51.18	n/a	83.05
Is the municipality responsible to provide?	Yes	Yes	Yes	Yes	Yes
Does the municipality have infrastructure to provide?	Yes	Yes	Yes	Yes	Yes
Does the municipality actually provide?	Yes	Yes	Yes	Yes	Yes
Is the service outsourced/commercialised?	No	No	No	No	No
Number of households and non-domestic customers to which provided	126 837	125 140	125 140	120 649	123 128
Number of domestic households/delivery points	125 336	123 639	123 639	119 148	119 148
Inside the yard	78 898	77 691	77 691	74 170	74 170
Less than 200m from yard	46 438	45 948	45 948	27 125	27 125
More than 200m from yard	0	0	0	17 853	17 853
Domestic households with access to free basic service	78 898	77 691	77 691	74 170	74 170

Source: municipalities.co.za

Figure 12; Water Delivery Status







The levels of service delivery, in terms of water access, have over the years improved in the municipality. The number of households and non-domestic that have access to water has increased. The number of water sources inside people’s yards has increased, the number of domestic household/delivery points has increased, water sources less than 200m from people’s yards has increased, as well as the number of domestic households with access to free basic service.

6.2 ACCESS TO SANITATION

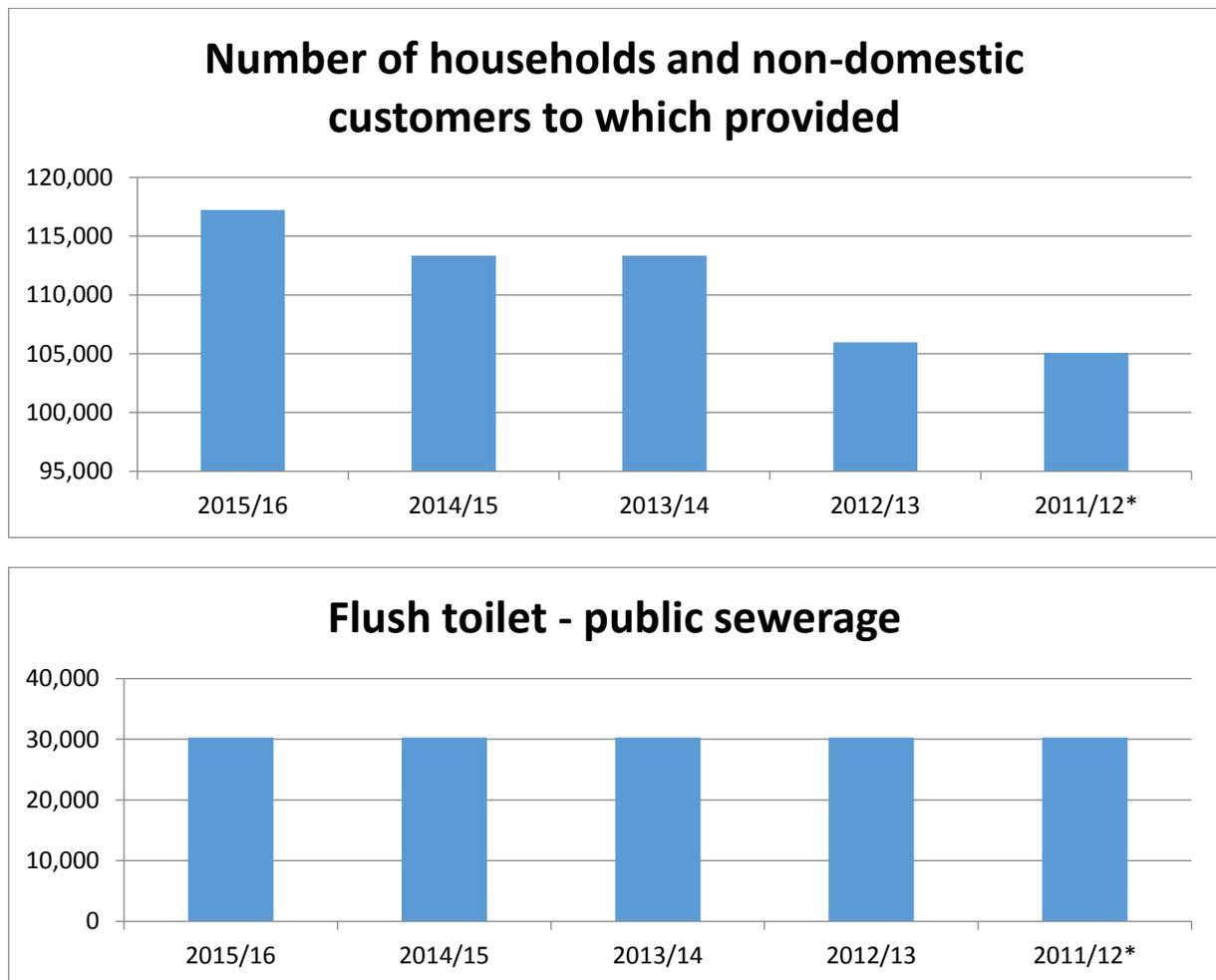
Table 25; Sewerage and Sanitation Delivery Status (2015/16, 2014/15, 2013/14, 2012/13, 2011/12)

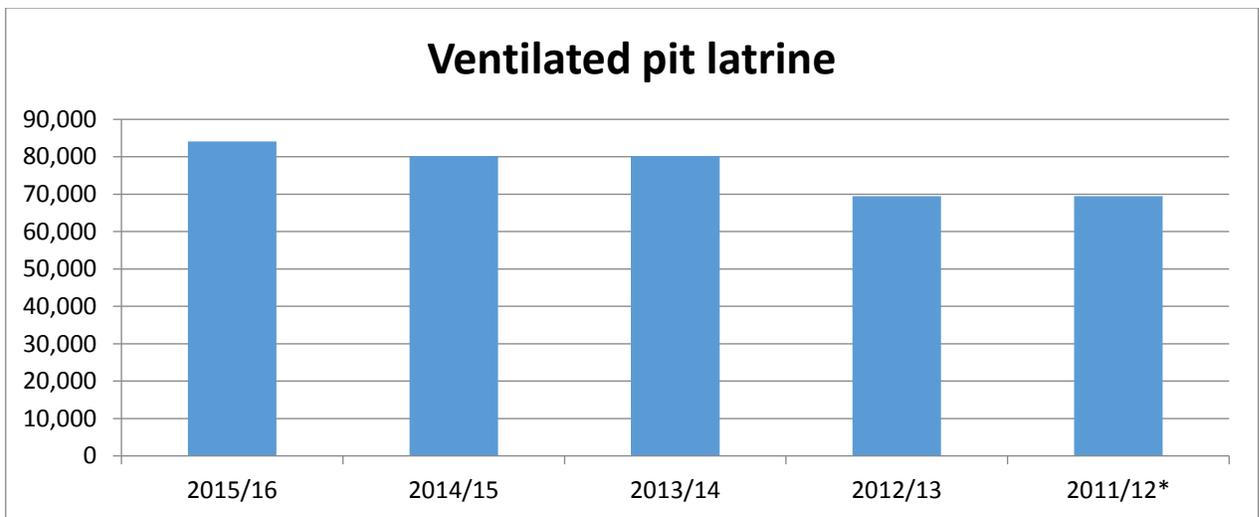
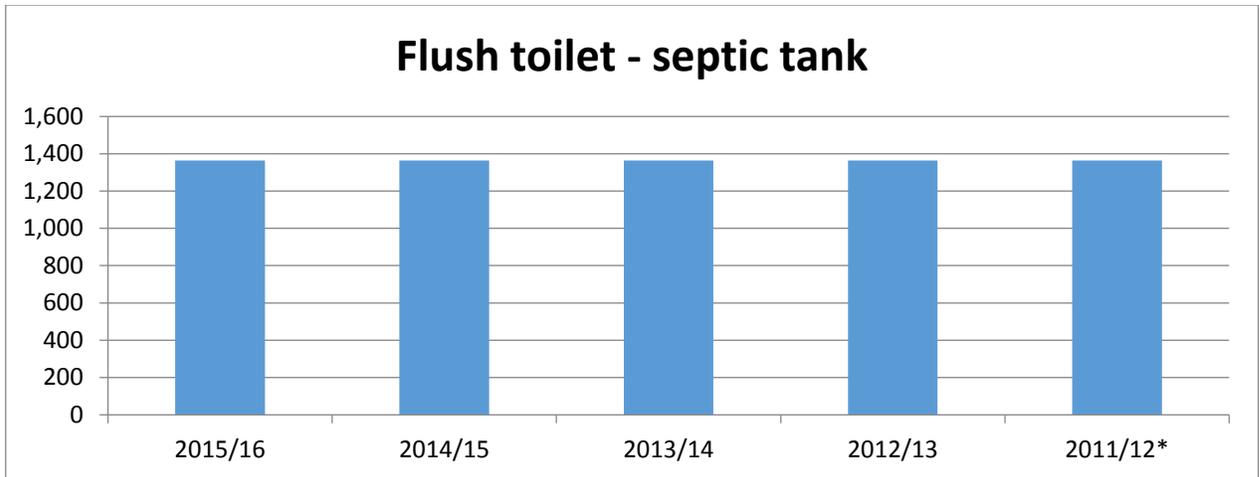
Green Drop Score	n/a	n/a	n/a	0	0
Is the municipality responsible to provide?	Yes	Yes	Yes	Yes	Yes
Does the municipality have infrastructure to provide?	Yes	Yes	Yes	Yes	Yes
Does the municipality actually provide?	Yes	Yes	Yes	Yes	Yes
Is the service outsourced/commercialised?	No	No	No	No	No
Number of households and non-domestic customers to which provided	117 228	113 328	113 328	105 961	105 077
Number of households using:					
Flush toilet - public sewerage	30 258	30 258	30 258	30 258	30 258

Flush toilet - septic tank	1 364	1 364	1 364	1 364	1 364
Ventilated pit latrine	84 105	80 205	80 205	69 475	69 475
Bucket system	0	0	0	0	0
Other	0	0	0	0	0
Domestic households with access to free basic service	1 507	0	0	0	0

Source: municipalities.co.za

Figure 13; Sewerage and Sanitation Delivery Status (2015/16, 2014/15, 2013/14, 2012/13, 2011/12)

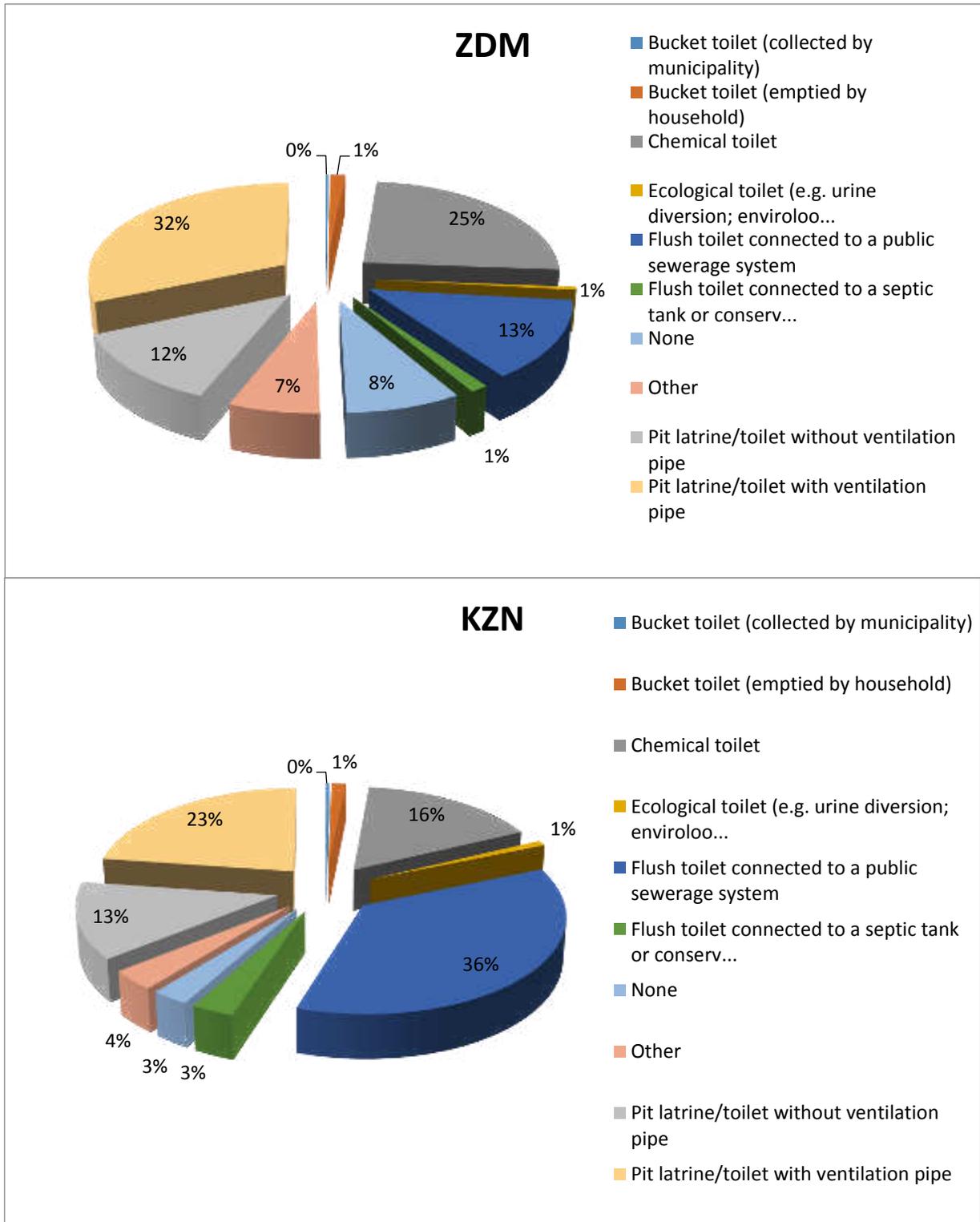


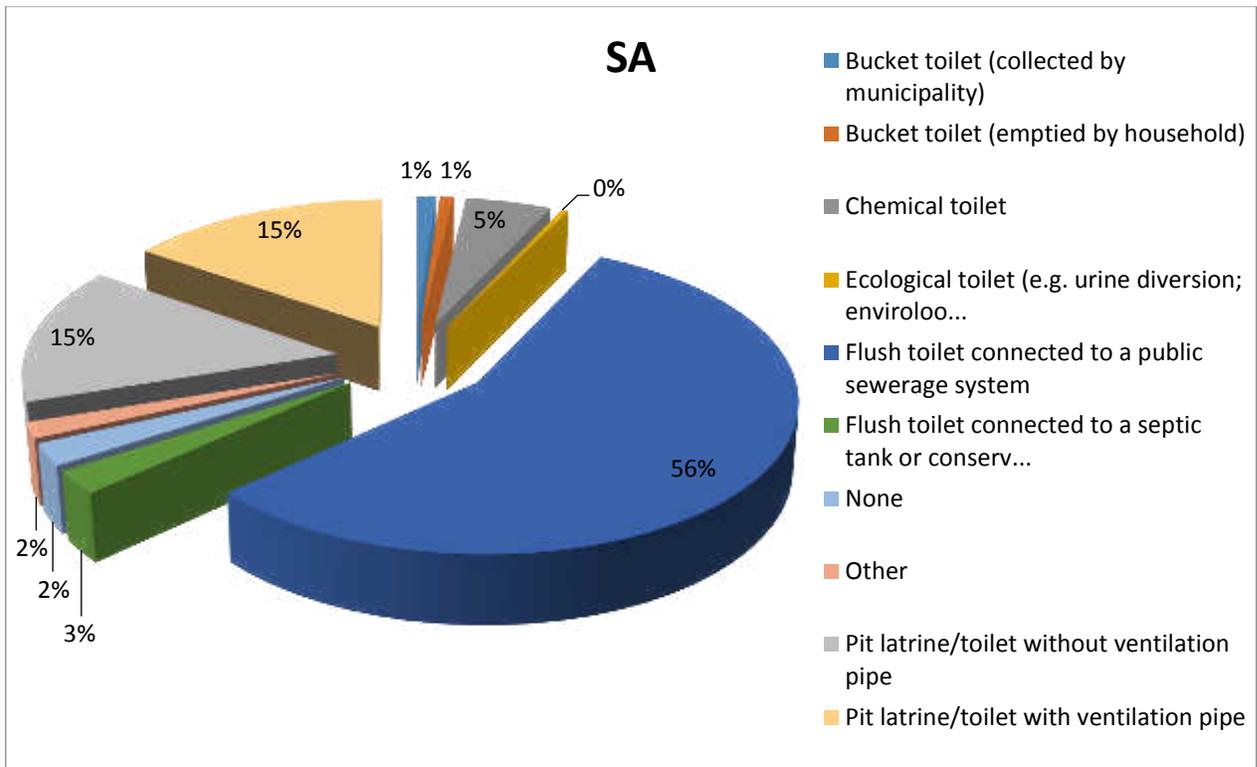


Source: municipalities.co.za

Over the years the number of households and non-domestic customers with sanitation, in the district, has steadily increased – from 105077, in the year 2011/12, to 117228 in 2015/16. The number of ventilated pit-latrines has also steadily increased, over the same period – from 69475 to 84105. The number of flush toilets connected to public sewerage and flush toilets connected to septic tanks.

Figure 14; Sanitation Deliberly Status





6.3 ACCESS TO ENERGY

Table 25: Electricity Delivery Status (2015/16, 2014/15, 2013/14, 2012/13, 2011/12)

Is the municipality responsible to provide?	No	No	No	No	No
Does the municipality have infrastructure to provide?	No	No	No	No	No
Does the municipality actually provide?	No	No	No	No	No
Is the service outsourced/commercialised?	Yes	Yes	Yes	Yes	Yes
Number of households and non-domestic customers to which provided	0	0	0	0	0
Domestic households with access to free basic service	0	0	0	0	0

Source: municipalities.co.za

It is clear from the above table that electricity provision remains the function of Eskom. The Municipality does not provide any direct service to the residents in this regard.

6.4 ACCESS TO TELECOMMUNICATIONS

Table 26; Access to Telecommunications

Telecommunication Goods	No of Households			% of Households		
	2001	2011	2016	2001	2011	2016
Radio	99744	108615	123814	70.64	68.85	69.4%
Television	42363	91323	130712	30.00	57.89	73.2%
Computer	2554	11344	16329	1.81	7.19	9,1%
Landline/Telephone	12954	7240	4671	9.17	4.59	2,6%
Cell-phone	31848	138124	165174	22.56	87.56	92,5%
Internet	0	45688	-	0.00	28.96	-

Source: Census 2011 Municipal Report and Community Survey 2016

The proportion of households with access to radio has stayed quite steady and relatively high access rates, over the years. Television has increased in big leaps – from 30% in 2001, to 57.89% in 2011 and 73.20% in 2016.

The proportion of households with cell phones has drastically increased over the years – starting from a proportion of 22.56% in 2001, to 92.5% in 2016. Landlines were at their peak in 2001, at 9.17% and have decreased over the year – they are now sitting at 2.6%. This may be an example of leapfrogging – landlines were the old technology and cell phones are the new technology. The citizenry has gone directly for the new technology – which happens to also be far more convenient and prices have drastically dropped over the year (lowering the barrier to entry).

In terms of internet access, this data was not collected for Census 2001. In 2011 the question about internet access was included, and it was not broken down into categories. These categories were further broadened in the 2016 Community Survey.

6.5 ACCESS TO SOCIAL 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. Access to community halls/centres is discussed in more detail in this section.

Urban areas within the AbaQulusi Local Municipality are reasonably well developed with social facilities and services. However, the standards do need to be maintained and such facilities need to be expanded to reach the urban population due to high rate of urbanization and migration. The real challenge lies in creating similar standards of provision of facilities in the rural areas in order to achieve social upliftment and a general improvement of socio-economic conditions. Addressing this need becomes even more critical, however the creation of regional sport centres may go a long way to achieve the desired outcome if one consider the dimensions that social facilities need to be accessible and should be provided at convenient locations.

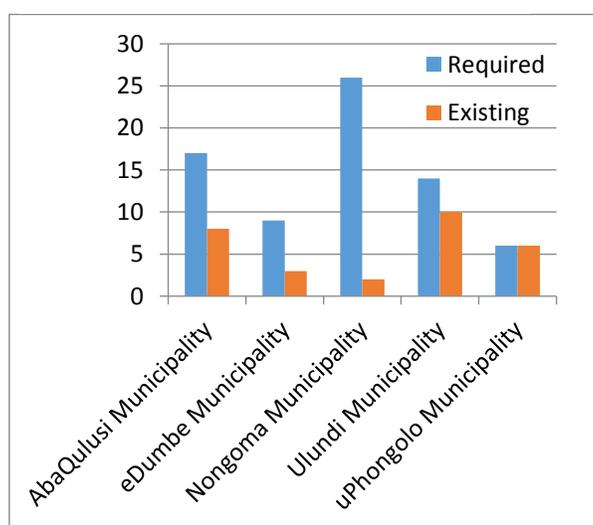
Community Halls;

Details on the number of **community halls/centres** in the ZDM area as noted hereunder:

Table 27; Community Halls/Centres in the District

Local Municipality	Required	Existing
AbaQulusi Municipality	17	8
eDumbe Municipality	9	3
Nongoma Municipality	26	2
Ulundi Municipality	14	10
uPhongolo Municipality	6	6

Figure 15; Access to Community Facilities



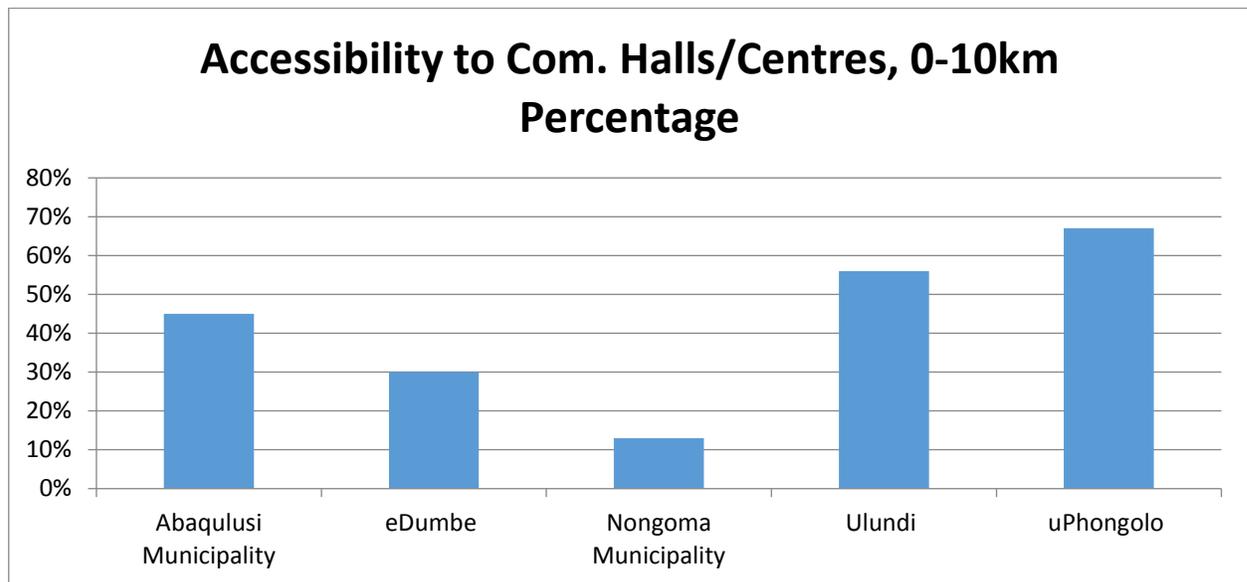
Accessibility to community halls/centres with regard to travelling distance is shown in the following table.

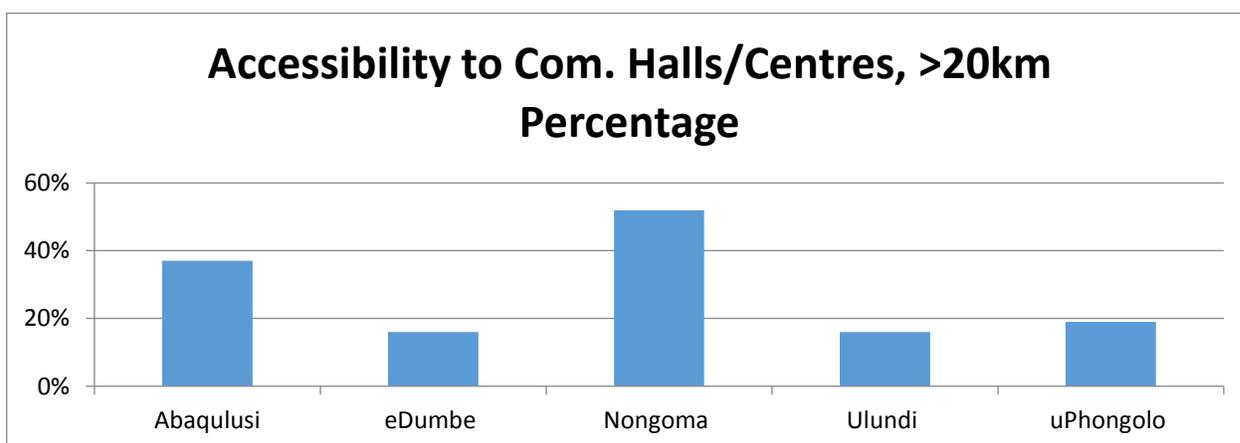
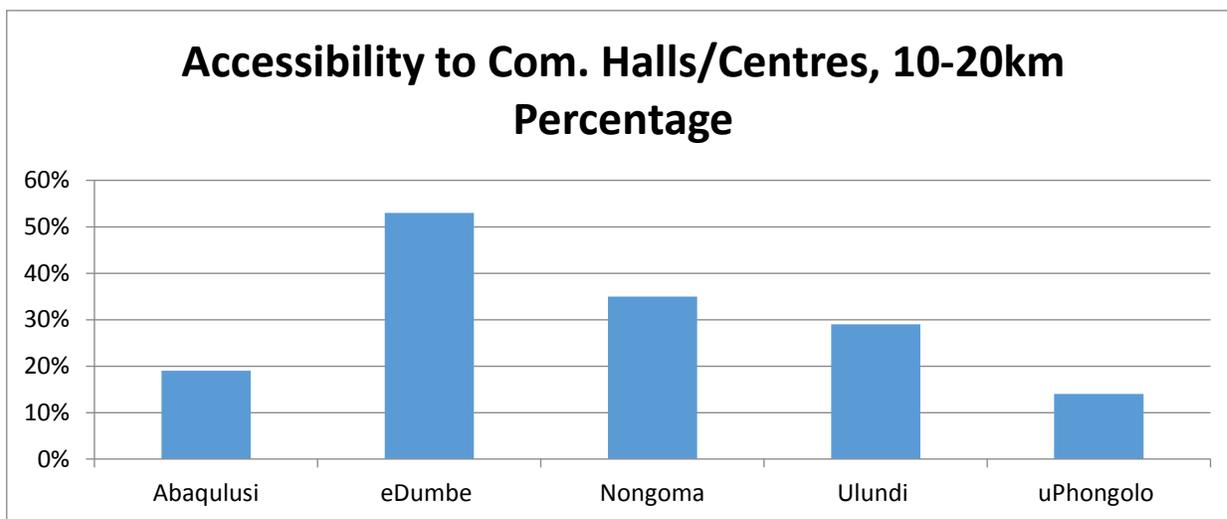
Table 28; Accessibility to Community Halls/Centres

Local Municipality	0 - 10km		
	Households	Population	Percentage
Abaqulusi Municipality	15122	102270	45%
eDumbe Municipality	4307	29128	30%
Nongoma Municipality	4381	29629	13%
Ulundi Municipality	19033	128720	56%
uPhongolo Municipality	13873	93823	67%

	10km - 20km		
Local Municipality	Households	Population	Percentage
Abaqulusi Municipality	6408	43337	19%
eDumbe Municipality	7547	51040	53%
Nongoma Municipality	11534	78004	35%
Ulundi Municipality	9840	66548	29%
uPhongolo Municipality	2892	19559	14%
	> 20km		
Local Municipality	Households	Population	Percentage
Abaqulusi Municipality	12442	84145	37%
eDumbe Municipality	2336	15798	16%
Nongoma Municipality	17432	117893	52%
Ulundi Municipality	5415	36622	16%
uPhongolo Municipality	3953	26734	19%

Figure 16; Access to Community Halls/Centres





In addition, it was noted that at least one such a facility was needed in every Traditional Authority area.

The following provides details of the Traditional Councils that have and do not have community halls:

Traditional Councils with Community Halls –

- Mthethwa
- Mavuso
- Msibi
- Ndlangamandla
- Ntshangase
- Simelane
- Hlahlindlela
- Matheni
- Usuthu
- Buthelezi
- Mbatha

- Mlaba
- Ndebele
- Nobamba
- Mpungose

Traditional Councils without Community Halls:

- Ndlangamandla Ext
- Disputed Area
- Khambi
- Khambi Ext
- Mandhlakazi
- Zungu

There are no set servicing standards for Tribal Courts. However, it is considered important that all communities do have access to tribal courts. The ZDM Community Facilities Plan that was prepared in 2004 noted that at least 1 tribal court facility would be needed for every 20 000 people.

6.6 MUNICIPAL DISTRICT AIRPORTS

The Zululand district has two airports, Ulundi Airport (Prince Mangosuthu Buthelezi Airport) and Vryheid Airport.

The Ulundi Airport has daily flights to Pietermaritzburg, and is envisaged to alleviate the high traffic volumes on the roads leading to Ulundi and particular the accidents on these roads.

Picture 1; Prince Mangosuthu Buthelezi Airport



Image source; Zululand Observer

Picture 2; Vryheid Airport



Image source: Google Maps.

The KZN Provincial Government resolved to transfer the management and ownership of the **Ulundi Airport** to the Zululand District Municipality and representative Joint Task Team was established to (1) facilitate the process and (2) to develop a strategy to ensure the future sustainable operation of the facility.

- 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.

The District has managed to maintain the Airport Operations compliant to all relevant SACAA Regulations including pertinent ICAO and SA-CATS requirements with airport infrastructure that is required to operate the facility in its designated category of operation, in a safe and legal manner as per ICAO Annex 14, SA CAA Regulations / CATS including Refuelling Services and flight operations by Federal Air.

The airport continues to be a gateway to Zululand through Federal Air that continues to operate scheduled chartered flights connecting the District to the business hubs i.e. Durban, Pietermaritzburg and Johannesburg.

This state of the art facility constantly assists this part of the Province with efficient emergency services when patients need to be flown to institutions that are equipped for advanced medical interventions, as well as ferrying relief doctors in the morning to assist in nearby hospitals each day and flown out in the afternoon.

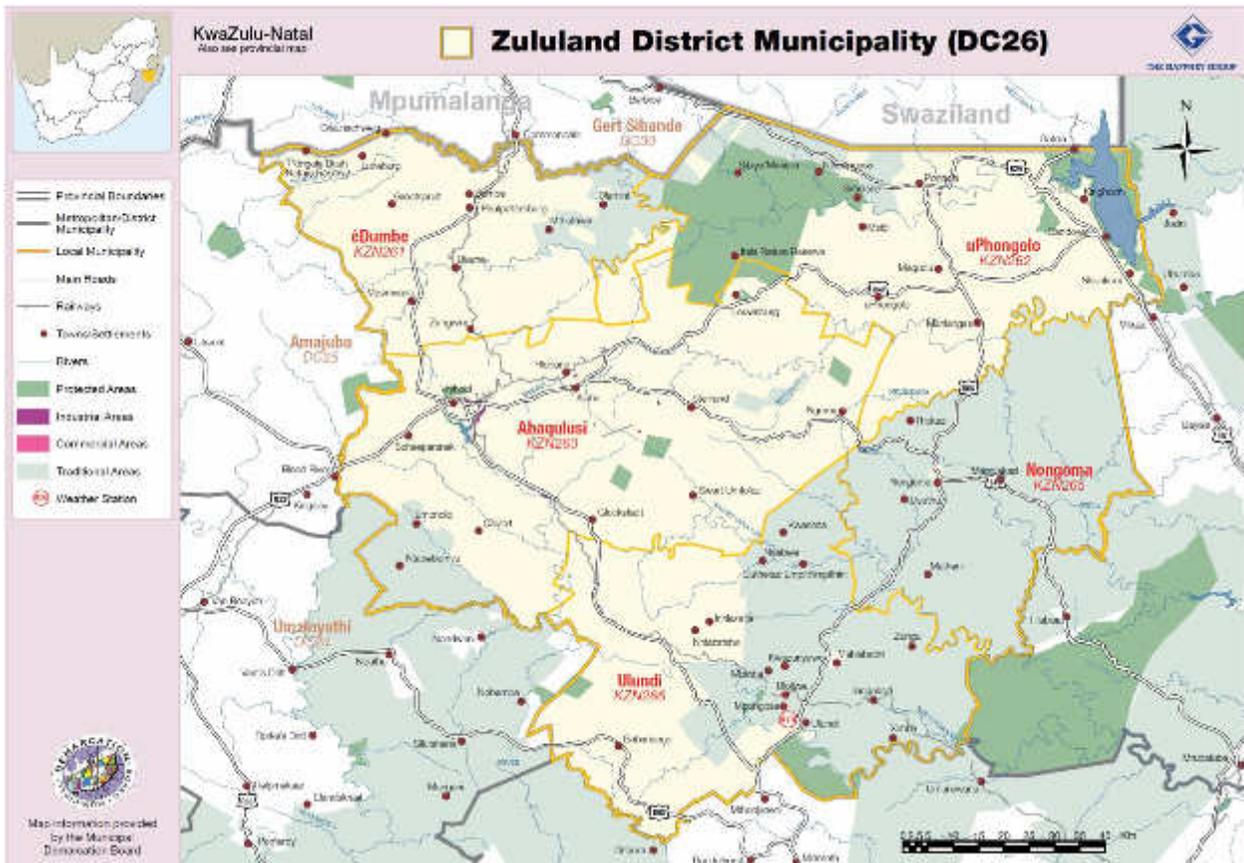
The newly built Tourism Hub building at the airport houses the ZDM Tourism offices, Car Rental offices, a training facility and a coffee/restaurant facility.

The Vryheid airport is no longer licensed as scheduled flights to Vryheid were discontinued in the mid-1980s partly because of a change in the operating company and partly because of the closure of major coal mines in the Vryheid area. The municipal parks department maintains the airport.

6.7 MAJOR DISTRICT ROADS

The District is dissected by several major roads which includes the N2 which runs between Mkuze and uPhongolo, the R69 runs between uPhongolo and Vryheid, the R66 runs between Ulundi and uPhongolo, the R34 runs between Ulundi and Vryheid and lastly the R618 runs between Nongoma and Vryheid. Map 8 below depicts the major roads in the District.

Map 5; Major District Roads



6.8 MUNICIPAL HEALTH SERVICES

Abaqulusi Sub-District

- Vryheid hospital
- Mondlo 2 Clinic
- Bhukumthetho Clinic
- Thembumusa Clinic
- Siyakhathala Clinic
- Ntababomvu Clinic
- BhekuZulu Clinic
- Gluckstadt Clinic
- Hlobane Clinic
- Khambi Clinic
- Lousburg Clinic
- Makhwela Clinic
- Mason Street Clinic
- Swart Mfolozi Clinic
- Mobile Clinics (3)
- Mt View Hospital
- Siloah Lutheran Hospital

Edumbe Sub-district

- Edumbe CHC
- Frisgewaatht Clinic
- P. Mhlosheni Clinic
- Hartlands Clinic
- Lunerberg Clinic
- Ophuzane Clinic
- Paul Pietersburg clinic
- Mobile clinic (x2)

ULUNDI SUB-DISTRICT

- Thulasizwe Hospital
- Ceza Hospital
- Ezimfabeni Clinic
- Stedham Clinic
- Sizane Clinic
- Esidakeni clinic
- Idlebe Clinic
- Magagadolo Clinic
- Ombimbini Clinic

- Mobile Clinic (1)
- St Francis hospital
- Nkonjeni hospital
- Mdumezulu Clinic
- Unit A Clinic
- Mabelana Clinic
- Lomo Clinic
- Wela Clinic
- Ncemaneni Clinic
- Zilulwane Clinic
- Nhlungwane Clinic
- Nomdiya clinic
- Makhosini Clinic
- Mpungamhlophe Clinic
- KwaMame Clinic
- Nkonjeni Mobile (x2)
- St Francis Mobile (x2)

Nongoma Sub-district

- Benedictine hospital
- Nqeku Clinic
- Nkuzana Clinic
- Buxedene Clinic
- Dungeni Clinic
- Ekubungazeleni Clinic
- Hlengimpilo Clinic
- Mophophoma Clinic
- Njoko Clinic
- Queen Nolonolo Clinic
- Sovane Clinic
- Usuthu Clinic
- Mahhashini Clinic
- Benedictine Mobiles (x3)

Pongola Sub district

- Itshelejuba hospital
- Altona Clinic
- Emkhawhweni Clinic
- KwaNkundla Clinic
- KwaShoba Clinic
- Ncotshane Clinic
- Pongola Fixed Clinic
- Belgrade Clinic

- Qalukubheka Clinic
- Tobolsk Clinic
- Pongola Mobiles (x3)

Forensic Services

- Dumbe
- Vryheid
- Nongoma
- Ulundi
- Pongola

6.10 WASTE MANAGEMENT

Nongoma Municipality has the largest backlog of household refuse removal at 95% whilst Abaqulusi has the least backlog at 59.3%. It is clear that all the municipalities in ZDM still have a lot of work to do in dealing with the solid waste removal. Another issue needing urgent attention of ZDM will be Solid Waste Management and Disposal.

Table 29; Household Refuse Removal Backlogs

REFUSE	Total Households	No of H/H with refuse removal	No of H/H Backlog	% Backlog per LM
KZN263: Abaqulusi	43,299	25,688	8,255	59.33%
KZN261: eDumbe	16,138	12,738	3,640	78.93%
KZN262: uPhongolo	28,772	22,245	3,868	77.31%
KZN265: Nongoma	34,341	32,769	4,021	95.42%
KZN266: Ulundi	35,198	28,309	8,367	80.43%
Total	157,748	121,749	28,151	77.18%

Map 9 depicts the Refuse Removal Backlogs. The areas in the dark shade of pitch being the ones with the highest backlog, followed by the areas in the darker shade of orange.

Map 6; Refuse Removal Backlog

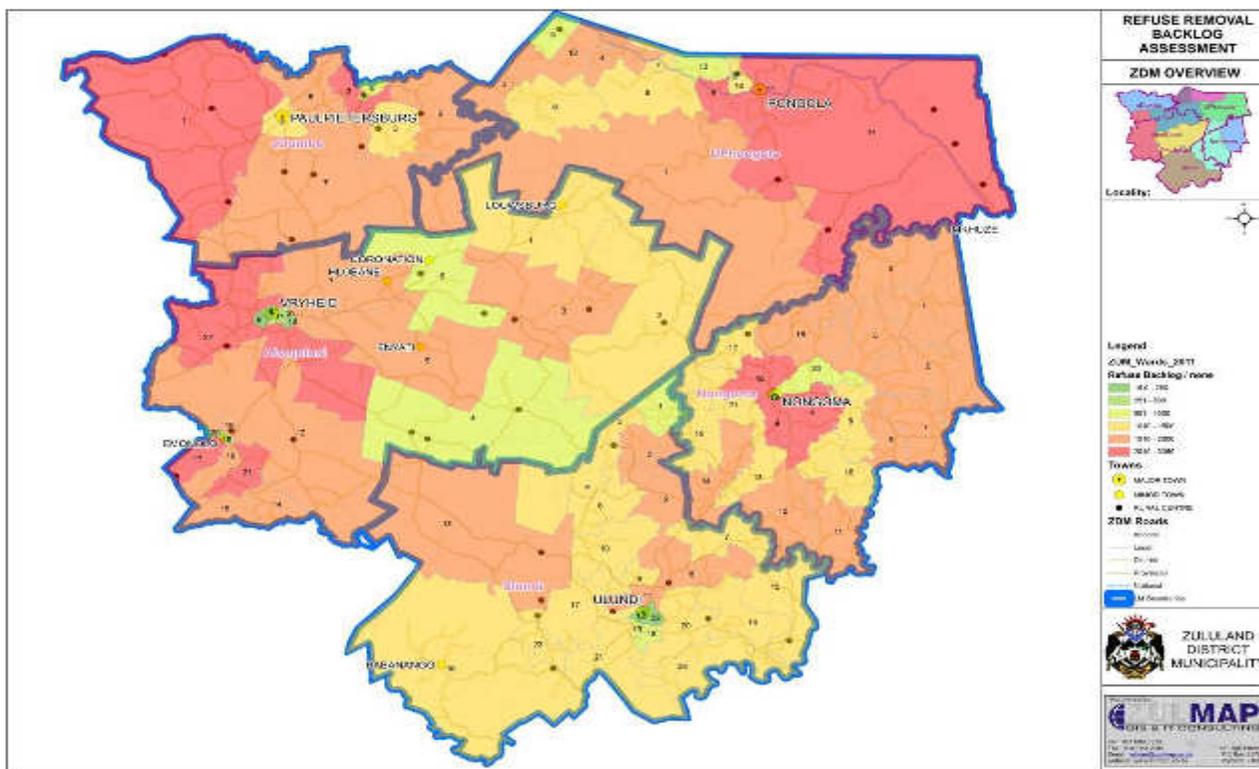
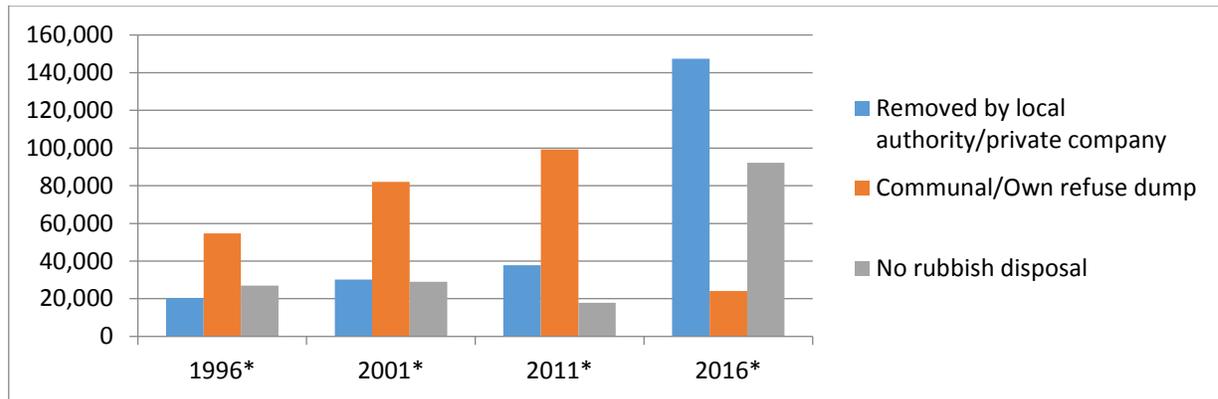


Table 31 below indicates that the largest number of households have their refuse removed by the local authority and/or private companies. This is also shown in figure 19 below which depicts a sharp increase of this service between 2011 and 2016.

Table 30; ZDM SOLID WASTE DISPOSAL – 1996, 2001, 2011 AND 2016

Solid Waste Disposal	Year			
	1996	2001	2011	2016
Removed by local authority/private company	20 431	30 224	37 755	147 450
Communal/Own refuse dump	54 610	81 975	99 275	24 124
No rubbish disposal	26 969	28 993	17 815	92 172

Figure 17; Solid Waste Removal



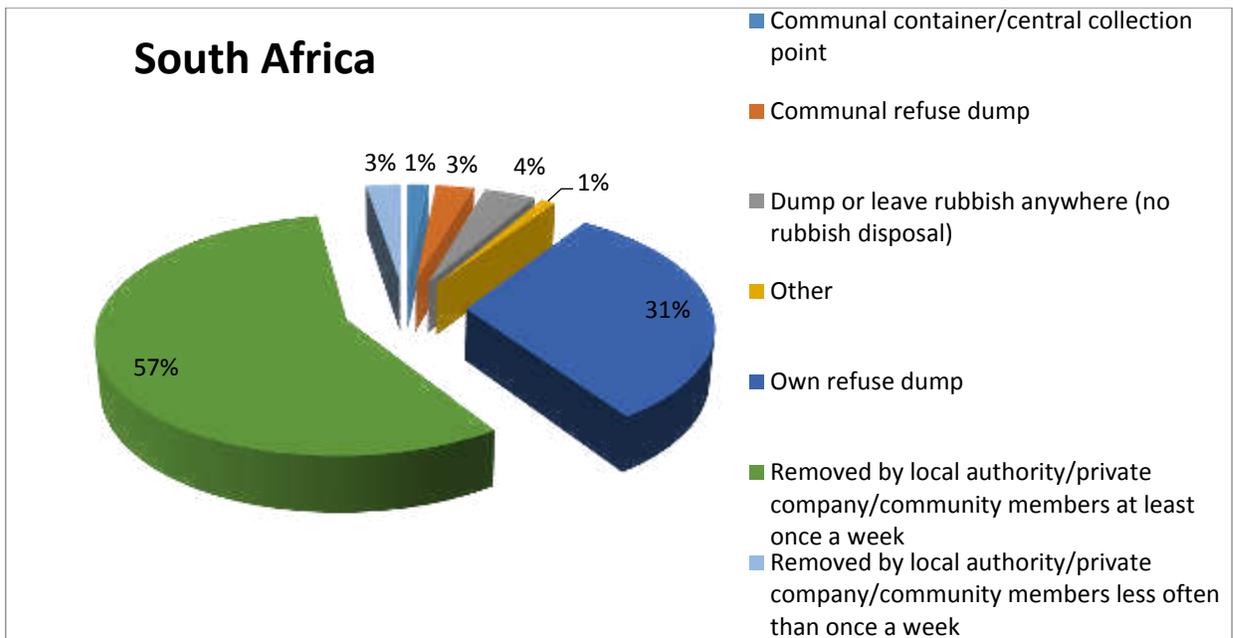
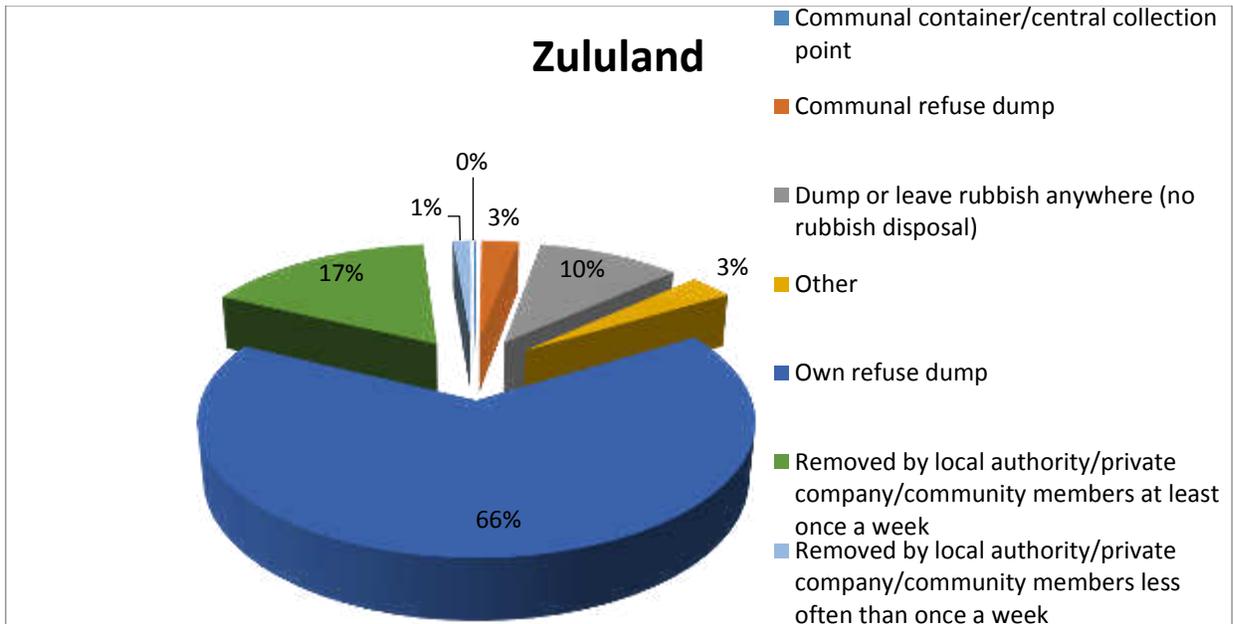
The table below reflects a comparison of the 1996, 2001 and 2011 Census and the 2016 Community Survey data in respect of solid waste disposal:

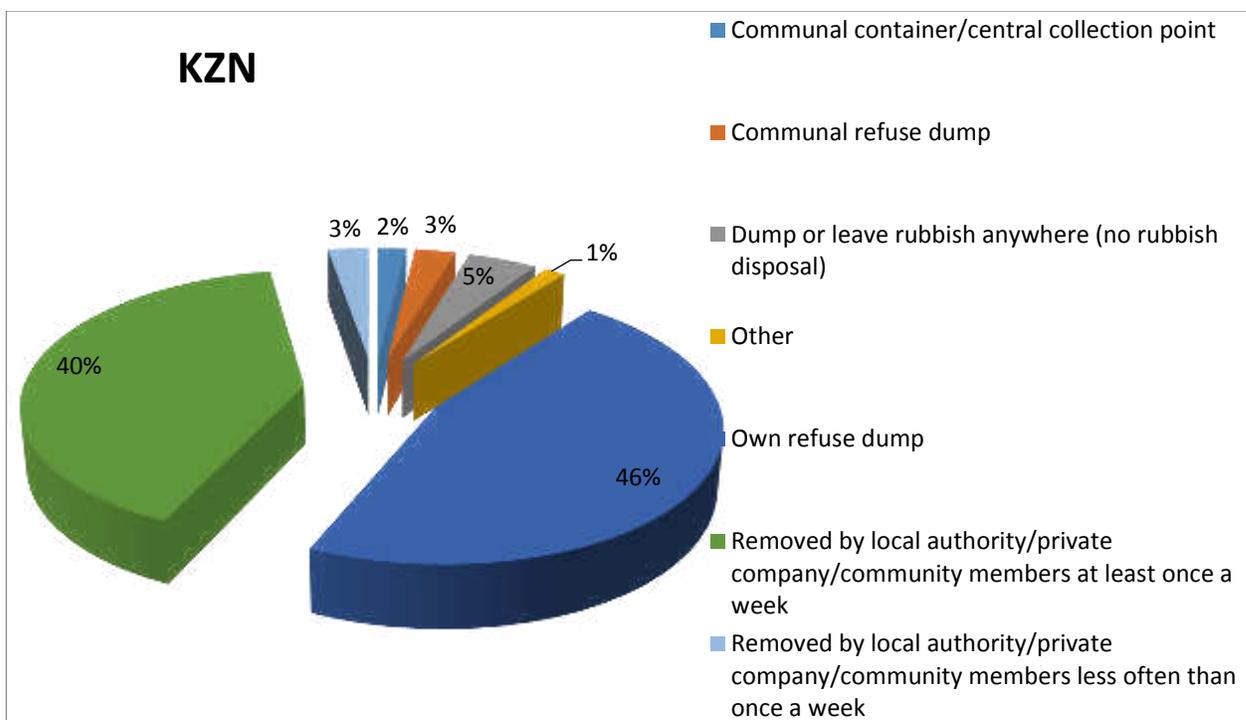
Table 31; POPULATION, AND POPULATION PROPORTION, BY REFUSE DISPOSAL (2016)

	<u>ZDM</u>		<u>KZN</u>		<u>South Africa</u>	
Communal container/central collection point	0.2%	1 445	1.9%	208 069	1.6%	878 281
Communal refuse dump	2.7%	24 124	2.7%	294 549	2.9%	1 628 696
Dump or leave rubbish anywhere (no rubbish disposal)	10.3%	92 172	4.6%	505 254	3.9%	2 183 995
Other	3.2%	28 377	1.4%	157 909	1.1%	603,890
Own refuse dump	65.8%	587 370	46.2%	5 106 929	31.1%	17 319 932
Removed by local authority/private company/community members at least once a week	16.5%	147 450	40.6%	4 491 810	56.7%	31 565 264
Removed by local authority/private company/community members less often than once a week	1.3%	11 373	2.7%	300 719	2.6%	1 473 597

Source; StatsSA (Community Survey 2016)

Figure 18; Solid Waste Disposal





There has been a steady and significant increase between 1996 and 2001 and between 2001 and 2011 in the number of households who have received solid waste removal services from a local authority or private company. Over the same time periods, there has also been a significant increase in communal or own refuse dumps. This is of great concern. The increase in this trend between 1996 and 2011 was some 82%.

The District commissioned a Waste Management Strategy(2005) covering the following.

New facilities were proposed and the following issues addressed:

- Positioning of facilities
- Sizing of facilities (numbers and land requirement)
- Timing and priorities
- Tariffs
- Management: Local Municipalities or District Municipality
- Legal Responsibilities (Environmental and Water Acts)
- Rural - Cultural Practices
- Groundwater Pollution control
- Health Aspects
- Cost estimates were done on the CAPEX for infrastructure as well as the operational and maintenance cost of facilities.

Recommendations were made on the following:

- Procedures to be followed for the development of new Waste Disposal
- Site facilities and how to maintain the service at a satisfactory level at all times in line with the Minimum Requirements of DWAF (1998).
- Additional services required, e.g. geotechnical investigation, environmental impact assessment, etc.
- Cost recovery.
- Operational Control - local or district. Both alternatives to be evaluated and discussed.

6.11 HUMAN SETTLEMENTS

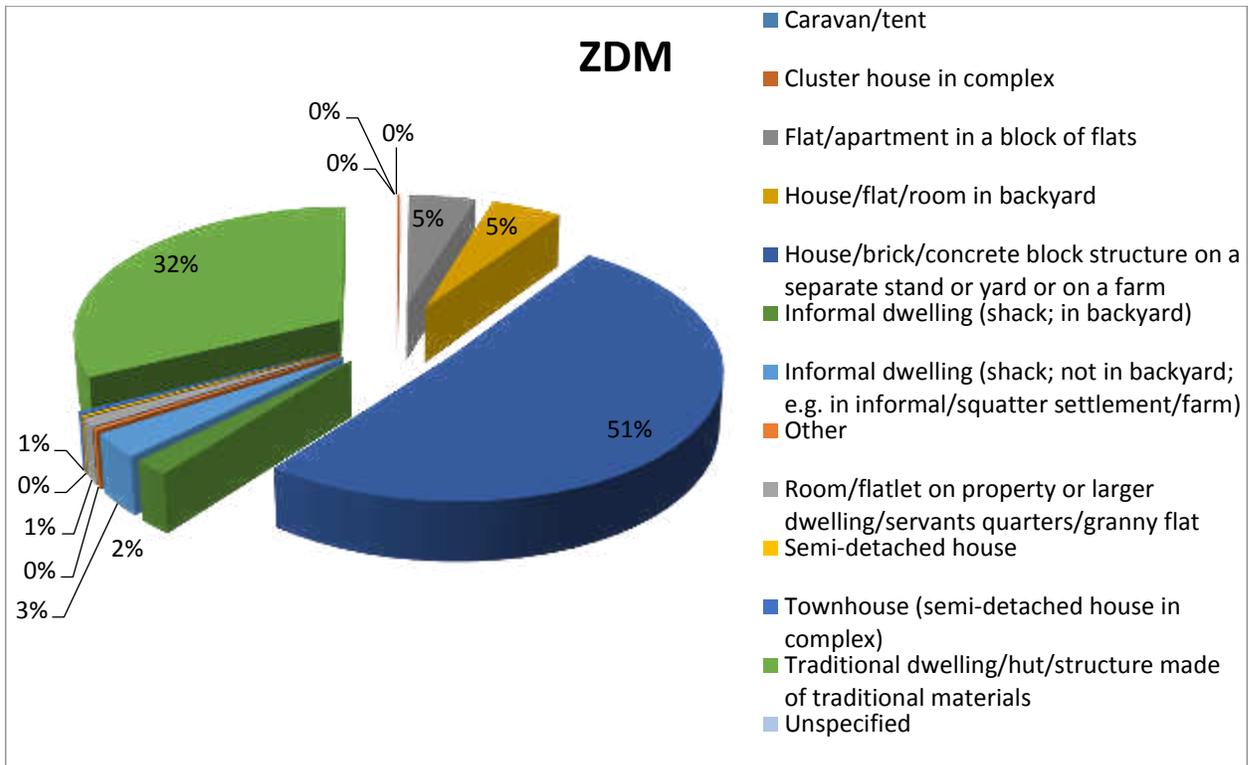
Table 32; HUMAN SETTLEMENTS

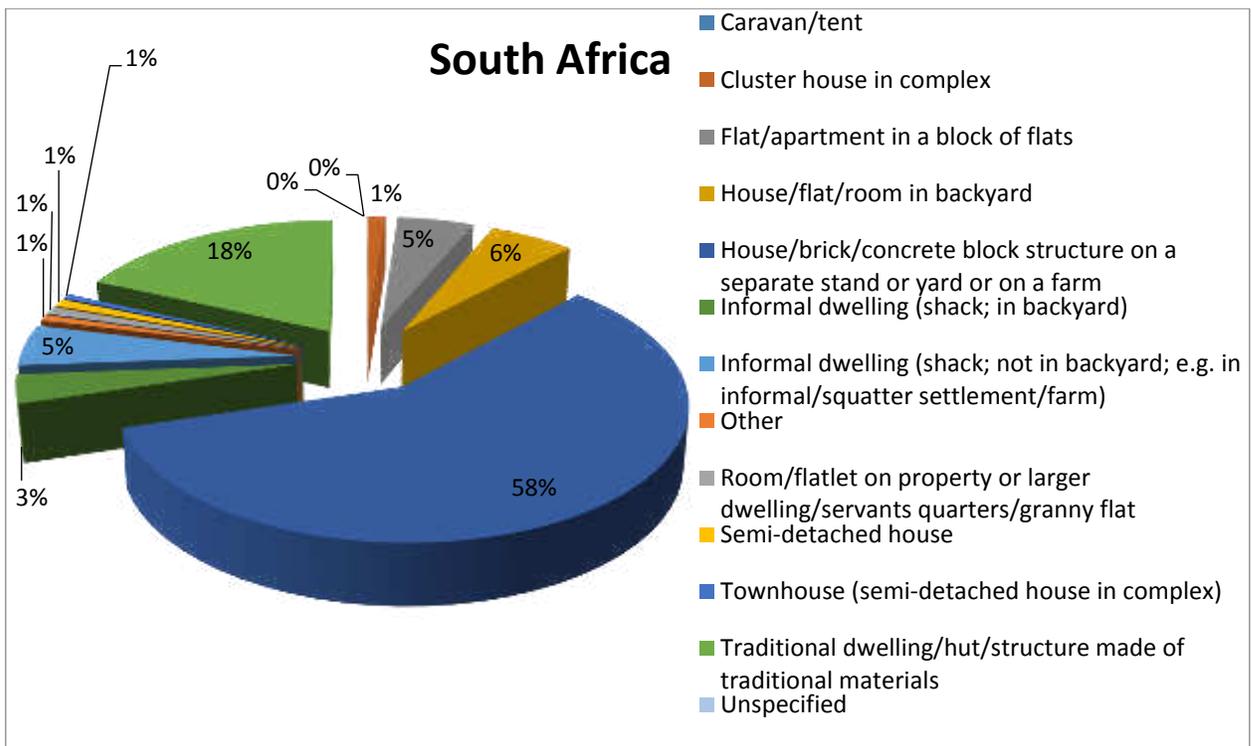
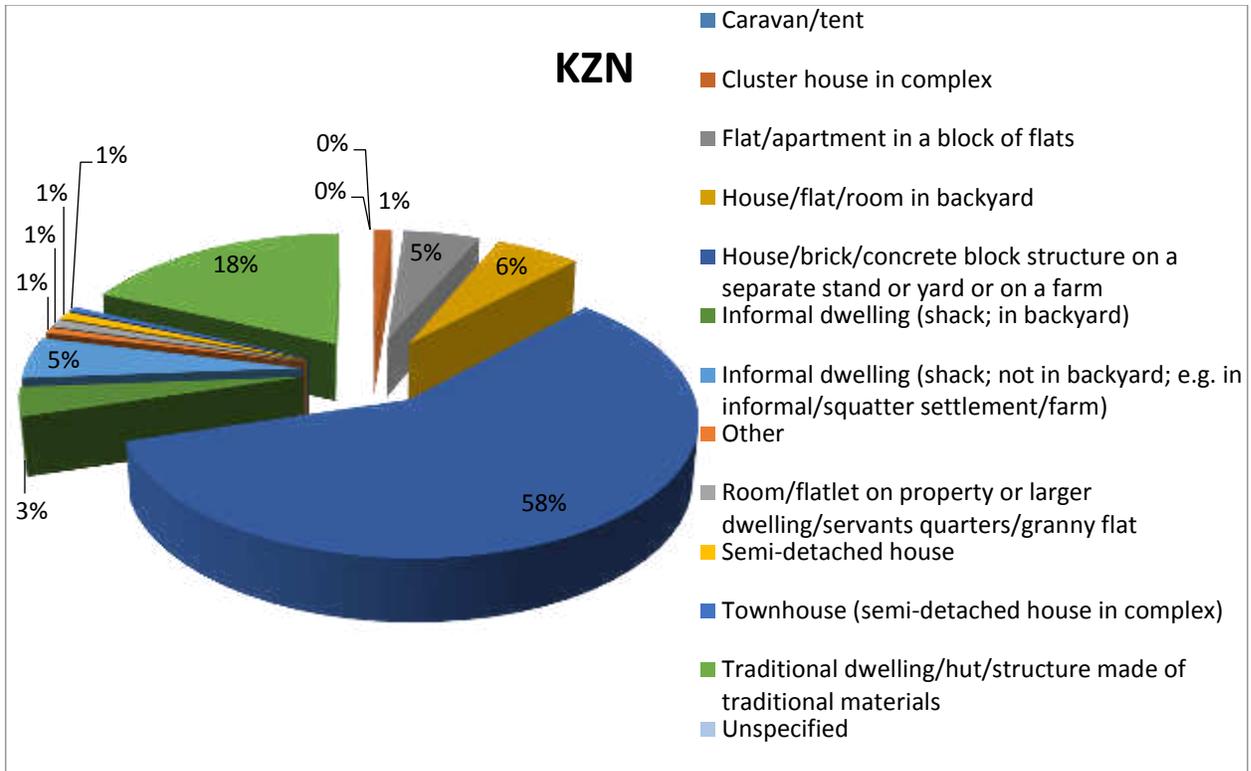
	ZDM		KZN		South Africa	
Caravan/tent	0%	61	0%	1,105	0%	5,705
Cluster house in complex	0.2%	389	1.2%	33,253	1.2%	143,000
Flat or apartment in a block of flats	4.5%	8,082	5.1%	147,230	5.1%	584,954
House/flat/room in backyard	4.8%	8,505	5.7%	162,634	5.7%	1,109,733
House or brick/concrete block structure on a separate stand or yard or on a farm	51%	90,978	58.3%	1,675,982	58.3%	11,155,276
Informal dwelling (shack; in backyard)	2%	3,646	3.5%	100,737	3.5%	918,889
Informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm)	3.1%	5,575	5%	144,430	5%	1,275,079
Other	0.3%	620	0.7%	19,062	0.7%	136,566
Room/flatlet on a property or larger dwelling/servants quarters/granny flat	1.1%	1,901	0.9%	27,067	0.9%	133,408
Semi-detached house	0.2%	423	0.9%	26,818	0.9%	143,310
Townhouse (semi-detached house in a complex)	0.4%	627	0.6%	17,084	0.6%	134,518

Traditional dwelling/hut/structure made of traditional materials	32.3%	57,702	18.1%	520,244	18.1%	1,180,745
Unspecified	0%	6	0%	198	0%	2,126

Source: StatsSA (Community Survey 2016)

Figure 19; Housing Typologies





There has been a dramatic increase in the number of households between 1996 and 2001, and between 2001 and 2011 in the number of households residing in formal dwellings. The increase in the number of households residing in formal dwellings between 1996 and 2001 was 30,315 households, and between 2001 and 2011, some 41,123 households. In 2011, some 1,905 households resided in informal dwellings.

Whilst the District still has a majority of settlements being houses or brick/concrete block structures, it has a smaller majority of this type of settlement. The district is at 51%, the province is at 58% and the country is at 58%, as well. This suggests that whilst great strides have been made, there remains a lot more work to be done to fully address the housing backlog.

CHAPTER 7: DISTRICT ECONOMIC AND SOCIAL DEVELOPMENT ANALYSIS

7.1 ECONOMIC DEVELOPMENT ANALYSIS

7.1.1 Main Economic Development Areas

As mentioned in the section discussing the structuring elements of the District, the towns are service nodes, in the District – agricultural service nodes, mining service nodes, government administrative centres, rural service centres, etc. These are represented by:

Ulundi (tertiary provincial node)	Hlobane
Vryheid (tertiary provincial node)	Mondlo
Pongola (tertiary provincial node)	Ncotshane
Nongoma (quaternary provincial node)	Blinkwater
Mahlabathini	Ntabamhlophe
Babanango	Eersteling
Paulpietersburg	Tamboekiesdraai
Louwsburg	

Main Economic Sectors:

General government (22%)
Transport, storage and communication (16%)
Wholesale and retail trade, catering and accommodation (15%)
Finance, insurance, real estate and business services (11%)
Agriculture, forestry and fishing (10%)
Manufacturing (10%)
Community, social and business services (6%)
Mining and quarrying (5%)
Construction (3%)
Electricity, gas and water (2%)

7.1.2 Main Economic Development Contributors

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.

The table hereunder shows the relative share of total provincial GVA for each of the districts in the province. What is immediately obvious is that eThekweni is by far the largest contributor to economic output in the province, contributing over 53% in 2010. Umgungundlovu and uThungulu at 11.7% and 7.6% respectively are the next biggest contributors. Zululand ranks 6th out of the 11 districts, contributing 4.1% to provincial GVA. Zululand is ranked lower for economic output for the province than it is for total population, wherein it is ranked 4th. This indicates that GVA per capita within Zululand is comparatively low in the provincial context.

Table 33; GVA Per Capita Per District Municipality

District	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Average
KwaZulu-Natal	4.4%	5.8%	5.3%	6.4%	4.2%	-1.2%	3.2%	3.5%	2.5%	2.2%	1.8%	3.5%
eThekweni	3.5%	6.0%	5.6%	7.0%	4.9%	-1.0%	2.8%	3.6%	2.9%	2.3%	1.3%	3.5%
Ugu	8.4%	7.6%	6.2%	6.0%	3.8%	-1.8%	3.5%	3.9%	0.2%	-0.1%	1.4%	3.6%
uMgungundlovu	4.7%	5.4%	4.7%	5.2%	4.8%	-0.5%	3.9%	3.7%	2.0%	1.6%	2.3%	3.4%
Uthukela	4.8%	6.2%	4.9%	5.5%	4.0%	-1.1%	3.4%	2.9%	1.2%	-1.4%	2.5%	3.0%
Umzinyathi	11.9%	4.9%	3.8%	4.3%	2.3%	-1.5%	2.3%	2.4%	3.0%	2.7%	3.5%	3.6%
Amajuba	1.6%	1.8%	4.5%	7.4%	0.7%	-3.8%	1.8%	0.7%	5.6%	3.1%	2.3%	2.3%
Zululand	5.3%	3.1%	2.5%	4.4%	2.5%	-1.8%	1.0%	0.8%	2.7%	2.0%	3.0%	2.3%
Umkhanyakude	7.0%	7.4%	5.5%	5.3%	4.3%	-0.9%	4.0%	3.9%	2.1%	3.4%	2.7%	4.1%
Uthungulu	4.1%	4.9%	4.9%	6.2%	0.9%	-2.2%	5.3%	4.7%	1.5%	3.7%	2.2%	3.3%
iLembe	10.2%	8.8%	6.0%	4.2%	4.7%	-2.0%	4.9%	3.3%	-0.4%	2.3%	2.5%	4.0%
Harry Gwala	7.5%	7.4%	7.5%	6.0%	5.1%	-0.8%	5.0%	6.0%	6.1%	4.0%	3.7%	5.2%

Source: DEDT calculations based on Quantec data (2016)

Zululand recorded the slowest growth during the period under review. The district did not only record negative growths in 2009 recession but also in 2011 and 2015 growing at a negative growth of 0.4% and 0.1% respectively. It is noted that negative growth in 2015 came after a strong growth of 5.2% in 2014.

Table 34; Sector/Industry Share of GVA (2011-2014)

Sector	2011	2014
Agriculture	8.8%	7.9%
Mining	10.2%	9.5%
Manufacturing	6.2%	6.5%
Electricity	7.6%	8.6%
Construction	4.2%	3.9%
Trade	11.3%	10.3%
Transport	8.8%	9.9%
Finance	12.9%	13.2%
Community services	30.1%	30.3%

Source: DEDT calculations based on Quantec data (2016)

Zululand recorded the slowest growth during the period under review. The district did not only record negative growths in 2009 recession but also in 2011 and 2015 growing at a negative growth of 0.4% and 0.1% respectively. Of note, negative growth in 2015 came after a strong growth of 5.2% in 2014.

In terms of GVA contribution per local municipality, Abaqulusi is the economic hub of the Zululand District contributing over 40% to the district's GVA. Economic growth in Zululand is not equally distributed amongst its local municipalities. The spatial economic imbalance is not only unique to this district but rather a prevalent phenomenon across districts in the province. Stark disparities in economic output contribution can also be noted between the provincial districts. eThekweni's contribution to KZN's GVA output is approximately 25 times more than the contribution made by Zululand.

Growth has been uneven during the period under review. Abaqulusi, the biggest municipality in terms of economic contribution for instance, has recorded four negative growth rates in the past ten years. Of note, growth in 2015 was very poor across all municipalities, in line with both national and provincial weak growth of 1.3 % and 0.6% respectively.

TABLE 36: TOTAL GVA & GVA GROWTH BY ECONOMIC SECTOR

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Agriculture	8.3%	8.3%	9.3%	9.3%	9.2%	9.8%	9.8%	9.8%	10.1%	9.7%
Mining	9.8%	9.5%	9.4%	9.4%	9.6%	9.0%	9.4%	9.5%	10.1%	10.3%
Manufacturing	6.6%	6.8%	6.7%	6.0%	6.2%	6.3%	6.3%	6.2%	6.1%	6.0%
Electricity	5.8%	5.9%	5.6%	5.5%	5.5%	5.5%	5.4%	5.3%	5.1%	5.1%
Construction	3.6%	3.8%	3.7%	3.9%	3.8%	3.6%	3.6%	3.6%	3.6%	3.6%
Trade	10.6%	10.1%	9.8%	10.3%	10.6%	10.5%	10.6%	10.5%	10.4%	10.5%
Transport	7.9%	8.4%	8.4%	8.4%	8.2%	8.1%	8.1%	8.1%	8.2%	8.3%
Finance	11.4%	11.4%	11.4%	11.7%	11.9%	12.1%	12.1%	12.2%	12.0%	12.1%
Community services	28.7%	28.7%	28.7%	28.6%	28.1%	28.1%	28.0%	27.9%	27.7%	27.6%

Source: DEDT calculations based on Quantec data (2016)

Changes in the GVA share of each sector is perhaps more clearly seen in the growth rates for each sector over the past 8 years. These are presented in Table 3.6 below. As expected, considering the low GVA growth in 2010 for the district, all sectors recorded relatively low growth rates in 2010. General Government sustained the highest growth rate at 3%, further highlighting the fact that government spending is often not as sensitive to prevailing economic conditions as private sector spending is. In fact, Government spending often operates counter-cyclically, spending more in times of economic downturns, in order to stimulate the economy and retain employment. This trend, however, does not appear to be represented in the data, and even government spending has been constrained by the general post-recession slump in Zululand.

7.1.3 Employment & Income Levels

7.1.3.1 Labour Force Participation

High unemployment undermines the equitable distribution of income and underpins poverty. Employment is one of the main desired outcomes of economic growth and is currently a major focus of government policy at the national level. The table hereunder summarizes some critical labour market indicators for Zululand in 2009.

Table 35; ZDM General Labour Indicators 2016

FACTOR	eDumbe	Uphongolo	Abaqulusi	Nongoma	Ulundi	Zululand
Employment	10 679	11 756	38 473	14 087	19 723	94 717
mployment	4 770	7 910	11 938	10 012	11 848	46 477
Economically Active Population (EAP)	60 184	95 896	165 020	136 603	138 977	596 680
Labour Force Participation	25.7%	20.5%	30.5%	17.6%	22.7%	23.7%
Unemployment Rate	29.9%	26.4%	25.9%	38.5%	38.3%	31.2%

Source: DEDT calculations based on Quantec data (2016)

There were about 829,484 people in the district in 2015 with a total labour force of 151 338. Only 159 930 of the people were considered economically active. This indicates that there is a large number of people that are economically inactive in the district, hence the labour force participation rate of 32.9% which indicates that only 33% of the working age population are engaged in actual employment or are actively seeking work. This level of labour force participation is very low. The implication of this finding is that there are probably a large number of discouraged work-seekers in the economy. This is typical of an economy in which there are high and persistent rates of unemployment. The strict definition of unemployment in the district was 31.4% in 2015; this was way more than the provincial average of about 26%. Unemployment in Zululand is unsustainably high and is having the negatively impact of discouraging people from spending the time and money to actively search for jobs. Nongoma recorded the smallest labour force participation rate (24.7%), indicating that there are few people involved in the labour force within the municipality which may be due to scarce economic opportunities.

AbaQulusi has the largest number of unemployed people in Zululand, with 13 316. However, the municipality has the second smallest unemployment rate at 26.4% after uPhongolo at 26.1%. Nongoma (38.6%) and Ulundi (38.7%) have the highest unemployment rate, higher than the district average (31.4%). All the local municipalities have the labour force participation rate that is at below 50%. AbaQulusi has the highest labour force participation rate of 41.3% which is indicative of a higher level of job search activity than in the other municipalities while Nongoma has the smallest labour force participation rate of 24.7%. This points to a labour market in crisis in Nongoma and requires concerted job creation efforts in the municipality.

Table 36; COMPARATIVE LABOUR INDICATORS FOR ZDM

Employment Status	1996	2001	2011
Employed	63 161	66 481	102 983
Unemployed	76 849	103 086	51842
Unemployed Rate (%)	54.9	60.8	33.50

Source: Census 2011

The above table provides a comparison of the 1996, 2001 and 2011 census information. It can be seen that unemployment has decreased over the census years but seems to have increased between the 2009 Quantec estimates (as per previous table) and the 2011 census. This incidence can be explained by the onset of the global economic recession.

Table 37; EMPLOYMENT STATUS BY GENDER 2009

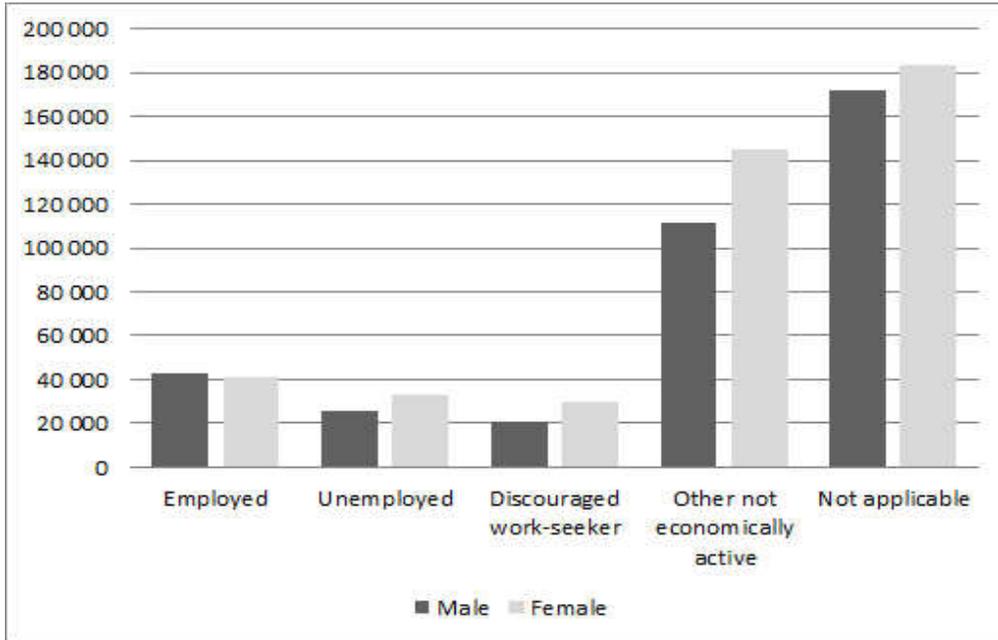
Employment status 2011	Male	Female
Employed	42 502	40 859
Unemployed	25 370	32 878
Discouraged work-seeker	20 852	29 400

The table and figure herewith depicts that employment levels in the district are close of similar between males and females in the district, but the unemployment, discouraged and not economically-active counts are higher for females. This could be as a result of the higher male: female ratio or as a result of males finding employment outside the district.

Other not economically active	111 573	144 895
Not applicable	171 903	183 342

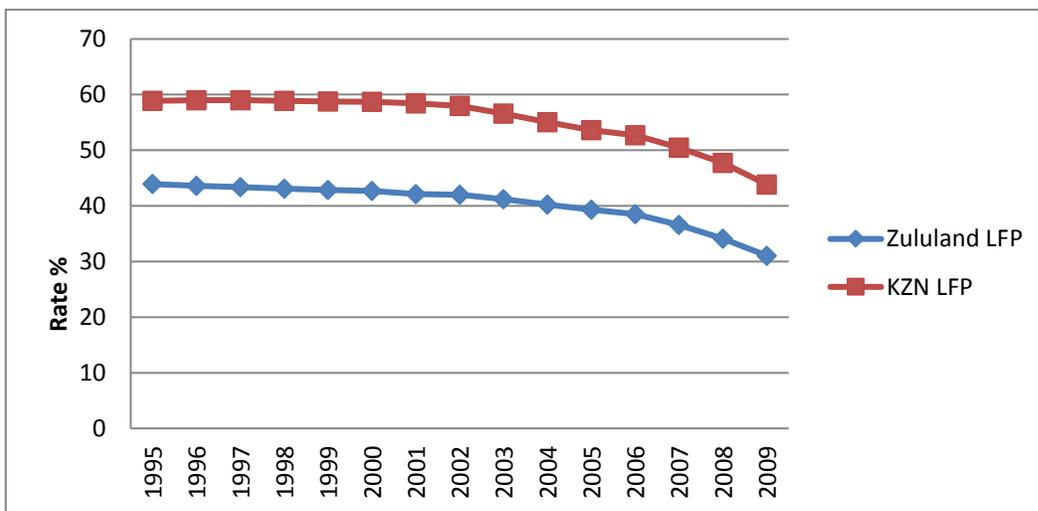
Source: Census 2011

Figure 20; Employment Status by Gender 2011



Source: Census 2011

Figure 21; Comparison of Labour Force Participation Trends (1995 - 2009)



Source: DEDT calculations based on Quantec data (2011)

The figure above depicts a downward sloping trend in labour force participation both for Zululand and for the entire province. This then puts the declining strict unemployment rate into perspective. Evidently one of the major causes of a declining strict unemployment in Zululand is decreasing labour force participation and not rapidly expanding employment. This must be seen as a severe challenge for the district, as decreasing labour force participation is not so much a product of a decreased desire to work but rather of the discouraging impact of long-term unemployment on the search activities of individuals.

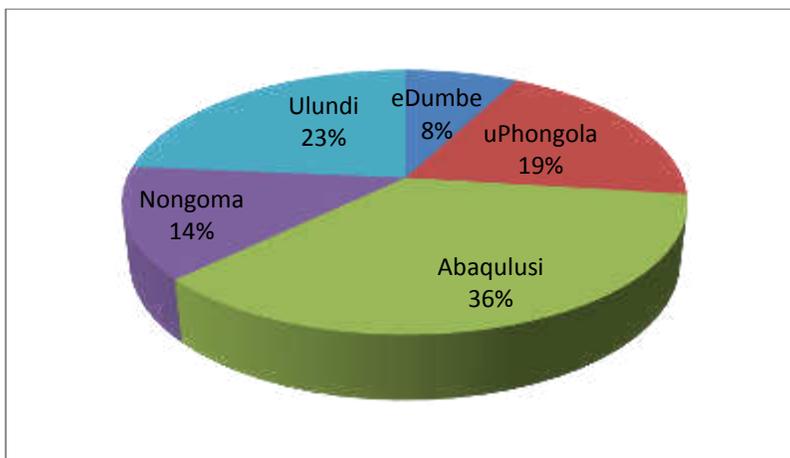
Table 38; EMPLOYMENT BY MUNICIPALITY

Municipality	2003	2005	2007	2009
eDumbe	10,959	10,102	9,311	7,918
uPhongolo	21,665	21,194	21,117	19,864
Abaqulusi	30,369	32,472	35,808	36,873
Nongoma	9,005	10,149	12,185	14,033
Ulundi	17,131	18,856	21,780	24,294
Zululand	89,129	92,773	100,201	102,983

Source: DEDT calculations based on Quantec data (2011)

Employment has increased by just over 13,000 people between 2003 and 2009. This is insufficient in the light of population growth of over 106 000 in the same period. The low total employment growth is partly a result of declining employment in eDumbe and uPhongolo municipalities. The figure hereunder depicts the share of each municipality in total employment for Zululand. Abaqulusi is by far the biggest employer in the district, while eDumbe has the least employed individuals. This corresponds with the GVA share findings presented earlier.

Figure 22; Municipal Share of Total District Employment



Source: DEDT calculations based on Quantec data (2011)

The 2011 census data was used to compile the following map that indicates the unemployment in the ZDM spatially. The map clearly indicates that unemployment levels are most significant in the uLundi and Nongoma Local Municipalities as well as the northern parts of the uPhongolo Local Municipality. High unemployment is also noted in the areas around eMondlo in the Abaqulusi Local Municipality.

Map 7; Unemployment Concentration

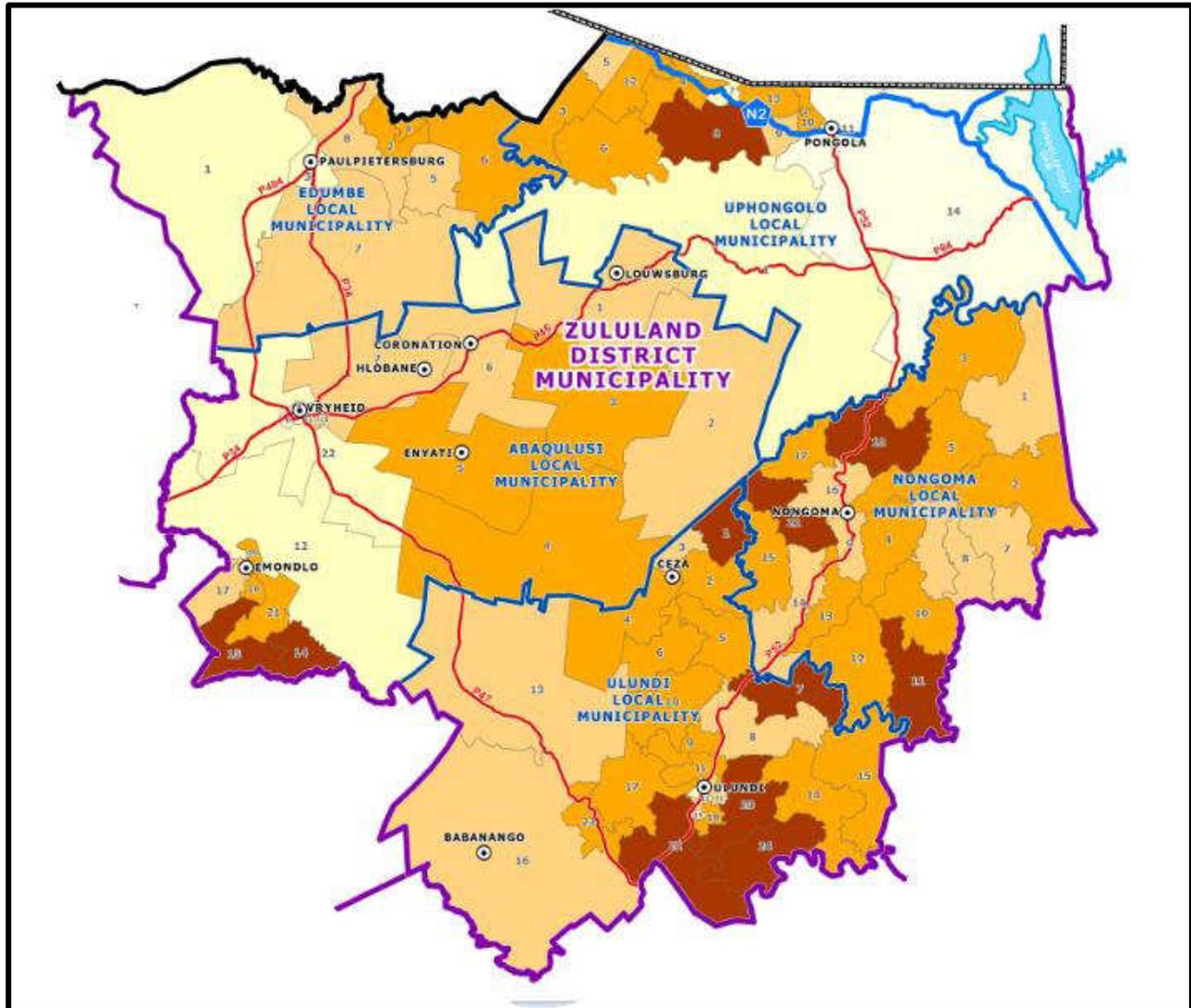
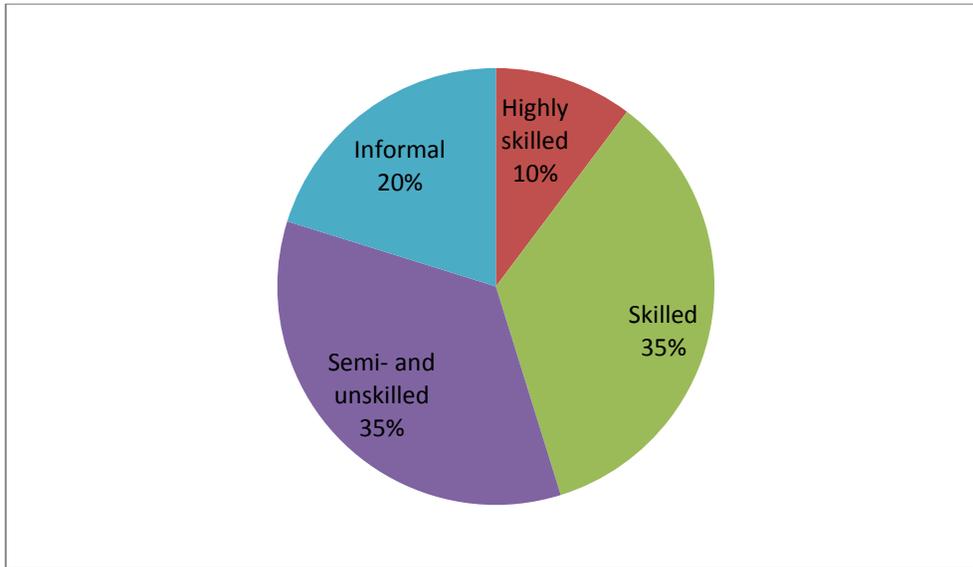


Figure 23; Unemployment Breakdown



Source: DEDT calculations based on Quantec data (2011)

Out of the total number of employed people in the district, 80% are considered ‘formally’ employed while the remaining 20% are ‘informally’ employed. Formal sector employment is further broken down into skill categories. This is not done for informal employment as employers in those sector can be difficult to obtain information from. Formal sector employment is evenly split between skilled and semi-unskilled employees, with only 10% of the total employed being categorised as highly skilled employees within the formal sector. At least 55% (informal employees and the semi-unskilled) of all employees can be assumed to be relatively low earning individuals with fairly precarious job security.

7.1.3.2 Income & Dependency

The following table indicates that the majority (about 80%) of the population of ZDM earn less than R38 200 per annum, this equates to just over R3 000 per month.

Table 39; ANNUAL HOUSEHOLD INCOME 2011

	DC26: Zululand	KZN263: Abaqulusi	KZN261: eDumbe	KZN262: UPhongolo	KZN265: Nongoma	KZN266: Ulundi
Household weighted Annual income						
No income	20369	6383	1925	3953	3617	4492
R 1 - R 4800	8826	2214	1039	1791	2044	1736
R 4801 - R 9600	16842	4218	1995	3316	4064	3250
R 9601 - R 19 600	37581	9920	4187	7662	7978	7834
R 19 601 - R 38 200	37164	9041	3848	6281	9258	8736
R 38 201 - R 76 400	17159	4721	1640	2651	3940	4205
R 76 401 - R 153 800	9829	3134	761	1581	1924	2430
R 153 801 - R 307 600	6066	2153	420	944	966	1583
R 307 601 - R 614 400	2843	1126	232	404	378	703

R 614 001 - R 1 228 800	557	239	38	90	72	119
R 1 228 801 - R 2 457 600	246	69	26	46	44	61
R 2 457 601 or more	263	81	23	51	59	49
Unspecified	4	1	3	-	-	-
Total household	157748	43300	16138	28772	34341	35198

Source: Census 2011

The spatial analysis of the above trend has been mapped on the following inset. It can be seen that the northern section of the eDumbe and uPongolo Local Municipalities have very large percentages of households earning less than R1600 per month. Similar trends are observed in the eastern parts of Nongoma and uLundi while a number of areas of the Abaqulusi Municipality has very low household income levels for large portions of the population, specifically around Louwsburg, Enyati and Emondlo.

The dependency ratio measures the proportion of the population that is outside the labour force and is dependent on the economic activity of those working. A high dependency ratio can cause serious problems for a country. A high dependency ratio implies that a large proportion of the government's expenditure is on health, pension, social security and education which are most used by old and young population. Generally, there has been a declining trend in the dependency ratio for South Africa and the regional economies during the period under review primarily due to a number of developmental programmes that were introduced by the government since the advent of the new democratic South Africa post-1994. Some of these programmes include, inter-alia, social grants, economic transformation, a myriad of poverty reduction programmes and the high economic growth trajectory observed since 1994. The decline in the dependency ratio, however, depends on a number of other factors such as fertility rate, death rate, working and retirement ages.

The dependency ratio can be interpreted as a crude measure of poverty. This argument is correct in the sense that only a handful of people in the labour force are sustaining a large proportion of dependents.

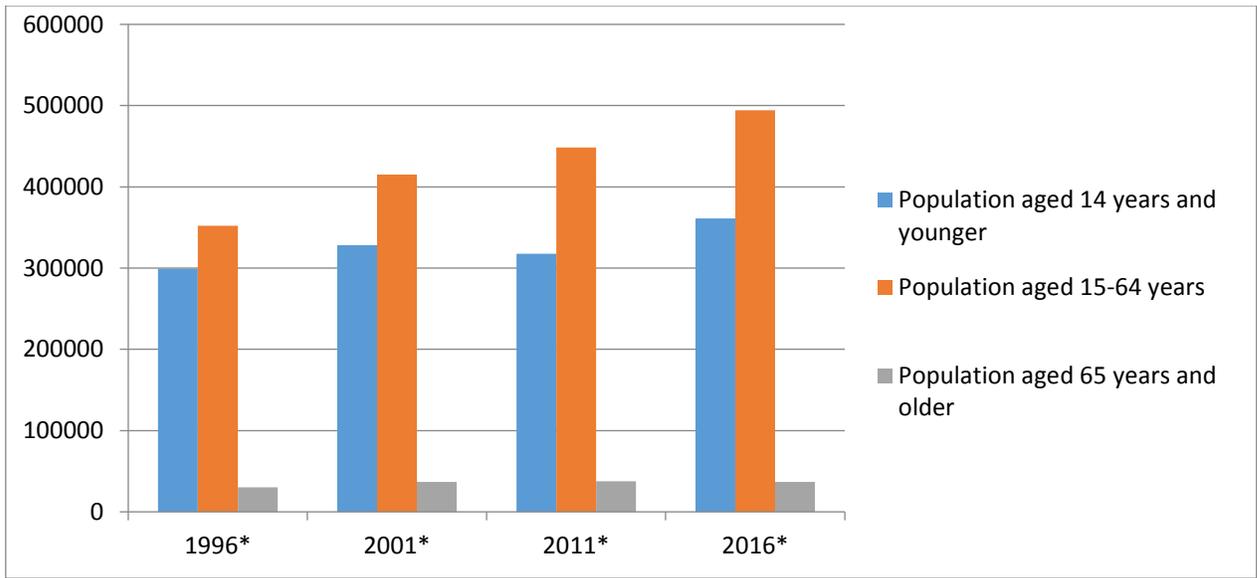
The following table indicates how dependency rates have changed between 1996, 2001 and 2011. The very high population below the 14 years of age and above 65 is placing an additional burden on the economically active population.

Table 40; DEPENDENCY NUMBER

Zululand	1996	2001	2011
Population aged 14 years and younger	299 262	328 115	317 707
Population aged 65 years and older	30 121	36 699	37 537
Dependent population	329 383	364 814	355 244
Population aged between 15 and 64 years	352 233	415 254	448 330
Dependency ratio	93.5	87.9	79.2

Source: Census 2011

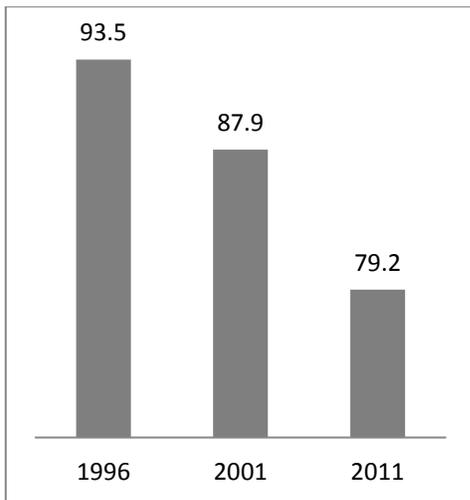
Figure 24; Dependency Number



Source: Census 2011

The following graph indicates that dependency has decreased although it remains high considering the low income levels of people/households employed.

Figure 25; Comparative Dependency Ratio

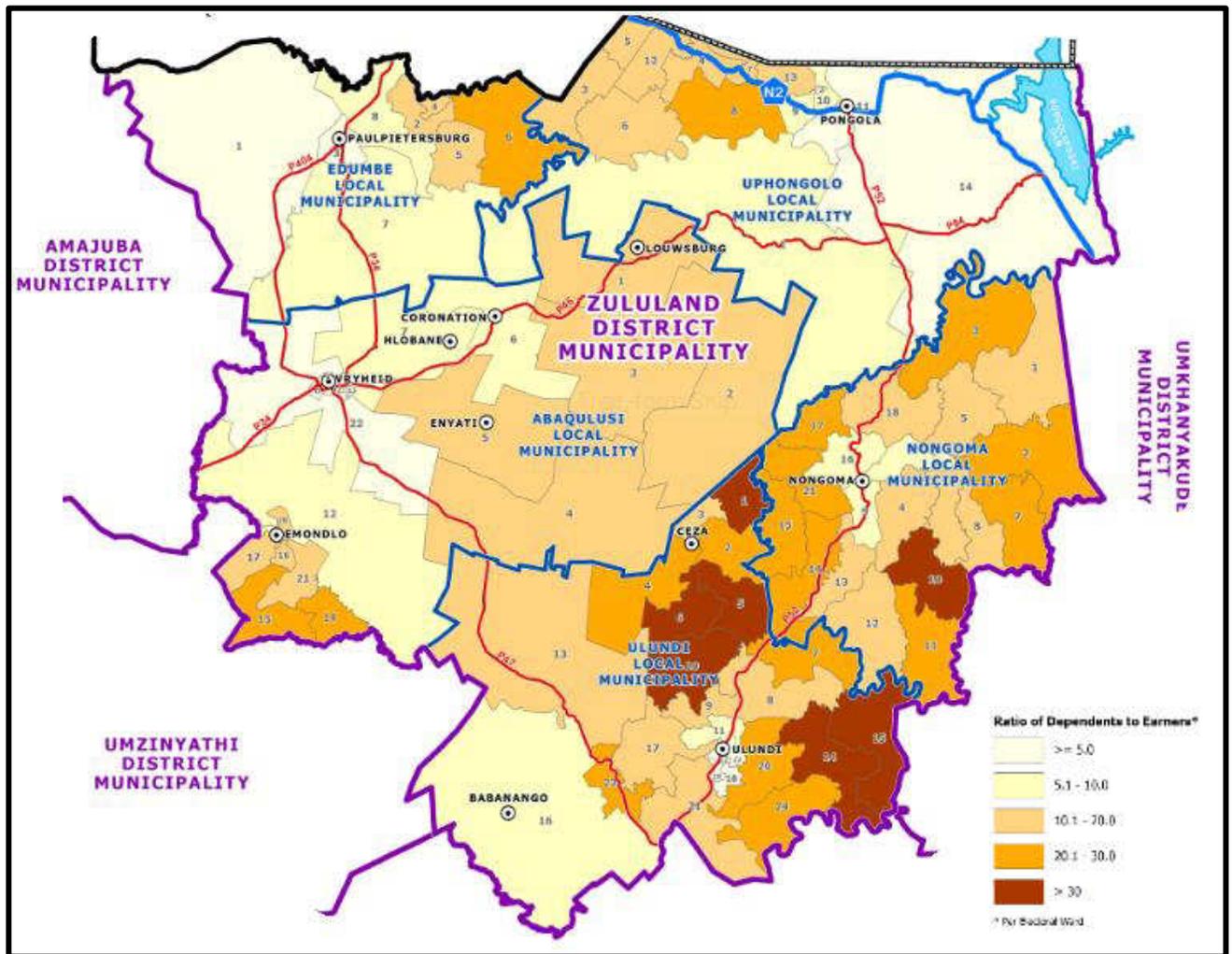


Source: Census 2011

With the graph below it is evident that the Zululand District Municipality has one of the highest dependency ratios between children and adults respectively. This demonstrates a need to sustain social development programmes and support to such communities by the municipality and its stakeholders.

Dependency is visually depicted in the following map inset that has been based on the 2011 census results. It can be seen that dependency levels in the district are higher in the southern and south western portions, i.e. the Nongoma and Ulundi Local Municipal areas.

Map 8; Dependency Ratio



7.1.3.3 Poverty & Inequality

More than 5.2 million people or 49% of the province’s population is considered to be living in poverty. Zululand contributes 602,895 or 11.5% to that figure, and has a poverty rate of 65.8%. Poverty in Zululand and in the broader province was on a decreasing trend until 2008, when the recessionary global climate pushed the incidence of poverty back up again. The majority of Zululand’s impoverished population can be found residing in AbaQulusi and Nongoma municipalities.

The Gini coefficient is perhaps the best known inequality measure and can be derived from the Lorenz curve. Mathematically the Gini coefficient varies between zero and one, although in reality values usually range between 0.20 and 0.30 for countries with a low degree of inequality and between 0.50 and 0.70 for countries with highly unequal income distributions.

Table 41; GINI COEFFICIENT FOR ZULULAND (2003-2008)

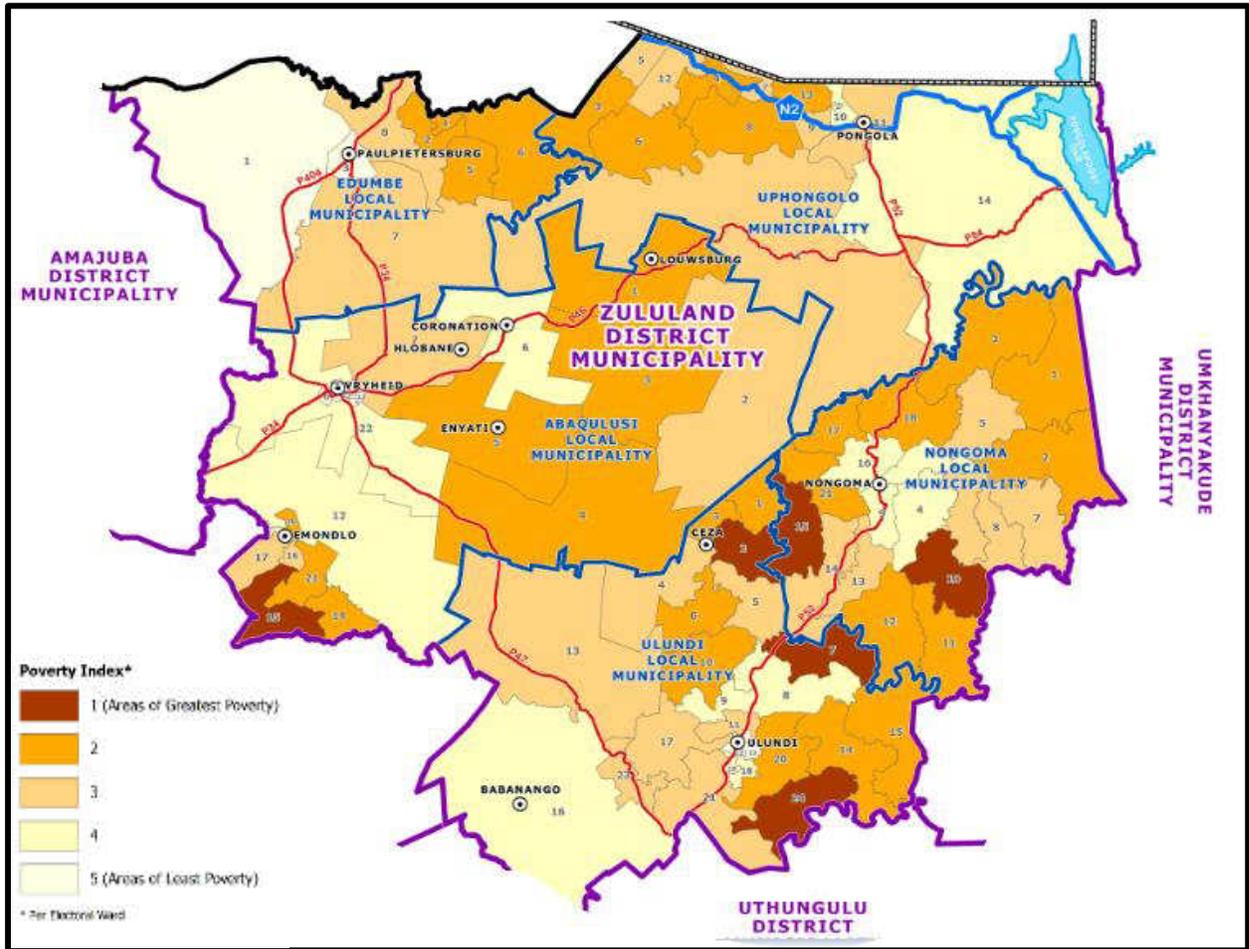
Municipality	2003	2004	2005	2006	2007	2008
eDumbe	0.6	0.6	0.59	0.59	0.6	0.6
uPhongolo	0.6	0.6	0.59	0.6	0.6	0.6
Abaqulusi	0.66	0.66	0.65	0.65	0.66	0.66
Nongoma	0.6	0.6	0.6	0.6	0.6	0.6
Ulundi	0.61	0.62	0.62	0.62	0.62	0.62
Zululand	0.62	0.62	0.62	0.62	0.62	0.63
KZN	0.67	0.67	0.67	0.67	0.67	0.67

Source: Global Insight 2009

Zululand, on average is less unequal than the province as a whole, with a Gini Coefficient of 0.63. This may be because there are less high-earning individuals in Zululand, and so the scope for inequality, although high, is not as great. Interestingly, Abaqulusi is the most unequal of the municipalities in Zululand. This is no doubt attributable to the greater degree of economic activity taking place in the district's biggest municipal economy, providing greater scope for inequality to exist.

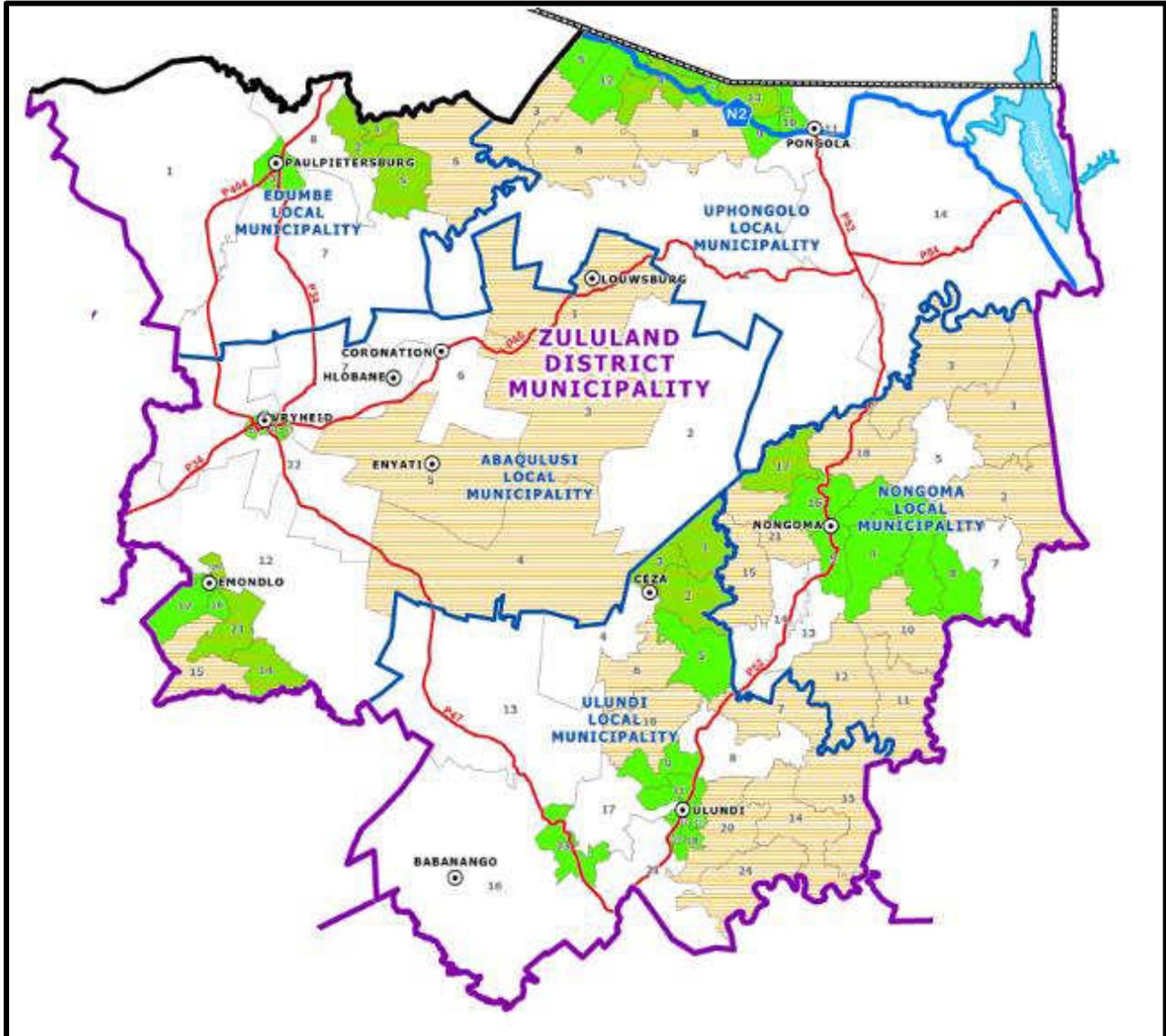
The following map has been developed using census 2011 data and indicates that the highest rate of poverty exists in the area with the highest dependency ratio's, namely the southern and south western portions, i.e. the Nongoma and Ulundi Local Municipal areas.

Map 9; Poverty Concentration



The spatial relation between poverty and population density is indicated in the following map inset that has been derived from the 2011 census results. The importance is such an analysis is borne therein that efforts to redress poverty could be focused on areas that have high density and therefore maximum benefit could be attained.

Map 10; Spatial Relation Between Population & Poverty



7.1.4 SMME's

One of the development objectives of the ZDM is to identify and develop economic opportunities for the rural population in the District in order to reduce poverty. The promotion of SMME development in the district is an action from this and this has also been identified in the LED Plan, i.e. development and support opportunities for business development have been identified.

The KwaZulu-Natal Department of Economic Development and Tourism has embarked on a number of initiatives to assist the development of emerging entrepreneurs:

- **Access to Finance:** The Department has entered into an agreement with three banking institutions (Standard Bank, ABSA and Ithala Bank) to establish a joint SMME fund to assist with finance for small businesses. Contribution to this fund is on a 50 / 50 basis – the Department contributes 50% and the banking institution the remaining 50% - and it is left to the banking institution to handle all finance arrangements with the beneficiaries of this programme.
- **Access to Markets:** By being visible through the attendance of the Department at SMME fairs and Business fairs, the opportunity is created for small enterprises to have their products marketed to a large potential customer base. Municipalities are invited to partner with the Department in the establishment of a presence at these fairs and, while promoting the SMME sector also have the opportunity of promoting the unique features of its municipal area.
- **Training and Capacity Building:** The Department provides opportunity to members of the SMME sector to attend training courses offered by FET Colleges at no cost. Courses offered include financial management, business management and courses relating to specific technical disciplines.

The needs of agricultural cooperatives within the municipal area are provided for by the KZN Department of Agriculture while, in general, any non-agricultural cooperatives will make their approach for funding to Ithala Bank. Regarding funding for SMMEs and cooperatives the primary challenge is to comply with the requirements of the bank before funding can be made available. Generally the applicant is requested to prepare and present a business plan as support to the funding request which is beyond the capacity of the majority of individuals and cooperatives that comprise this particular sector.

The National Department of Energy has embarked on an initiative known as the Integrated Energy Programme. An Integrated Energy Centre (IeC) is a one-stop energy shop owned and operated by a community cooperative and organised as a community project. It provides energy solutions to communities and access to affordable, safe and sustainable energy services. The IeC's act as community hubs located closer to the community than the urban centres from which they would ordinarily obtain their energy needs. The IeC is able to purchase products such as illuminated paraffin, liquid petroleum gas, petrol and diesel direct from oil companies and then sell these products to the community at more affordable prices. Funding for the development of the IeC is generally provided by the oil company concerned (it is also likely to set up a forecourt as part of the development) and the Department of Energy.

The Department of Energy has commenced the process of establishing an IeC within the municipal area; the community cooperative for this project has already been formed and registered. There is no reason why the IeC should not act as a catalyst for other participants in the SMME sector to participate by offering related products and services; given the location of this particular IeC it can beneficially be used by the Municipality as part of its tourism marketing initiatives.

7.1.5 Agriculture

The Zululand Agricultural Sector Plan (prepared by PR Africa in 2006) provides the following summary in terms of the agricultural potential in the District.

Good agricultural potential exists in the western highlands and the eDumbe Municipality has very high potential as has most of the Abaqulusi municipality. High potential in the Phongola valley is as a result of irrigation opportunities that have been developed in this area. Current land cover reflects these potentials.

The communal areas of Ulundi and Nongoma are however not as fortunate and the agricultural potential is marginal to poor except for the high lying plateaus in each district. However, these make up a small portion of the total area. Valley bushveld of the two Umfolozi Rivers does provide considerable potential for the development of irrigation. Given the high temperatures in these valleys and the moderate winters, these areas are perfectly suited for the production of vegetables in the winter or off-season. Moreover, the deep low altitude river valleys of Pongolo and Mfolozi Rivers provide an excellent opportunity for intensive agricultural production where irrigation is available where sugar cane and out of season vegetables and sub-tropical fruits can be planted. Agricultural potential outside these valleys is limited to stock and game farming.

The said document tabled interventions that need to be employed in order to develop the agricultural sector and these include:

- Institutional structuring for agriculture
- Sustainable land reform
- Visible delivery in agriculture sector
- Improved market access for agricultural products

The agricultural sector is presently under strain throughout the country. Some of the key concerns to the sector are:

- Uncertainty that is caused by land reform
- Lack of imagination on what can be done with the land once the claimants have received the land and in some instances the land is not productively utilized
- Increasing input costs
- Rising interest rates

It has been argued that, in order for the agriculture sector to be developed, opportunities for tapping into the international markets need to be created and in the case of Zululand, these opportunities can be linked to the Dube Trade Port Developments. Where possible, major co-operatives will need to be involved and focus should be paid to various areas of opportunity in the District. The need for improved railway infrastructure in the District was also identified.

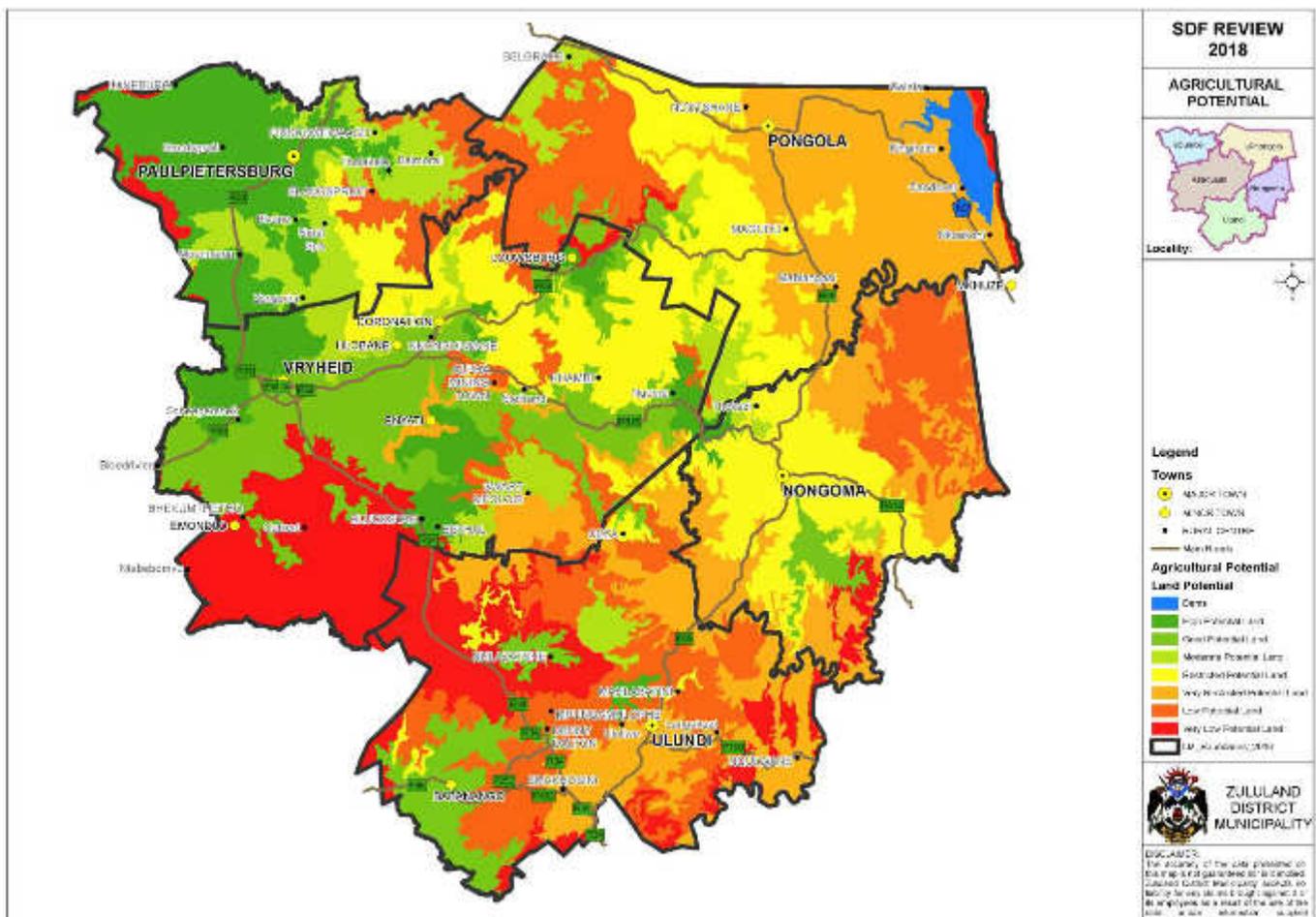
Agriculture is a major sector within the Municipality and has the potential to contribute to the development of employment opportunities as well as addressing matters related to food security. The KZN Department of Agriculture has three primary programmes that focus on the emerging farmer community within the Municipality. Large commercial farms are located within the western part of the Municipality; these farmers require limited assistance from the Department. Each ward in

the Municipality has its own farmers association representing the interests of the farmers, commercial and emerging, in that ward.

Under the auspices of the Flagship Programme, the Department of Agriculture has commenced implementation of the One Home, One Garden initiative with effect from January 2011. The initiative is the responsibility of the extension officers employed by the KZN Department of Agriculture; it is proposed to provide training to 700 participants per ward in the Municipality. Participants are identified by the extension officers on the basis of need; each extension officer has a list of community gardens including those located within the traditional authority areas. However, participation in this initiative is not limited to existing community gardens; individuals are encouraged to make an approach to the Department for assistance with a community garden. Part of this initiative is to continue assisting local schools by providing them with a supply of vegetable seeds. The extension officers employed by the KZN Department of Agriculture will jointly capacitate participants in this initiative on a ward by ward basis, commencing with those wards identified as being most deprived.

At overleaf, a map depicting the agricultural potential in the district is provided.

Map 11; Agricultural Land Potential



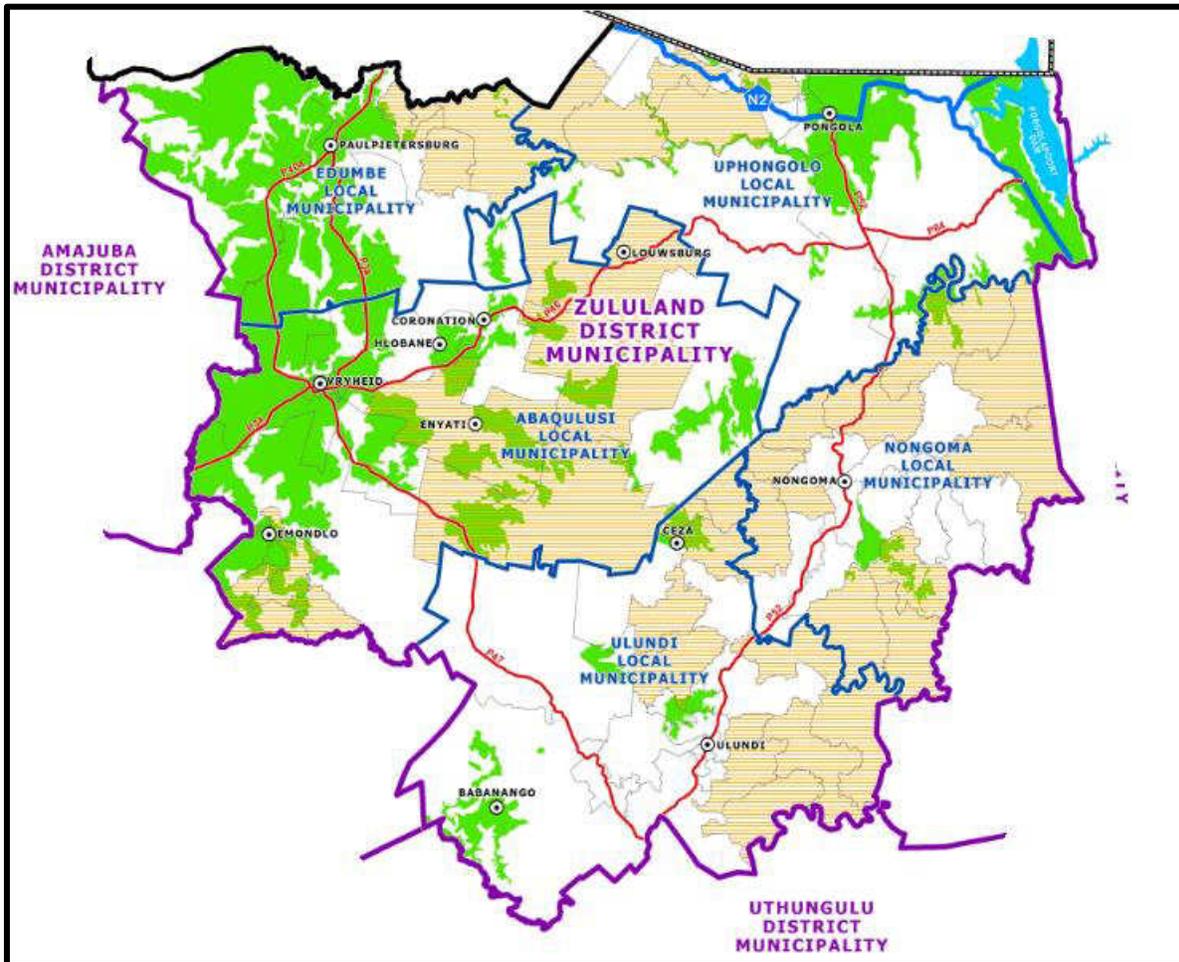
The mechanisation programme implemented by the KZN Department of Agriculture assists indigent and subsistence farmers with a tractor to plough their fields and provides these farmers with maize and vegetable seeds. The Department sub-contracts small operators to make their tractors available to assist – the cost of this initiative is paid for by the Department. The provision of maize and vegetable seeds is sufficient to plant between one and two hectares per individual farmer of between twenty and thirty hectares per farmer group.

Protection of animals by the provision of veterinary health services is the third programme operated by the KZN Department of Agriculture within the service area of the Municipality. In addition to assisting farmers with the management of their livestock, the Department undertakes immunisation campaigns for identified diseases such as rabies.

It is the intention of the KZN Department of Agriculture to deploy an extension officer and an extension office assistant in each ward within the Municipality – each ward will also have the services of an animal production technician and a plant production technician. All agricultural projects undertaken are owned by the participating farmers with Departmental officials providing a production advisory role; while these projects are funded from the KZN Department of Agriculture budget, the funding is provided in the form of materials (tools and seeds) only.

It useful to consider the spatial relationship between areas of highest poverty and areas of highest land capability as specific measures or interventions may present themselves to address poverty from an agricultural perspective. This relationship between poverty and agricultural potential is depicted in the following map inset.

Map 12; Relationship Between Poverty and Agricultural Potential



7.1.6 Tourism

The District finalized its Tourism Sector Plan was completed in 2006. The report presents the following picture as to the state of the sector in the District:

“While the Zululand District has a wealth of attractions that are authentic and different, the key obstacles to tourism growth lie in lack of awareness and information, lack of accessibility and the failure to package these assets in an attractive way that distinguishes from the other two districts forming the greater Zululand: uThungulu and Umkhanyakude. These two districts currently attract the overwhelming majority of tourists traveling north of the Tugela.

While there are a number of notable developments in the pipeline, individual land owners are battling to attract investment because of the reasons above. There is an urgent need to develop a high powered presentation and prospectus which will outline the actions planned by Zululand District

Municipality to solve the infrastructural and information problems so that outside investors would be more confident to consider development in the district.”¹

A number of hindrances to the growth of the tourism sector have been identified, notably:

- Lack of facilities
- Lack of private investment
- Poor road infrastructure
- Lack of coordinated effort in the development of the sector and poor marketing of facilities/destinations

The following critical steps in developing and promoting the sector in the District are noted:

- Need to market the District as a favoured destination
- Need for creation of authentic cultural experiences
- Need of opening up the Royal Palace to tourists
- Need to capacitate and create awareness among the previously disadvantaged communities
- Need to co-ordinate efforts of tourism development within the District
- Need to set standards for accreditation and grading to take place

In context of the above, the Siyaphambili Local Economic Development Strategy (2003) proposed some development strategies which include:

- The development and upgrading of game reserves, dams and nature reserves
- The establishment and marketing of arts and craft centres
- The need for tourism information tools, e.g. brochures, information offices and signage
- Development of festivals and events
- A travelers’ centre at Ulundi 19
- The development of the Emakhosini Valley
- The upgrade of roads

It has been noted that a number of developments are in the pipeline or being implemented. Most notably and related to tourism are the Pongolapoort Dam Proposals as well as the Emakhosini Ophathe Development Proposals.

There are a number of very interesting tourism options that need to be pursued or warrant further investigation in the district. In addition, there are some critical projects needed to boost tourism development. These include:

- The uQweqwe area, approximately 25km from Babanango attracts substantial French interest every year understood to be the site where Prince Glenn Flanagan was captured. The site does not provide any basic facilities to tourists.
- Every year the Zulu Reed Dance is celebrated at Nsibaya/Enyokeni. There are a number of tourism development options that could be pursued with the annual celebration. Providing

tourists with a better understanding of the Zulu Royal Family is only one of the opportunities presented.

- Development funding to the value of about R20 million has been allocated for the further development of the Emakhosini project, including a new entrance area as well as an amphitheatre. These still require implementation. The Emakhosini project at present does not provide accommodation facilities to visitors.
- The road between Nongoma and Pongola (R66) has to be tarred (only about 27 km) to open up the district to tourism. It is understood that more than 30 tour buses enter the district at Golela every day that do not spend time and money in the district.
- The linkage between Nongoma and Ulundi via the R66 (Tangami Spa, Swart Umfolozi and Vryheid) should be improved.
- Access road to Ithala Game Reserve, via the Klipwal Mine. The Klipwal Mine (the only Gold Mine in KZN) is only about 3 km from the northern boundary of the Ithala Reserve.
- The R69 (Rooirante Road) between Magudu and the Pongolapoort dam is another very important link road.
- The P700 link to Empangeni/Richards Bay.
- An important link between Paulpietersburg, Wakkerstroom and Luneburg.
- About 20km of untarred road between Nongoma and Vryheid.

Apart from the road priorities listed above, a number of important themes have also been identified:

- Heart of the Zulu Kingdom and the Emakhosini project.
- Possible Zulu cultural museum at Ondini linked to the P700 development.
- Accommodation facilities in the ZDM in the traditional Zulu Cultural style.
- The Isibaya/Enyokeni annual reed dance.
- The monthly Mona craft and cattle sale (as well as traditional medicine) in Nongoma. This event lasts for 4 days but there is no market facility available.
- Proposals have already been prepared for the Ngome forest development.

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 Pongolapoort Dam
- Ithala Canoe Challenge starting at the oBivane Dam
- Annual Innie 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 i.e. Golela Border Post and the Piet Retief Gateway. 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 lose out immensely.

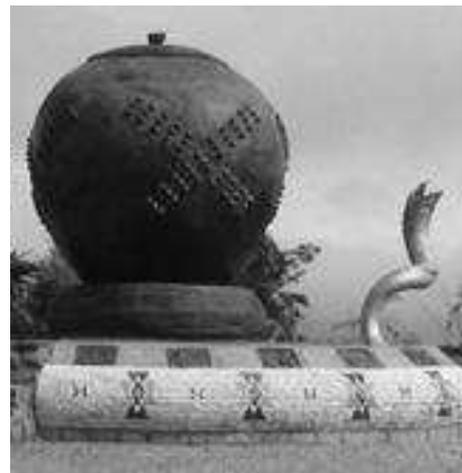
7.1.6.1 Tourism in Ulundi

The air over Ulundi is clean and fresh, and only a hint of shimmering heat haze is likely to blur the sharpness of the horizon as you approach the Valley of the Kings. When approaching uLundi by plane, the Umfolozi River, glinting in the sunlight as it flows lazily through a wide horseshoe, and the darker hills of the Emakhosini – the legendary Valley of the Kings – are visible before you. On top of one of the higher hills is the proud Emakhosini memorial, with its long silver horns reaching skyward.

The aircraft terminal and everything around you seems so ordinary, so predictable. But this is an illusion and soon after when entering Ulundi you realise that you have entered a land of contrasts, where the modern world has met traditional Africa in a delightful mixture the old, the new and the ageless.

In Ulundi, high-rise, modern government buildings, shops, hotel and lodges are little more than a stone's throw from traditional Zulu beehive huts. Zulu women in long traditional dresses and headscarves hoe their fields near modern suburban homes. Modern, luxury cars share dirt roads with slowly-plodding Nguni cattle.

Goats and chickens wonder unhindered into modern shops - and nobody cares in this easy-going Heart of Zululand. But these contrasts are to be expected for Ulundi is the gateway to the Heart of the Zulu Kingdom. It has many modern trappings, but it is also deep within the ancestral land of a nation that has proudly maintained its traditional way of life.



When you leave the centre of town you are within a few minutes' drive from Ulundi's museums, with their wealth of historical and traditional artefacts, and a good road - the P700 - links you to the

Ondini Cultural Reserve, where the treasured past of Zululand has been well preserved. At Ondini, King Cetshwayo's residence has been partially recreated and well-trained tour guides are on hand to help bring back the era of great Zulu leaders and warriors.

Only 35km from Ulundi - also along the P700 which is newly tarred - is the world-renowned Hluhluwe-Umfolozzi Park, made famous for the invaluable part it has played in saving both the white and black rhino.

The road brings you to the Cengeni gate at the south western entrance to the Umfolozzi section of the park. This section offers you some of the best game viewing in the park and is also known for its wilderness trails. You can explore the area on your own - it is perfectly safe, and the people are warm and welcome- but you will miss a lot without a good tour guide to identify wildlife and point out places of interest.

At Ondini you will find the headquarters of AMAFA, the heritage organization for KwaZulu-Natal, and it has a number of trained guides who will make your visit an enjoyable learning experience. When you visit Ondini you can stay in Zulu beehive hut, and enjoy the traditional food and hospitality offered by the Umuzi, or homestead. The Umuzi is run by Tinta Safaris. Its owner Rex Duke offers fully-escorted excursions around the area. Cultural, historical and other excursions are also offered by Wilfred Mccunu from the Mthonjaneni Lodge.

Ulundi is the ideal springboard for exploring the Zululand District. The town has banking and shopping facilities a Garden Court, luxury and themed lodges and a variety of bed and breakfast owned by locals who will all go out of their way to link you to guides and outfits offering escorted tours. The new down town shopping mall is worth a visit. Most accommodation facilities will provide transport and tours and there are a couple who have resident historians and cultural/wildlife guides to take you on guided excursions in Zululand and beyond to well-known battlefields like Ulundi, Isandlwana and Rorke's Drift.

The Umuzi, a traditional Zulu lodge is inside the Ondini Cultural Reserve and fully escorted tours are offered from this base by Tinta Safaris. Mlungisi (Percy) Nzuzza, the owner of Nongoma Lodge, will gladly collect guests from the Ulundi Airport and take you around the Ulundi area before moving on to the Royal City of Nongoma.

7.1.6.2 Tourism in uPhongolo



There is a lake the far north eastern corner of Zululand where the water stretches across 34 kilometres AND it is the only major dam in South Africa where you find the ferocious fighting tiger fish. Pongolapoort Dam, also known as Lake Jozini, lies at Golela some 34 km from the town of Pongola - the northern gateway into KwaZulu-Natal for Johannesburg and Swaziland. Most international visitors come through the Golela Border Post from Swaziland into KZN. Pongola is

the junction where travelers refresh and refuel before moving on to the World Heritage Site of Greater Lake St Lucia Park, the coral reefs of Sodwana and Mozambique. There is a small airport at Pongola, an airport at Mkuze and a private airstrip at KwaZulu Private Game Reserve, at the Dam.

The uPhongolo area is one of the best kept secrets in South Africa, it's not an idle claim. There are two very special attractions at Pongolapoort Dam; the opportunity to catch tiger fish and the only houseboats in South Africa.

Shayamoya Tiger Fishing and Game Lodge also offer breathtaking views over Pongola Game Reserve, the lake and the mountains. The warm and welcoming atmosphere goes hand in hand with plenty of guided activities like game drives, boat cruises, elephant monitoring, horse riding, canoeing, mountain biking, rhino tracking and of course tiger fishing.

UPhongolo is also the place to be at close of day for a very practical reason. It has an unparalleled selection of first class game camps and lodges in which to spend the night. Around Pongolapoort Dam there are 10 lodges in the Pongola Game Reserve which has four of the Big five. Although it has no lions, it does have more than 70 elephants, as well as rhino, buffalo, leopard, cheetah, hyena, giraffe, zebra and many kinds of antelope. The lake and its nearby game reserves are among the most important assets of Pongola's growing tourism trade.

Leaving Pongola two options exist, going west on the N2 towards Piet Retief, the route takes you through the rural area of Simdlangentsha with its tribal settlements, community halls, some very unique schools and the Klipwal Mine, the only gold mine in KZN. The Itshelejuba Hospital on the route is worth a visit. The other option turns south onto Route 66 (R66) towards Nongoma, in the heart of Zululand, or on to the R69 to Vryheid. On the R66 you will find unique attractions and facilities. The Pakamisa Private Game Reserve (with its Austrian flavour), Magudu Hotel, The Omoyeni Lodge on the Magudu Mountain Range each have a unique theme. Game farms further on Route 66 include the Amakhosi Lodge (with the Big five) the Mkuze Falls Private Game Reserve (Five star grading overlooking the Mkuze River Falls) and some 10 smaller game farms and facilities.

On the road to Vryheid (R69) the game experience culminates in two reserves. The Ithala Game Reserve (just outside Louwsburg) with its beautifully situated Ntshondwe Camp is run by Ezemvelo KZN Wildlife and is one of its kind because of the diversity of habitats running from high Highveld to low Lowveld at the Pongolo River. The turn off from the R69 to the Bivane with its Caravan Park chalets offers you an experience from fishing to hiking, boating and birding, canoeing or cycling.

7.1.6.3 Tourism in Nomngoma

Nongoma is the royal City of Zululand. It is the home of King Goodwill Zwelethini, the hereditary leader of the nation and his royal palaces are among the main tourist attractions in Nongoma. The royal family is highly respected and has a dominating presence in this rural and very traditional part of Zululand.



Tours are organized to royal palaces, to the local schools and to some of the natural attractions such as the indigenous Ngome Forest Zulu dancing is also organized for visitors to the

area. Tradition reaches fever pitch at the traditional Mona Market, which is held in the third week of every month. The market attracts thousands of people from all over KwaZulu-Natal. They bring a fascinating variety of wares from fruit and vegetables to beadwork and beer pots, and cattle on the hoof - to the open market on the outskirts of the town. The market is a hive of activity, with people buying, selling and bartering to meet their most pressing needs.

But the event that most captures the imagination is the annual Royal Reed Dance Festival, Umkhosi woMhlanga. The Reed Dance Festival is held at the king's royal residence, Kwa-Nyokeni Palace, and is attended by thousands of people from all over the world. The festival takes its name from the riverbed reeds and the symbolic part they play in the four day event. The reeds are carried by more than 25000 maidens who have been invited to the king's palace to take part in the traditional ceremony, which celebrates their virginity and their preparation for womanhood.

The maidens come from all parts of Zululand and have been joined in recent years by groups of girls from Swaziland and as far afield as Botswana and Pondoland.

7.1.6.4 Tourism in Vryheid/AbaQulusi

There is something enchanting about Vryheid, a friendly agricultural town with many historical buildings and sites, and the surrounding district is rich in natural attractions and wildlife conservation areas, of which the Ithala Game Reserve is the finest example.

The northern area has the Hlobane Mountain that was used by the Zulus as a fortress during their war against the British. Hlobane's rich coal seams have been mined for more than 100 years. The Vryheid Hill Nature Reserve is on the edge of town and offers excellent bird watching opportunities in a beautiful conservation area. The reserve includes grasslands, rocky slopes, forest and mixed woodland, and is able to support a wide variety of animal, bird and plant species.

Animal life in the reserve includes grey duiker, mountain reedbuck, oribi, eland, Burchell's zebra and blesbok. But pride of place in the reserve goes to a pair of crowned eagles who nest in a Cape ash tree in the forest overlooking the town. The reserve also includes the Ntinginono Eco Centre. Ntinginono focuses on environmental education for school groups and can seat 100 people in the main hall. The tented camp has accommodation for 60. Many private land owners offer hunting and game viewing with accommodation ranging from rustic to very upmarket. Vryheid has grown as a conference and event centre and delegates can combine their Safari experience with a visit to one of the natural mineral spa resorts in the area.

In the southern areas is the Klipfontein Bird Sanctuary which includes a large wetland and provides a safe refuge for many rare and secretive wild water-birds. The sanctuary has a small hide overlooking a pan, allowing for great views of 10 duck species, African Rail, Red-chested Flufftail, and Black and Baillon's Crakes. The pan's reedbeds also attract a number of warbler, weaver, and widowbird and whydah species. Pairs of Grey Crowned Crane and African Fish Eagle also breed in the sanctuary

In the eastern areas are two special nature/wildlife areas, Ngome Forest and Ntendeka Wilderness as well as Ithala Game Reserve. The reserve is linked to the town by a good tarred road and also has a landing strip.

Ithala's main camp is at Ntshondwe and there are secluded bush lodges, camping facilities and a luxurious lodge that sleeps six. The camp's fully-equipped conference centre can seat up to 90 people. Ithala has four of the Big Five animals: elephant, rhino - both black and white - buffalo and leopard. It also has many species of antelope, including the only tsessebe in KwaZulu-Natal. Ithala has 315 species of bird.

In the western parts of the area is the Blood River Vlei with its 5 000ha of wetland, known for its many and diverse waterbirds. Nearby is the Ncome Blood River heritage site where a major confrontation took place between the Voortrekkers and AmaZulu on 16 December 1838. One really experiences both sides of this historic battle. Vryheid was founded in 1884 when Voortrekker settlers were granted a large area of land by the Zulu King Dinizulu. The Voortrekkers proclaimed the land as the Nieuwe Republiek, with Vryheid as its capital and Lucas Meijer as its president.

The republic's parliament building, the raadsaal, and the town jail are well-preserved relics of that time. Lucas Meijer's home is now a museum. The town is the largest in the Zululand District and offers the widest variety of accommodation. Tours are offered by Villa Prince Imperial.

7.1.6.5 Tourism in Paulpietersburg/EDumbe

Paulpietersburg is said to be the healthiest town in South Africa, because of its excellent climate and the naturally high quality of its water which has attracted two spring-water bottling plants to the area.

The town, which lies at the base of eDumbe Mountain, has a distinctly German character. The German influence dates back to the 19th century, when Lutheran missionaries and colonists founded settlements at Luneburg, Braunschweig and Augsburg near the town. German tourists enjoy visiting the area nowadays, taking delight in the local inhabitant's quaint mixtures of 19th century and modern custom. Luneburg is known for its excellent German butchery.



One of the best known attractions in the area is the Natal Spa resort and conference centre with its nine hot and cold mineral water pools. The invigorating and healing qualities of hot mineral water are well documented. It boasts "triple waters" which means they contain carbonates, chlorides and sulphates and the temperature at source is 40°C as well as a "Support Tube". Today, it has a super tube and makes for an experience of top quality.

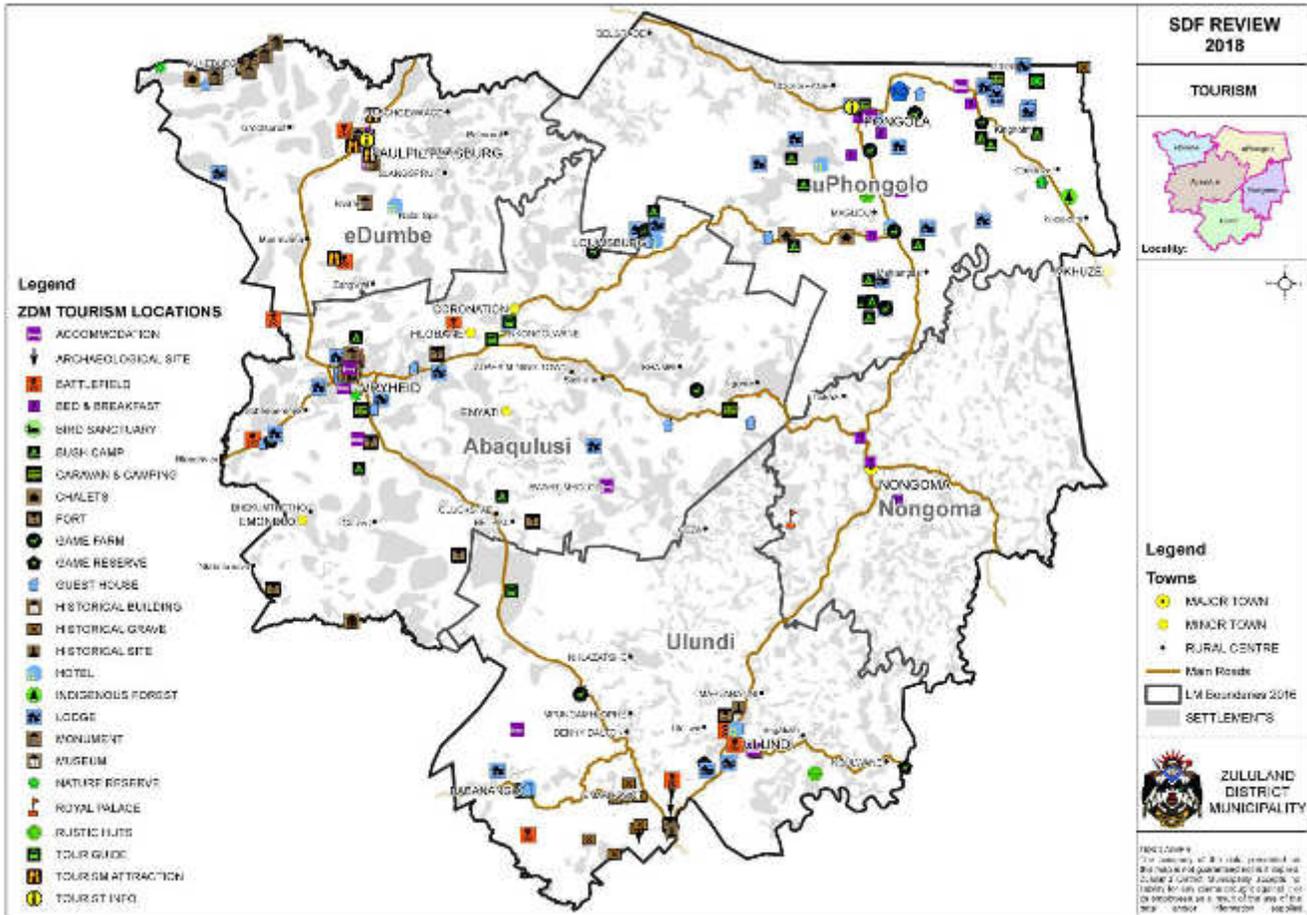
Paulpietersburg has the largest collection of grass orchids in South Africa. These bloom in December and Photographic and nature tours are run.

Paulpietersburg's information office is in the Drosty building on the main road into town. The Drosty also has a tea garden and a museum, and good-quality local crafts are on sale. The information office can organize a hour-long walkabout through the town, taking in some of the fine old sandstone homes and other historical buildings. The office

can also arrange tours to an authentic Zulu kraal, where visitors can meet the local people in their homes, or to the Valpre Bottling Plant to check out that highly-rated spring water.

Paulpietersburg draws many visitors because of the excellent conditions for paragliding. The DUMBE MOUNTAIN OF WONDERS is highly rated by paragliders. A walking trail through exotic flora with a magnificent view of the countryside and surrounding mountains has been established. On a clear day you can see Jozini Town from Dumbe Mountain. The name of the mountain was derived from the amadumbe, a tuberous edible plant which grows on the mountain and resembles a potato. The mountain is accessible by two wheel drive vehicles.

Map 13; : ZDM TOURISM LOCATIONS



7.1.7 Manufacturing (Industrial)

Manufacturing activity within the District is low, at an estimated 11% contribution to the GDP for the area. The only agri-processing of note in the District is the Illovo sugar mill in the uPhongola Municipality. Despite the lack of large scale manufacturing in the District a number of interesting ventures have been, or are in the process of being, established. These activities generally relate to the raw materials and skills available in the District. The ventures include (1) arts and crafts production and marketing, (2) taxidermy, (3) mineral water and (4) charcoal manufacturing for export.

Some of the opportunities that are presented by this sector include:

- Opportunities generally promoted in the region in terms of agri-processing include traditional medicines, venison production for export, leather production as well as vegetable and fruit processing. The diversification of agricultural production in the District will lead to further potential for agri-processing.
- Opportunities exist for the diversification of the products of the district and the improvement of marketing systems that will open up new local, national and international markets. Other

markets for arts and crafts include curio shops in national parks, curio shops in private game reserves, arts and craft centres in the District, as well as established marketing agents focusing on the national and international markets.

- Opportunities relating to timber product manufacturing should continue to be investigated. Timber construction relating to specifically the tourism industry may present opportunities for local contractors in future.
- Development of clothing and textile as well as building materials sector in the District.

7.1.8 Retail & Services

The commercial sector is well established in the towns of the District. However, it is not easily accessible for the majority of the rural population that currently account for 75% of the district population. A number of potential commercial markets exist. The lack of business support services will, however, limit entry of emerging entrepreneurs into these markets. Some of the opportunities that are presented in this sector include:

- Developing the commercial sector in the Rural Services Centres that are being developed in the District and to utilise the supporting infrastructure of these Rural Services Centres such as taxi ranks to tap into the markets that these draw.
- Commercial enterprises focused on tourism market through sale of locally produced goods, the restaurant industry, travel agencies/services and others.

7.1.9 Mining

Mining activities in the district have decreased in the mid 1990's mainly due to closure of mines as a result of open market in coal mining and agriculture. Opportunities still exist for small scale mining. These opportunities include:

- Mine rehabilitation
- Engineering support
- Equipment maintenance and support
- Preparing Environmental Management Plans

7.1.10 Construction

The sector has experienced growth in recent years. Some of the major recent and current construction activities in the District would include:

- The general residential market.
- Major infrastructure construction, e.g. the Paris Dam, major roads such as the P700 and other strategic linkages.
- The building of lodges and tourism facilities, e.g. lodges to be built at Emakhosini, in areas surrounding the Pongolapoort Dam and on private game farms.
- The provision of basic services to the previously disadvantaged urban and rural communities within the District municipality.

- The provision of low income housing to the urban and rural communities of the District.
- Building of municipal and public sector buildings, e.g. the offices of the District Municipality.

7.1.11 Transport

In the transport industry in the Zululand District Municipality distinction can be made between various sub-sectors, viz. road freight transport, public road transport, (dominated by the taxi industry) air transport and rail freight transport. In terms of the “informal” sector stakeholders also identify the so-called “bakkie” industry responsible for the transport of goods from distributors/wholesalers to a range of retailers located in the rural areas. Some of the opportunities that are presented in this sector include:

- Rural road maintenance and upgrading of rural roads which will continue to establish better linkages between settlements, rural nodes and municipal centres, thus increasing access to economic opportunities whilst increasing access to job opportunities.
- The proposed petrol filling station and information centre (Ulundi “19”) is viewed as a lead project impacting on both the transport and tourism sector in the District. This strategically located development will increase the attractiveness of this alternative route between Gauteng and the KwaZulu-Natal coast. It will also provide an opportunity for informing people passing through the area of the attractions which the area has to offer.

The need for establishing a stop-over point for trucks in the Vryheid area has been identified in various planning studies.

7.1.12 Local Economic Development Performance

The following **Business Plans** were completed, ZDM is looking for potential investors/partners for their implementation:

- Cengeni Gate Community Tourism Project
- Cengeni Gate Community Tourism Project
- Phongola Private Public Partnership
- Nongoma Poultry Project
- Louwsberg Agro-processing Initiative
- Aloe processing facility and
- District Nursery
- The Service Delivery Plan contains more projects that require investors for implementation.

P700 Nodal Development:

The project’s purpose is to address rural development for poor communities who reside in disadvantage parts of the District. It is situated along the P700 and P701. The project is providing infrastructure development (internal roads, sewer, water and hydroponic agricultural system). There are private investors who have invested in the development. Sasol has built a filling station, bakery,

library, internet cafe and hydroponics which were handed over to a community trust to manage. The Zululand Anthracite Colliery has also built a Laundromat on the site to service the mine.

Ulundi Tourism Hub:

The project objective is to attract tourists and resuscitate the airport in Zululand which is the third largest in the KwaZulu-Natal. The project includes restaurant, tourism offices, conference facility, office space that has been let to AVIS car hiring service, an airport shuttle service and ablution facilities.

Rehabilitation of Mona Market:

The project is about reviving the largest muthi market in the province. The project is implemented in phases due to budget constraints.

Phase 1: Traders hall, maintenance, waste management and access control.

Phase 2: Administration building and hostel units.

Phase 3: Tourism centre, research facility and nursery.

Phase 4: Auction centre and Vet station.

The Mona Market is the most significant periodic market in KwaZulu-Natal. It is a market both visited by regional traders and the local community and historically used to be the focus of substantial activities in the last week of every month including the cattle auction of the King.

7.1.13 Municipal Comparative & Competitive Advantage

- Main railway line from Gauteng to Richards Bay, traverses the Municipal Area;
- Large areas of rich Biodiversity, including a significant number of nature reserves;
- Rich Cultural Heritage and Historical Sites;
- Main Provincial Road traverses the Municipality from Richards Bay to Vryheid to Mpumalanga and/or Gauteng;
- Large labour force in close proximity to major towns;
- Seat of the Zulu monarch;
- P700 Development Corridor;
- Ulundi Regional Airport; and
- Two large dams, namely Pongolapoort Dam and Bivane Dam.

7.1.14 Local Economic Development SWOT Analysis

7.1.14.1 Strengths/Opportunities

- It is evident that the district's largest contributors to GVA are not necessarily the fastest growth sectors.
- A number of tourism developments are in the pipeline or being implemented, notably the Pongolapoort Dam Proposals as well as the Emakhosini Ophathe Development Proposals.
- The commercial sector is well established in the towns of the District.
- Opportunities generally promoted in the region in terms of agri-processing include traditional medicines, venison production for export, leather production as well as vegetable and fruit processing. The diversification of agricultural production in the District will lead to further potential for agri-processing.
- The diversification of the products of the district and the improvement of marketing systems that will open up new local, national and international markets.
- Opportunities relating to timber product manufacturing should continue to be investigated. Timber construction relating to specifically the tourism industry may present opportunities for local contractors in future.
- Opportunities exist for the development of clothing and textile as well as building materials sector in the District.
- Rural road maintenance and upgrading of rural roads which will continue to establish better linkages between settlements, rural nodes and municipal centres, thus increasing access to economic opportunities whilst increasing access to job opportunities.
- The proposed petrol filling station and information centre (Ulundi "19") is viewed as a lead project impacting on both the transport and tourism sector in the District. This strategically located development will increase the attractiveness of this alternative route between Gauteng and the KwaZulu-Natal coast. It will also provide an opportunity for informing people passing through the area of the attractions which the area has to offer.
- Opportunities still exist for small scale mining relating to mine rehabilitation as well as equipment maintenance and support.

7.1.14.2 Threats/Weaknesses

- Zululand is ranked lower for economic output for the province than it is for total population indicating that the GVA per capita within Zululand is comparatively low in the provincial context.
- Abaqulusi and Ulundi municipalities contribute the majority of economic output for the district, between them contributing almost 63% being indicative of an economy that is not diversified throughout the district.
- Nongoma, which has the second highest population of all the Zululand municipalities, only contributes 13.6% to economic output.
- Only 31.1% of the working age population are engaged in actual employment or are actively seeking work.
- Unemployment in Zululand is unsustainably high and is having the negatively impact of discouraging people from spending the time and money to actively search for jobs.

- Employment has increased by just over 13,000 people between 2003 and 2009. This is insufficient in the light of population growth of over 106,000 in the same period.
- Zululand DM has very high dependency ratios. The dependency ratio can be interpreted as a crude measure of poverty.
- Uncertainty relating to the roll-out or implementation of the Land Reform programme has impacted negatively on agricultural development and growth.
- The commercial sector is not easily accessible for the majority of the rural population that currently account for 75% of the district population.
- Manufacturing activity within the District is low, at an estimated 11% contribution to the GGP for the area.

7.2 SOCIAL DEVELOPMENT ANALYSIS

Social Development of the community sectors, namely women, senior citizens, men, people with disabilities, and children is the core priorities of Zululand District Municipality. One of the community development objectives in the District's IDP states that Zululand District Municipality is to initiate and implement social upliftment programmes/projects. Over and above the municipal projects and services rendered to ensure that communities of Zululand have an enabling and safe environment to live in, there are currently four major social programmes that the Department of Community Development is implementing to ensure that the quality of life in Zululand is improved.

7.2.1 Social Support and Indigent

The definition of a poor household relates to income poverty, or the lack of sufficient income to satisfy basic and essential needs such as food, clothing, energy and shelter. The **ZDM Indigent Policy** is in line with this definition which also takes into consideration the total monthly household income.

Like many other Districts, the majority of the population in the Zululand District Municipality is indigent (approximately 80%) and that means a small revenue base. Therefore a significant portion of the budget goes towards infrastructure development with very little revenue generated.

National Government Policy derives its standard for free basic water supply from that of the World Health Organisation (25l/p/p/day) which is regarded as sufficient to promote healthy living. The ZDM has an average household rate of 8 persons, meaning that the standard is equal to 6 kilolitres per household per month.

7.2.2 Safety, Security and Justice

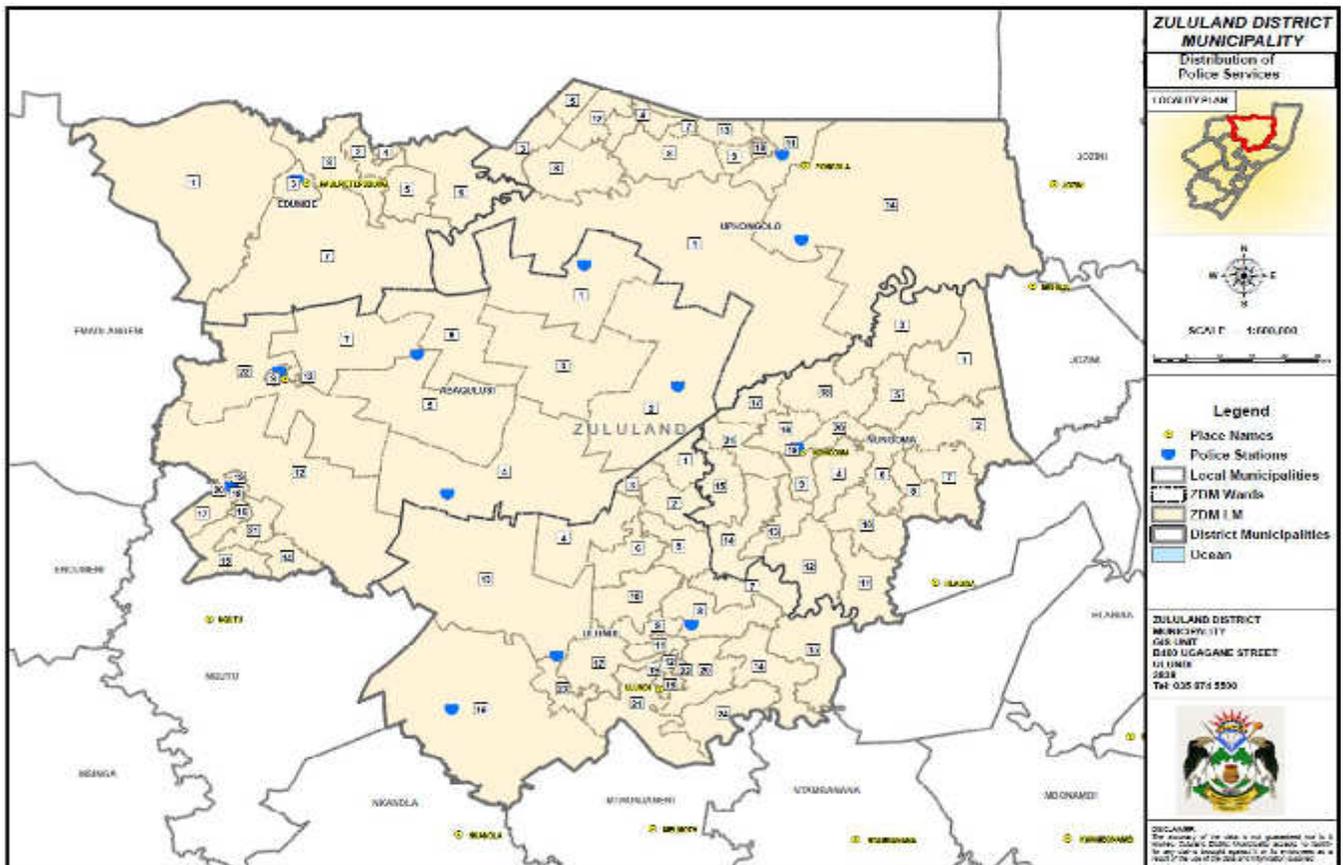
The distribution of **police stations** is provided in the following map. A backlog analysis map indicating the accessibility of households to police stations is also shown. The standards that were applied were each household further than a distance of 20km from a police station was considered not to be accessible to such a facility with every 25000 cumulative people not accessible to a police station indicating the need for a facility as shown in the table herewith:

Table 42; Police Stations in the ZDM

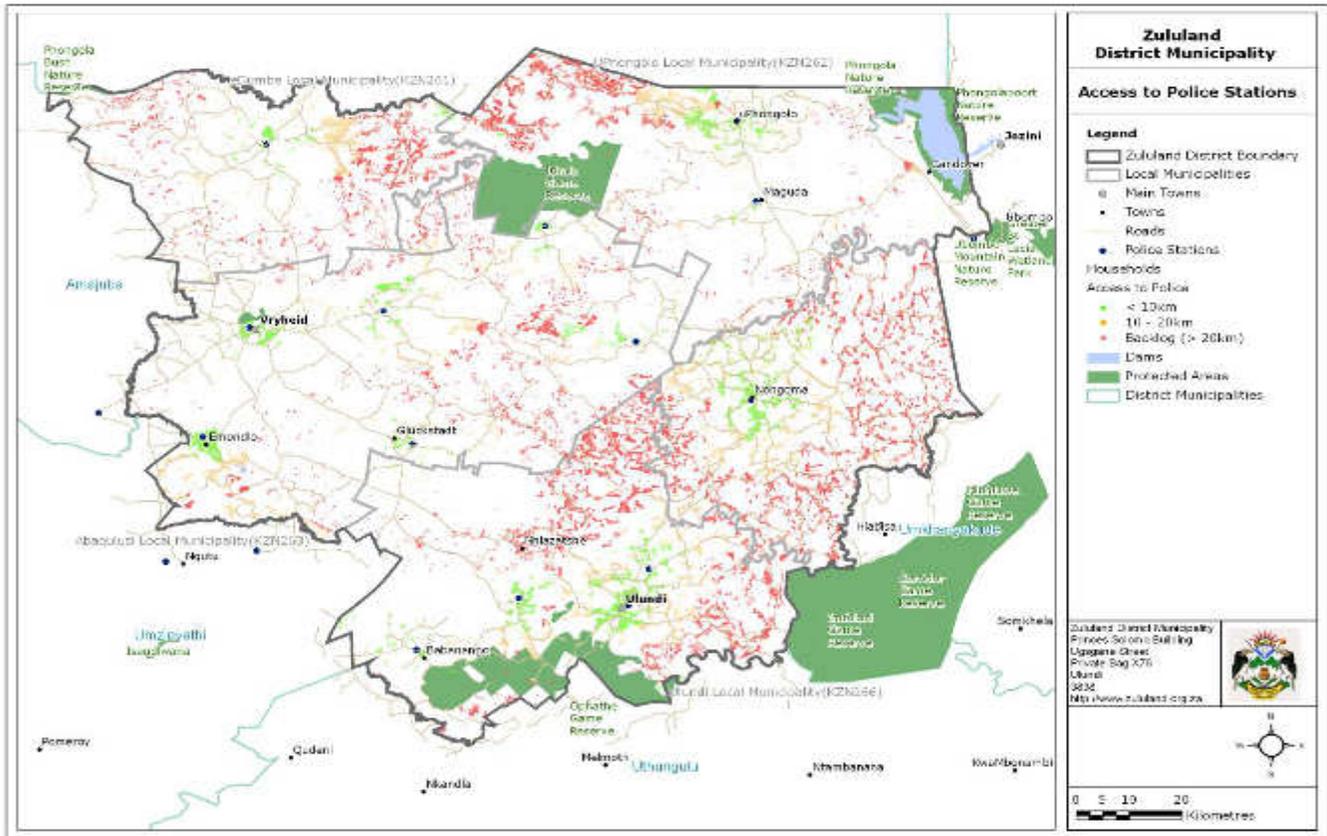
Local Municipality	Required	Existing
Abaqulusi Municipality	14	6
eDumbe Municipality	13	1
Nongoma Municipality	49	1
Ulundi Municipality	41	4
uPhongolo Municipality	32	2

Source: Census 2011

Map 14; DISTRIBUTION OF POLICE STATIONS



Map 15; Access to Police Stations



7.2.3 Nation Building and Social Cohesion

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 interests of learning and gaining more skills. The 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.

7.2.4 Community Development with Particular Focus on Vulnerable Groups

One of the social development IDP Objectives of the ZDM is the social upliftment of communities in the ZDM. It entails to reduce poverty by implementing community development projects. One of the indicators of this objective is the number of people participating in Capacity Building Programmes. Community Development is further embedded in many ways in the Community Services Department.

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

7.2.4.1 Development of Women

The aim of the Women's summit is to empower women citizens through developmental information dissemination by ZDM and other development external organs. This is a platform where women share information and enter into dialogues on issues pertaining to their development. The topics for discussion cover business opportunities, self-help programmes/projects, and education on gender based violence, women's health, HIV/AIDS and Local Economic Development (LED) initiatives, etc.

These summits have great effect in improving the quality of the lives of women of Zululand District Municipality. Women also do seize business opportunities availed through the municipal LED programmes to alleviate poverty.

7.2.4.2 Children's Programmes

Zululand district is rural and poor with high HIV/AIDS infections rate therefore most of the children in the district come from indigent homes some of which are child headed. The Honourable Mayor therefore initiated a Play and Party programme for children of Zululand whereby she brings together over 5 000 children from the 5 ZDM local municipalities and brings various playing equipment and set them in a sports field for children to truly experience being children and play. Each child is then given a year end (Christmas) gift in the form of toys. Thereafter children are treated to a party with entertainment and a feast with the Mayor.

7.2.4.3 Senior Citizens

There are programs for the Senior citizens whereby 6 000 of them together to meet with the council annually at an event to be addressed by the Mayor on issues pertaining to their general welfare and they are afforded an opportunity to also discussed their social issues as well. This meeting takes place in December. The mayor gives them gifts and has lunch with them.

There are also community LED ward projects which assist the communities to start self-help projects which may be blocks making, poultry farming, vegetable gardens, sewing, etc. This programme has proven to have a great impact on the lives of people of Zululand.

7.2.4.4 Widows & Orphans

The Council's concern about the welfare of widows and orphans prompted it to start a programme in order to assist widows to improve their lives through self-help projects. Zululand district municipality

implements programmes which were designed and are targeting widows, orphans and people living with disabilities to ensure that their welfare and health is equal to that of their fellow citizens. These citizens are equally recognized and are 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 annual special days where they come together to share with the municipality and with themselves their experiences of life and ideas.

A Quality of Life Forum has been formed with representation from local Municipal forums of Gender, Disability, Elderly and Children.

7.2.4.5 Disability Programmes

Working with organizations such as CREATE has been beneficial to the Municipality; workshop programmes for Disability Forums of the Local Municipalities are periodically arranged in order for people living with disabilities to get exposed to their rights and opportunities relating to projects that they may start and opportunities for employment.

On their special day the municipality stages an event where the Council meets with them and assist with handing out wheel chairs and other equipment as to make their lives easy.

7.2.4.6 Sport Programmes

Sport programmes in ZDM are vibrant; there are annual games for the aged called Golden Games, an ultra-marathon, Mayoral Cup, Indigenous Games, and ZDM participates in SALGA Games every year. These games have seen our people being selected to represent the Province and national level and some proceeding to represent the country at the world games.

Zululand 56 km Ultra Marathon:

The Mayor of ZDM initiated this race in 2005 for the communities of Zululand to be exposed to professional running to be able to run even in big international races.

This Comrades Marathon qualifying marathon is organized in conjunction with KwaZulu-Natal athletics and runs between the towns of Nongoma and Ulundi.

The 2015 race was in March this year celebrating 10 years of existence and running without fail since its inception. Male and female runners who came first won cars that were donated by local business.

The marathon is instrumental in the social and economic development of the community of this district because people win money prizes which they use to improve their lives and it boosts local business and provides local vendors with the opportunity to sell their goods and services.

HIV/AIDS Programme

It is very important to consider the prevalence of HIV/Aids and the impact it has on the socio-economic conditions of the District. HIV/Aids will have a significant negative impact on the whole

South African society, Zululand being no exception. KwaZulu-Natal's present share of the South African population is about 21%. However, KZN has the highest recorded HIV-positive rate in the country indicating that the impact is likely to be more severe than in the rest of South Africa, rather than less so. It is further noted that the prevalence appears to be higher among women than among men.

The table hereunder was sourced from Quantec data in 2011 and indicates the highest number of HIV/Aids related deaths occurred in the two municipalities with the highest populations, namely Nongoma and Abaqulusi. Abaqulusi has the highest number of HIV infected people and the highest HIV prevalence rate of over 17%. The district as a whole has an HIV prevalence rate of just fewer than 16%. Nongoma has the lowest HIV prevalence rate of all the municipalities. The high prevalence of HIV in the district poses a severe challenge for future development as HIV/AIDS inhibits economic growth by reducing the availability of human capital. The labour force decreases as more people fall sick and/or die. This may result in a young labour force that lacks experience, leading to reduced productivity and a smaller skilled population.

Table 43; IMPACT OF HIV/AIDS ON ZDM MUNICIPALITIES

Municipality	Number of Household	Total Population	HIV Infected	AIDS Deaths	Other deaths
eDumbe	16,419	79,466	12,022	969	634
uPhongolo	26,700	140,482	23,605	1,792	1,049
Abaqulusi	41,208	247,755	42,129	3,235	1,986
Nongoma	56,834	244,272	35,104	2,744	1,953
Ulundi	41,962	203,163	31,911	2,518	1,640
Zululand	183,122	915,139	144,770	11,258	7,261

Source: Quantec 2011

ZDM has forged partnership with SHIPP (Sexual HIV Prevention Programme) which is a USAID funded programme. The staff that is funded by USAID is based at Princess Mandisi Centre working in conjunction with the municipal staff in all the 5 local municipalities in Zululand. These are continued means of strengthening proper coordination in the District.

- Care And Support Programmes
 - Support Group; we have an active support group which meets every month at the Centre. This is the platform where PLWHA (people living with HIV and AIDS) share their fears, challenges and other problems relating to stigma and discrimination.
 - Garden project; the centre has a wonderful vegetable garden to assist local needy households especially the child headed. We have 14 people working in that 2 hector garden.
- Lovelife Programme

- The partnership between ZDM and the Love Life Trust keeps growing. This partnership was lobbied by the Hon. Mayor with an intention of improving the quality of healthy lifestyle for young people in Zululand.
 - Youth is employed at the centre to implement the 'Make Your Move' campaign at schools which is the concept of educating young people to assist them to make informed decisions and to eradicate teenage pregnancy.
- Aids Councils
 - Zululand District Aids Council (DAC) was officially launched on the 14 December 2007.
 - All Local Municipalities have been assisted to launch their functional Local AIDS Councils.
 - ZDM HIV and AIDS Unit has also successfully established Ward Aids Committees (WAC), all 89 ZDM wards have their WAC established.

Youth Skills Development Programmes:

Indonsa Arts & Craft Centre is based in Ulundi and it is one of best community art centres in the KZN province. It has grown from strength to strength helping the young people, in particular, to acquire skills in fashion design, music (instruments) and visual arts. The courses are of duration of six months. Admission is free. The courses are aimed to assist young people that complete matric but lack funds to further their studies at tertiary institutions and also assist those that have academic qualifications but are unemployed so that their opportunities to get for employed are improved.

Graduates are encouraged by being given starter packs on graduation day to start their own businesses; they are however encouraged to form cooperatives in order improve their chances of accessing better funding.

Through the Centre an annual Art Festival/Competition called 'Umbele Wethu' is held in all the five municipalities under the Zululand District Municipalities and a big District final event in which the youth compete in all genres of music, dances, drama and painting. They win money prizes in order to encourage them to advance their talents into careers. The music winners are assisted with free recording their music at the Indonsa Art Centre studio. Quite a number of the musician that were trained at Indonsa and those that were picked from Umbele Wethu have grown to become professional musicians.

Over the past year, the following was achieved:

- 168 have been trained in Visual Arts and graphic designing of which 13 are self-employed,

School educators also register for training as well as those who run their own companies

- 198 in Fashion Designing graduates,

- 63 in Music and instruments,
- 22 in Drama, 16 have been afforded a chance to perform overseas
- +/-4550 school learners in one day training programme in visual arts.

7.2.5 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 a 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 44; PRIMARY SCHOOLS IN THE DISTRICT

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

Source: ZDM IDP 2012/2017

Figure 26; Primary Schools in the District

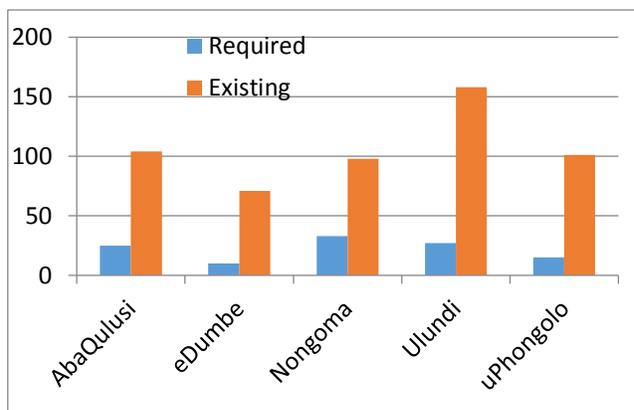
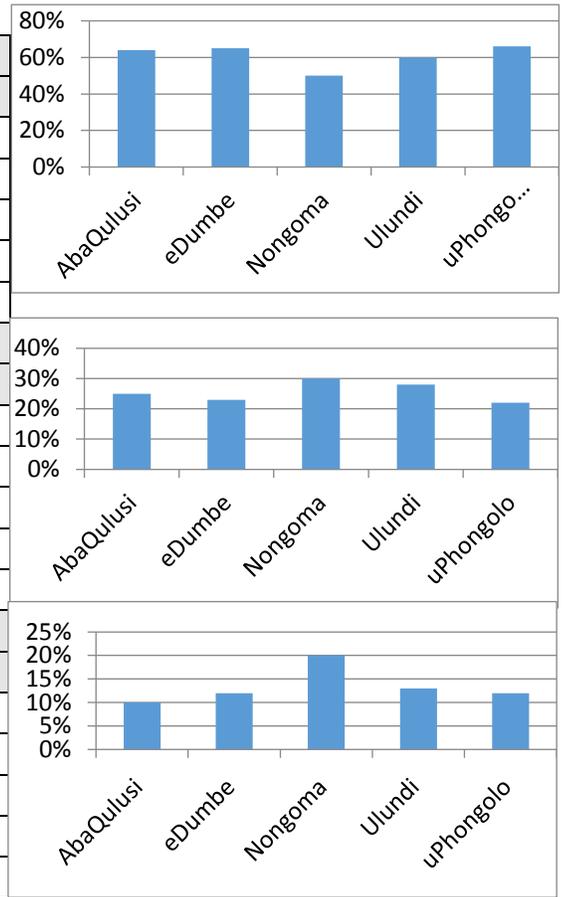


Figure 27; Housing Typologies

Table 45; 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%



Source: ZDM IDP 2012/2017

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:

Map 17; ACCESS TO PRIMARY SCHOOLS

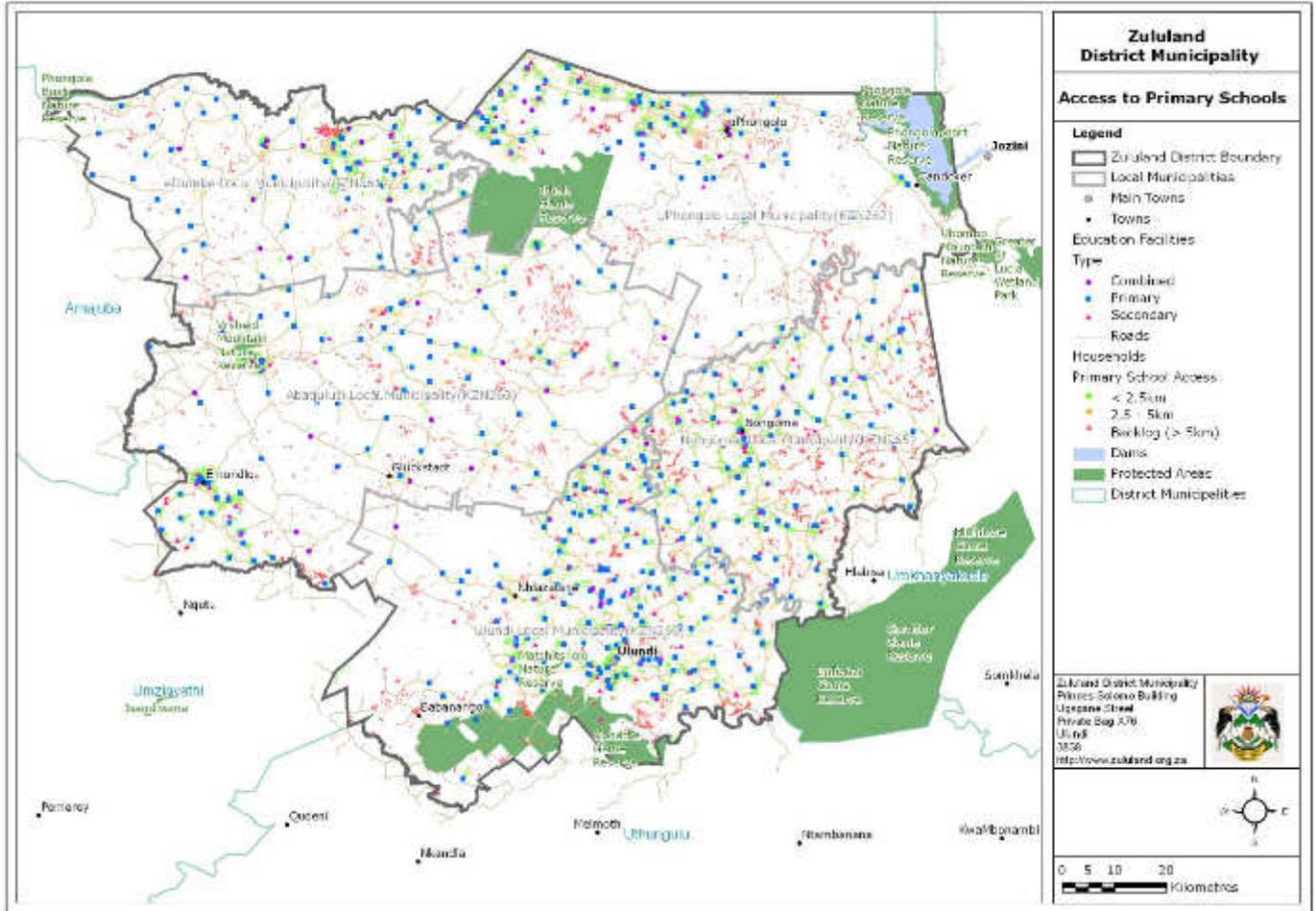
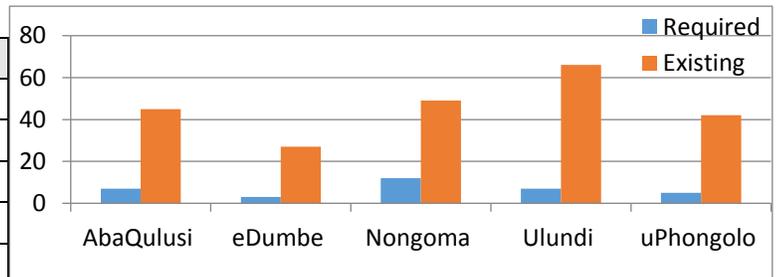


Figure 28; Secondary Schools in the District

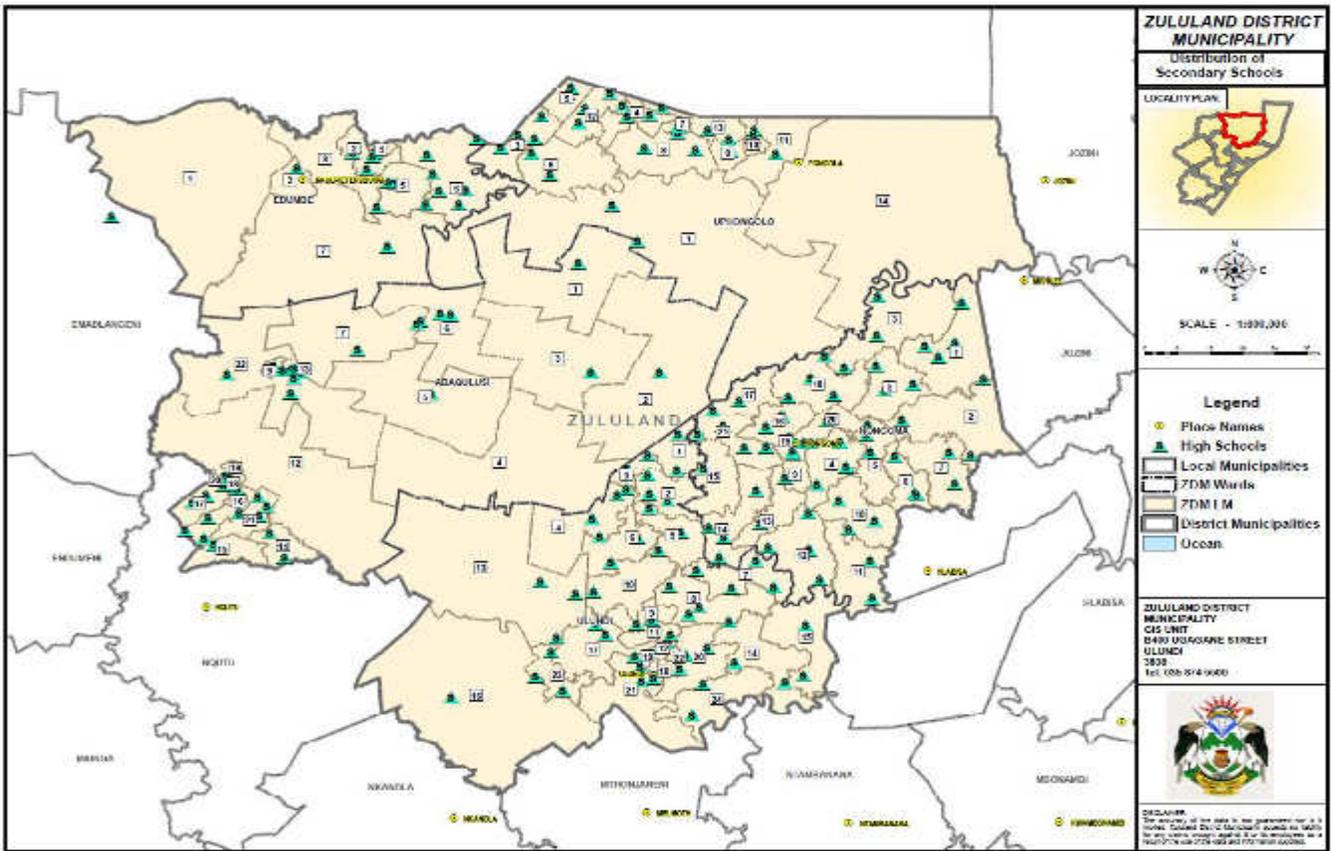
Table 46; SECONDARY SCHOOLS IN THE DISTRICT

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

Source: ZDM IDP 2012/2017



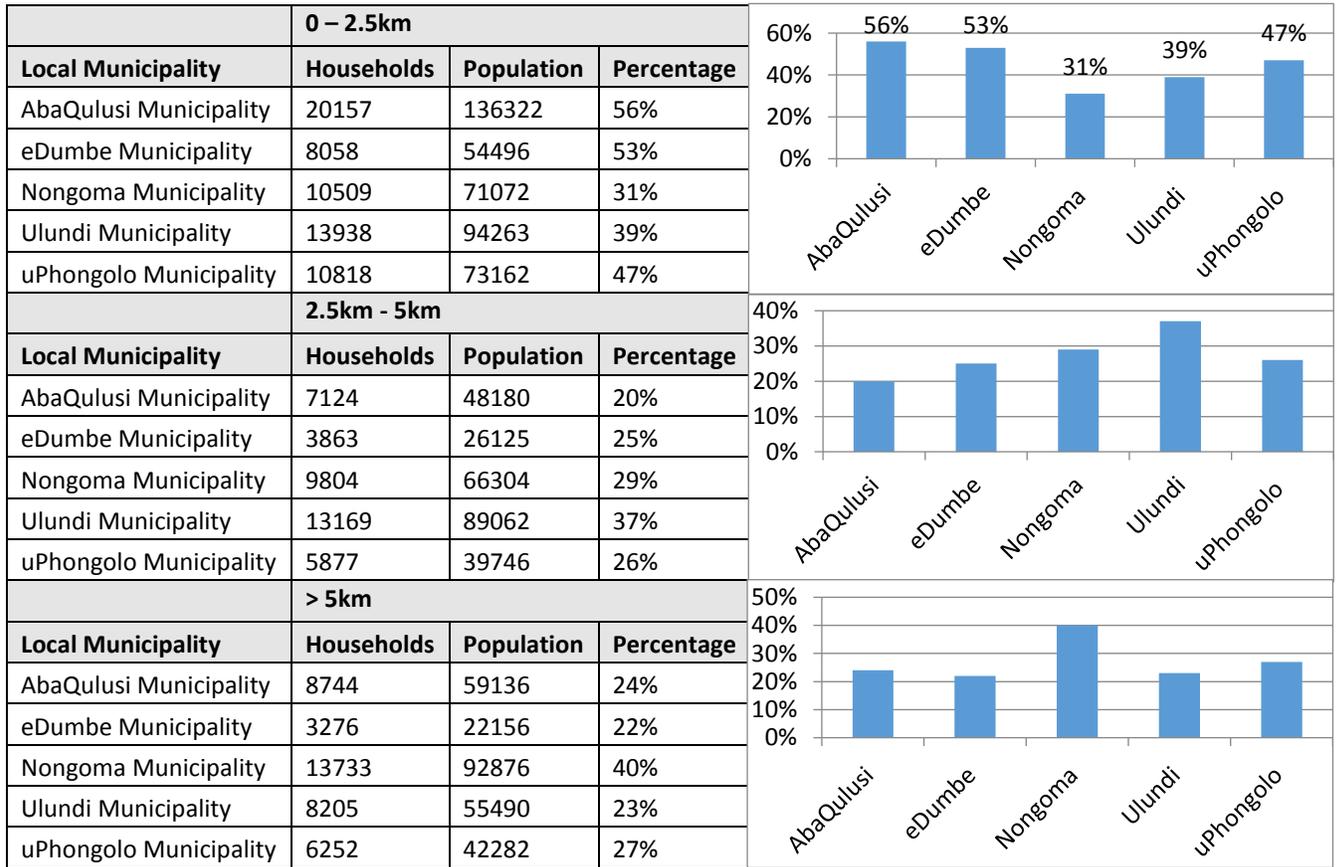
Map 18; DISTRIBUTION OF SECONDARY SCHOOLS



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 indicates 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:

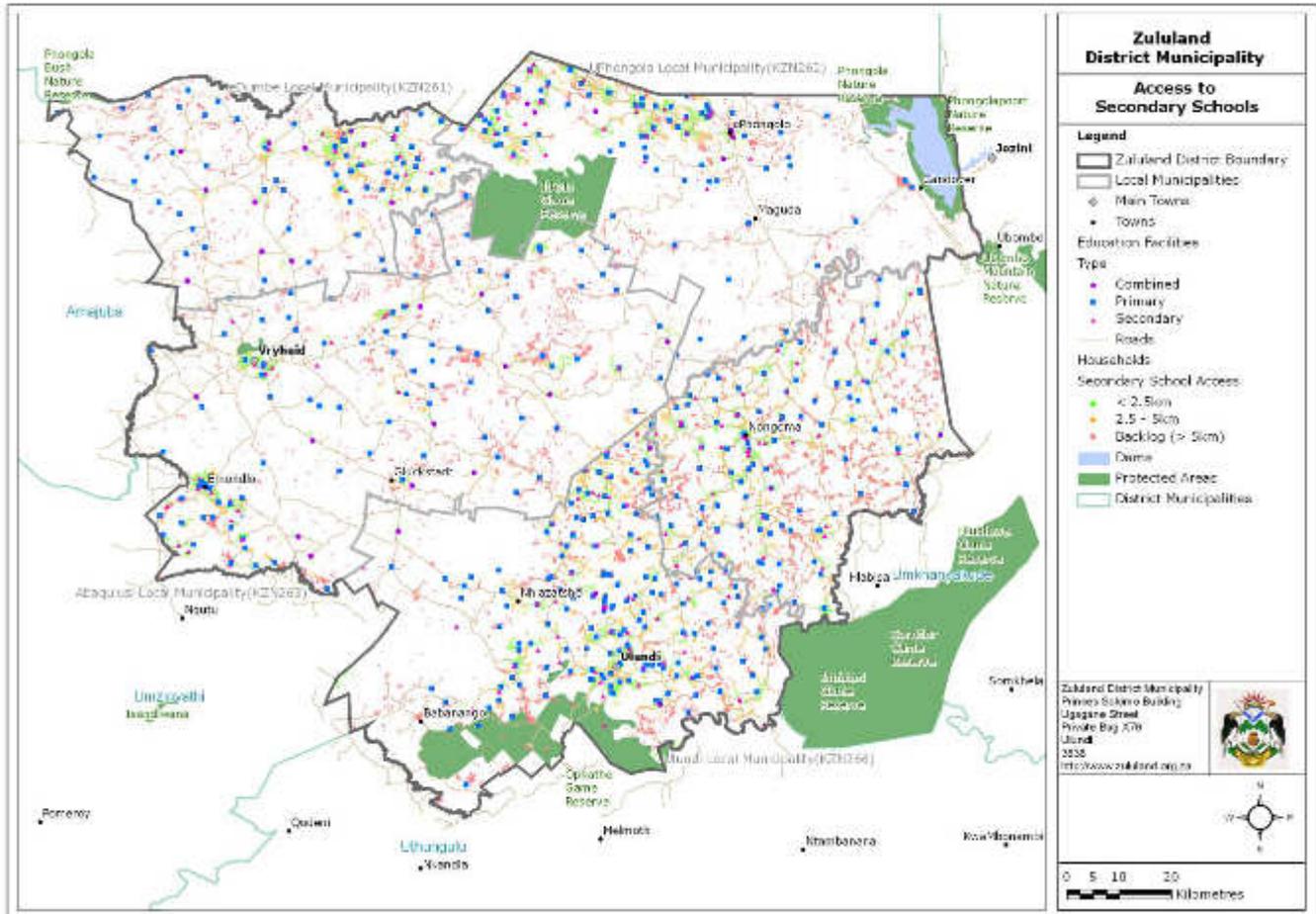
Figure 29; Access to Secondary Schools

Table 47; ACCESS TO SECONDARY SCHOOLS



Source: ZDM IDP 2012/2017

Map 19; ACCESS TO SECONDARY SCHOOLS



Regarding school attendance, the following information is forthcoming from the 2011 census and discussed in more details, i.e.:

- School Attendance
- Highest Educational Qualification
- Distribution of Attendance at Educational Facilities

The following series of tables and figures provide more information in respect of the above.

Map 20; SCHOOL ATTENDANCE (5-24 YEARS)

School Attendance	Attending	Not Attending
1996	248 305	96 091
2001	308 049	95 366
2011	289 548	79 699

Source: Census 2011

Figure 30; School Attendance

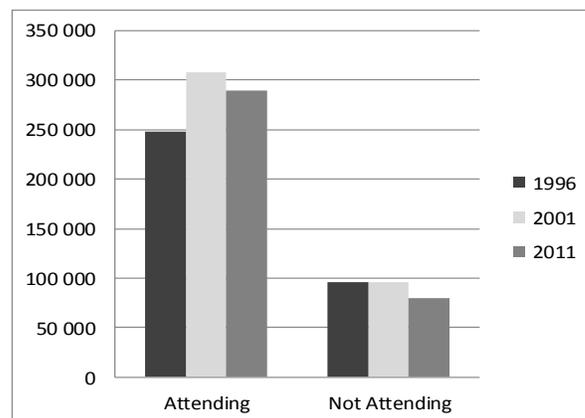


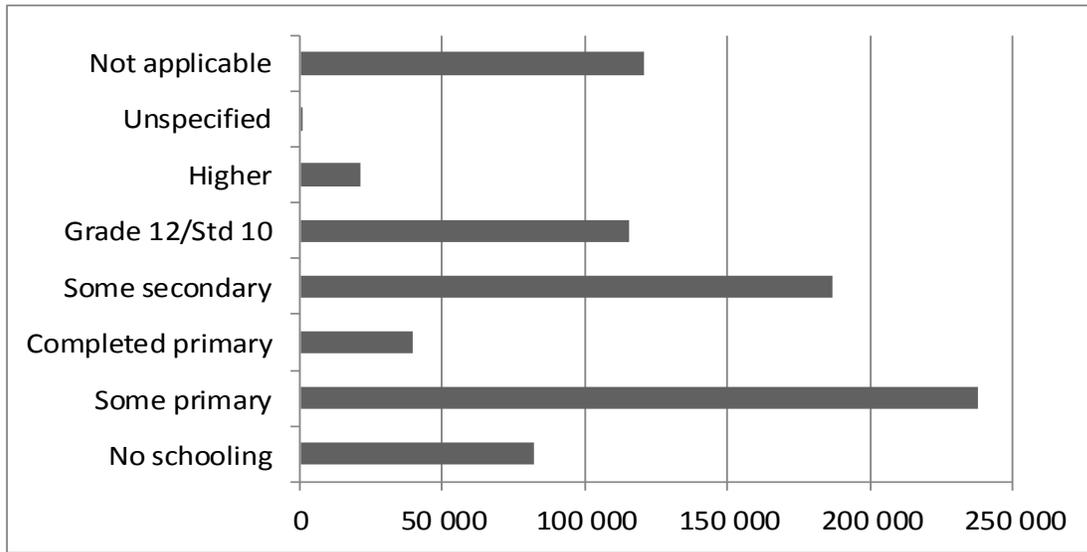
Table 48; HIGHEST EDUCATIONAL QUALIFICATION

Education level	Number
No schooling	81 939
Some primary	237 867
Completed primary	39 386
Some secondary	186 587
Grade 12/Std 10	115 438
Higher	20 954
Unspecified	543
Not applicable	120 861

Source: Census 2011

The census data provided indicates that there is still a very high incidence of no schooling in the district and a very low incidence of completed higher or tertiary education.

Figure 31; Highest Educational Qualification



Source: Census 2011

The highest educational level of persons aged over 20 years for the 1996, 2001 and 2011 census years is outlined below:

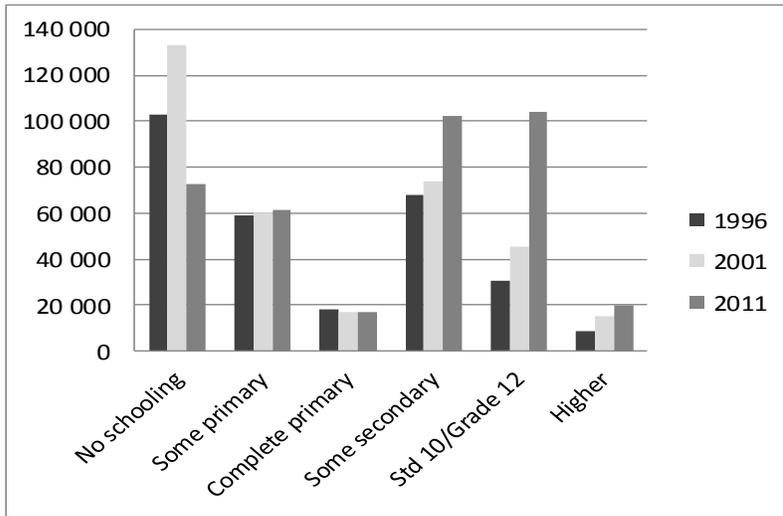
Table 49; EDUCATION LEVEL OF POPULATION AGED 20+ YEARS IN 1996, 2001, 2011

Zululand	1996	2001	2011
No schooling	103 135	133 014	72 725
Some primary	59 152	59 954	61 658
Complete primary	17 993	17 081	16 687
Some secondary	68 142	73 671	102 554
Std 10/Grade 12	30 834	45 205	104 340
Higher	8 586	15 267	20 150

Source: Census 2011

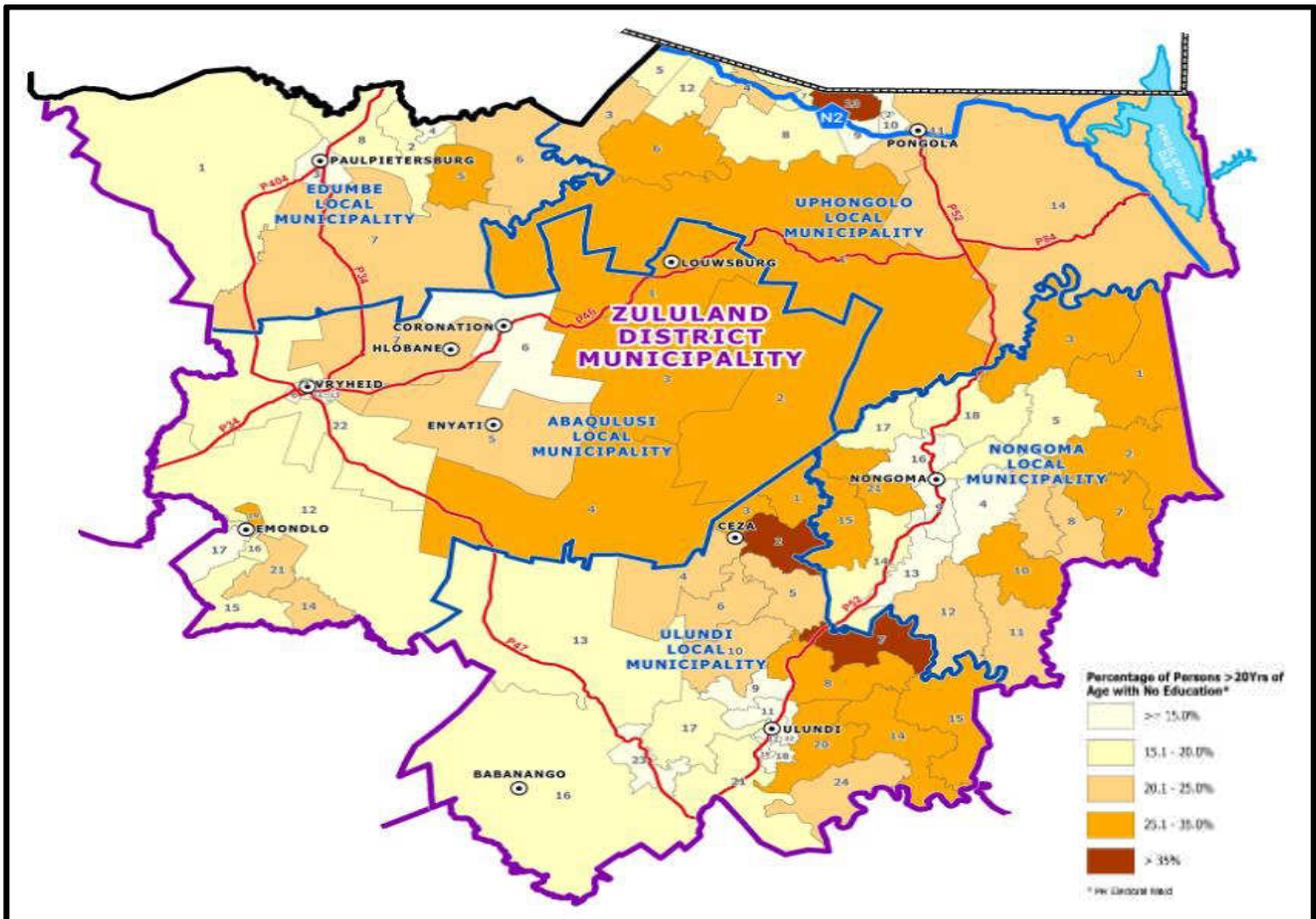
The information presented shows that fewer people have no schooling and that there has been a 20% increase since 2001 in the number of persons with a higher education.

Figure 32; Education Level of Population Aged 20+ Years in 1996, 2001 & 2011



Source: Census 2011

Map 21; : % OF PERSONS OLDER THAN 20 YRS, WITH NO EDUCATION



Some 25.1% of persons older than 20 years of age residing mainly in the central and eastern parts of the Municipal Area (coinciding with the Ingonyama Trust Areas) indicated, in 2011, that they had no education. There are, however, large parts in the Nongoma LM which are not as affected as other Ingonyama Trust areas.

Table 50; DISTRIBUTION OF ATTENDANCE BY EDUCATIONAL INSTITUTION

Education institution	Number
Pre-school including day care, crèche, Grade R and Pre-Grade R in an ECD centre	964
Ordinary school including Grade R learners who attend a formal school; Grade 1-12 learners & learners in special class	283 603
Special school	864
Further Education and Training College FET	5 177
Other College	1 768
Higher Educational Institution University/University of Technology	12 988
Adult Basic Education and Training Centre ABET Centre	11 990
Literacy classes e.g. Kha Ri Gude; SANLI	2 914
Home based education/ home schooling	1 270
Not applicable	482 036

Source: Census 2011

The above table indicates that there is a very low number of children that attend pre-school, grade R or other school readiness programmes. There are also very low levels of attendance of special schools, FET type education facilities that could be as a result of the lack of access to such facilities in the district.

7.2.6 Health

The Department of Health provides a range of health facilities to the communities as outlined in the table hereunder.

Table 51; DEPARTMENT OF HEALTH STANDARDS AND FACILITIES

Population	Recommended Facility	Estimated Attendees (per month)
Scattered <5000	Mobile Point	100
Clustered 5000	Health Station	400 – 600
5000 – 10000	Small Clinic	2000
5000 – 10000	Small Clinic with maternity	2000 (20 deliveries)
10000 – 20000	Medium Clinic	3000
10000 – 20000	Medium Clinic with maternity	3000 (20 deliveries)
30000 – 50000	Large Clinic	4000 – 5000

Population	Recommended Facility	Estimated Attendees (per month)
30000 - 50000	Large Clinic with maternity	4000 – 5000 (30 – 50 deliveries)
60000 – 70000	Extra Large Clinic	6000 – 10000
60000 - 70000	Extra Large Clinic with maternity	6000 – 10000 (30 – 50 deliveries)
70000 - 100000	Community Health centre	10000 – 30000

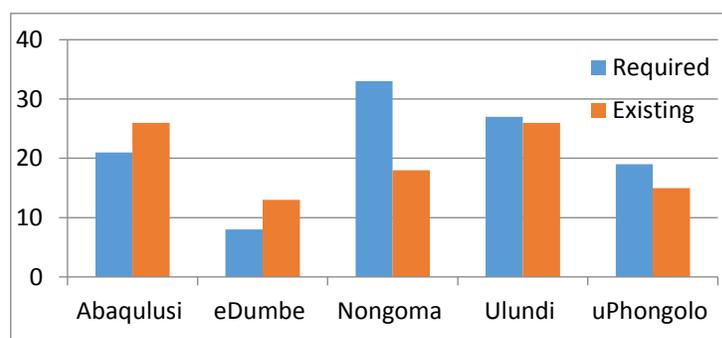
Source: ZDM IDP 2012/2017

For the purpose of this report, a distance further than 5km from a clinic was considered as a backlog while the standards of 1 hospital for every 100 000 people was used as a standard for determining backlogs. The said information is summarized in the following tables:

Table 52; CLINICS IN THE ZDM

Local Municipality	Required	Existing
AbaQulusi Municipality	21	26
eDumbe Municipality	8	13
Nongoma Municipality	33	18
Ulundi Municipality	27	26
uPhongolo Municipality	19	15

Figure 33; Clinics in the ZDM



Map 22; DISTRIBUTION OF CLINICS WITH THE ZDM MUNICIPAL AREA

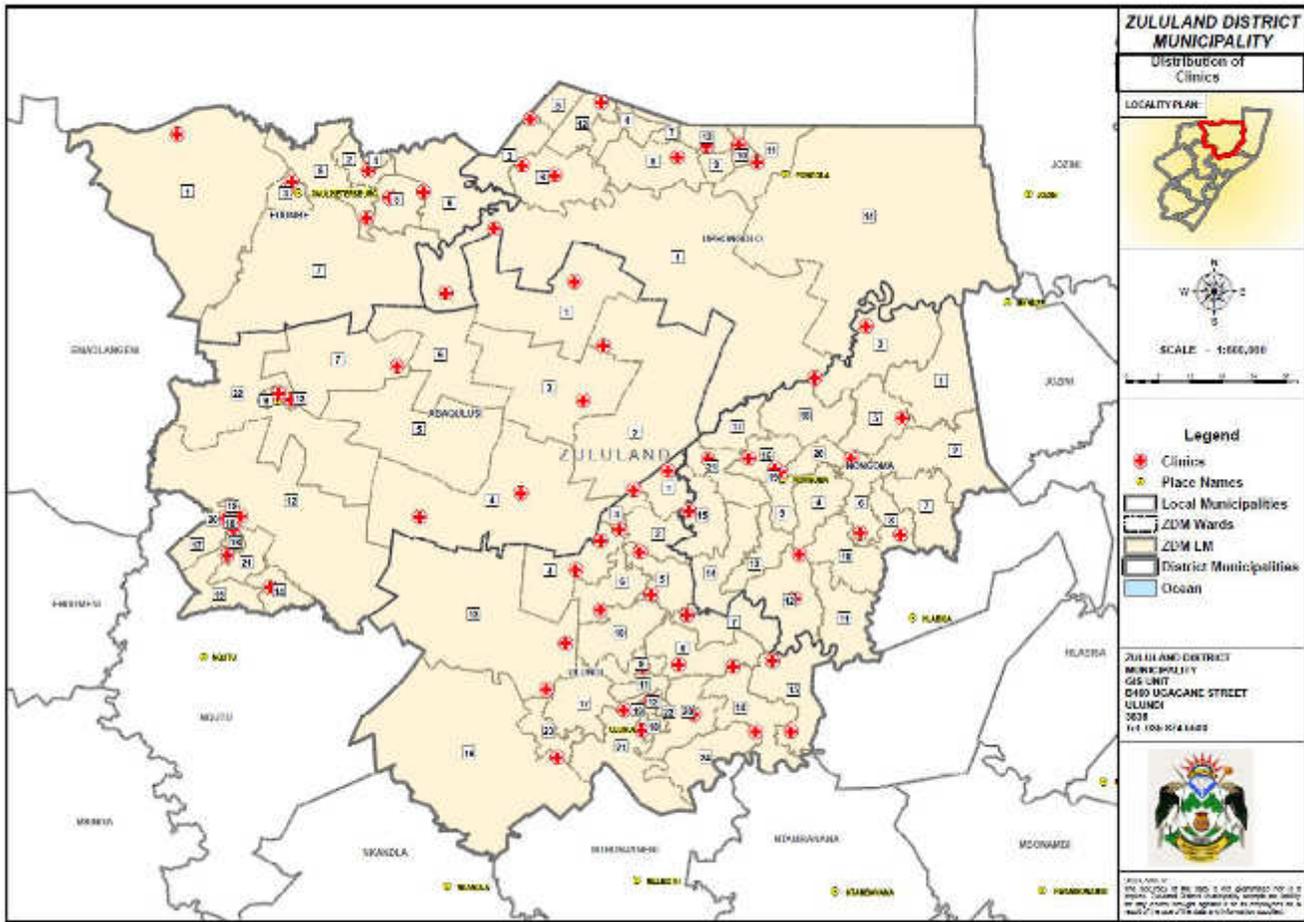
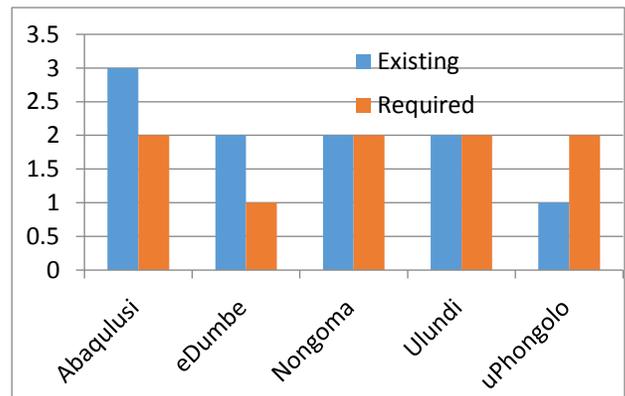


Table 53; HOSPITALS IN THE ZDM

Local Municipality	Existing	Required
Abaqulusi Municipality	3	2
eDumbe Municipality	2	1
Nongoma Municipality	2	2
Ulundi Municipality	2	2
uPhongolo Municipality	1	2

Source: ZDM IDP 2012/2017

Figure 34; Hospitals in ZDM



The 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.

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

7.2.5 Social Development: SWOT Analysis

7.2.5.1 Strengths/Opportunities

- Education, Health and Community Service Sector Plan in place although it required a review.
- Concerted effort to involve widows, orphans and people living with disabilities in social and economic development programmes.

7.2.5.2 Weaknesses/Threats

- Backlog in the provision of primary and secondary education facilities.
- Significant backlog with the distribution of clinic facilities.

- Poor accessibility to community halls.
- The high prevalence of HIV in the district poses a severe challenge for future development as HIV/AIDS inhibits economic growth by reducing the availability of human capital.
- Alignment of housing projects with other social and infrastructure requirements remains a challenge.
- Backlog with the provision of police stations.

CHAPTER 8: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT ANALYSIS

8.1 INTRODUCTION

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 municipality is based in deep rural area of Zululand with fewer industries. The main employer in the area is the government institution. The District Municipality the following local municipalities:

- Abaqulusi Municipality
- Nongoma Municipality
- uPhongolo Municipality
- Ulundi Municipality
- eDumbe Municipality

Financial Analysis of Zululand District for a period of three (3) years from 30 June 2015, 30 June 2016 and 30 June 2017 respectively.

8.2 SWOT ANALYSIS

Although the internal and external environments was analysed, some of the critical analysis was not included in the IDP, which include the following:

Table 54; Financial SWOT Analysis

STRENGTH AND OPPORTUNITIES	WEAKNESSES AND THREATS
<ul style="list-style-type: none"> • Back to basics in place • Communication strategy in place • Functional GIS section • HR Development Plan and Employment Equity Plan in place • LED Structures created further opportunities for growth and development <p>Sport, youth & culture programmes</p> <ul style="list-style-type: none"> • Potential to enhance Sport & Youth Development • Promotion of cultural activities • Each programme to have a dedicated officer <p>Environmental & Health</p> <ul style="list-style-type: none"> • Devolution of environmental health services 	<ul style="list-style-type: none"> • Auditor –General findings • Going concern/cash flow crisis • Compliance with SCM <ul style="list-style-type: none"> • Compliance with financial requirements and submission deadlines according to all procedures and policies in place <ul style="list-style-type: none"> • Programmes on hold due to lack of funding. The ZDM is predominantly dependant on financial grants. • Lack of skills within the organisation remains a huge challenge • The portfolio committees are functional with limited instances where meetings are postponed due to the absence of quorum. In

<p>from province to district municipalities</p> <ul style="list-style-type: none"> Finalization of Devolution of EHS will enhance service delivery <p>Special Programmes</p> <ul style="list-style-type: none"> Strengthening of awareness campaigns at ward level on vulnerability matters Alignment of programmes with Provincial and national guidelines <p>ZDM to use the following channels to engage the public:</p> <ul style="list-style-type: none"> Rural communities: Newspapers, Radio, Newsletters, display advertising, social media, pension pay points, letters sent with bills, religious groups and senior citizens forums. Business community: Mainstream media, financial publications, events (sporting events). Employees: Internal publications, emails, posters, workshops, notice boards, staff meetings. The local municipalities in the district, national and provincial government: Intergovernmental forums and izimbizo. Broader public: magazine and news publications, TV, radio, flyers, posters, events (roadshows) and sporting events (District Games). <p>MEDIA PLAN INCLUDES:</p> <ul style="list-style-type: none"> Issuing of press releases and reporting on municipal events, Exco meetings and handovers Regular radio slots on community radio stations to keep communities informed of municipal programmes Publication of monthly newsletters and annual Service Charter Promote the use of the municipal website Public participation programmes that help to maintain awareness of the municipality's 	<p>those limited instances the Municipal Whip convenes meeting with party whips to discuss Councillor Attendance as a measure to reduce instances of meetings that are postponed due to the lack of quorum.</p> <p>Disaster Management</p> <ul style="list-style-type: none"> Personnel: Inadequate Building: OHM Compliance, old building, office space Equipment: Out-dated, insufficient Financial resources Poor or limited service delivery <p>Sport, youth & culture programmes</p> <ul style="list-style-type: none"> Inadequate financial resources Fragmentation not well coordinated plans for this programme Sport only concentrate on SALGA Games The sport budget is mainly used for SALGA Games- annual event <p>Environmental & Health</p> <ul style="list-style-type: none"> Shortage of staff rendering EHS thus hampering service delivery Delay in the Air Quality Management Plan <p>Special Programmes</p> <ul style="list-style-type: none"> Shortage of staff Non adherence to work plans or programmes <p>Crime Prevention</p> <ul style="list-style-type: none"> No dedicated official No programmes Increase in crime activities within the district <p>There is a need to increase the number of staff</p> <ul style="list-style-type: none"> Asset care centre – There are complicated and technical requirements in terms of GRAP and some aspects of the function would need to be outsourced due to the skill required. Compliance with new regulations has proven to be difficult with the current staff complement which results in overtime being
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<p>programmes and projects.</p> <p>KEY CAMPAIGNS INCLUDE:</p> <ul style="list-style-type: none"> • Project handovers • Roadshows: Budget and IDP public engagement • Visits by MEC’s and Ministers for project launches • Community meetings • Sukhuma Sakhe programme • Publicising of events linked to specific programmes: Agriculture, Economic Development, Women • Key provincial events: Youth Day, World AIDS Day, Parliament to the People • Customer satisfaction survey • Communication Strategy and Public Relations Strategy updated annually 	<p>worked by staff in order for compliance to be met.</p> <ul style="list-style-type: none"> • Due to month end financial system processes it is often difficult to meet item closing dates set by Admin Services. • Lack of insurance cover for large infrastructure items such as weirs, dam walls etc. • The staff in SCM should be trained on the SCM policy and the SCM processes refined in order to address the challenges of long outstanding invoices where necessary. <ul style="list-style-type: none"> • Suppliers do not send statements monthly, invoices are received late and queries are therefore not resolved timeously <ul style="list-style-type: none"> • In certain instances SCM is expected to procure in very limited time. • Specification on requisitions is not clear which cause delays. • Electronic communication in the rural component of the district remains a challenge. • Service Providers filling tender documents incorrectly or submitting incorrect documents. • DIMS limitation • Service Providers are “Tenderpreneurs”. • SCM senior Manager currently not in place, hence unable implement scm process normally. • Lack of procurement plans • New PPPFA regulations not aligned to scm <p>The communities need to be engaged with and given an opportunity to participate in the service delivery process.</p> <ul style="list-style-type: none"> • There is a need to keep the public regularly informed of our efforts and programmes which seek to meet the needs of service delivery and unemployment. • The District has been obligated to cut its expenditure on publicity and marketing activities in recent years, as mandated by National Treasury.
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	<ul style="list-style-type: none"> • These financial constraints pose a challenge as we attempt to prioritise communication over basic needs such as water, sanitation, houses and roads. • The challenge is doing more with less, and finding ways of communicating more cheaply, by visiting people in their own areas instead of advertising or transporting them to event.
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8.3 ANALYSIS OF THE BALANCE SHEET

In this section the Municipality's Debtors, Creditors and Investments will be analysed. These components have a significant impact on the Municipality's financial position.

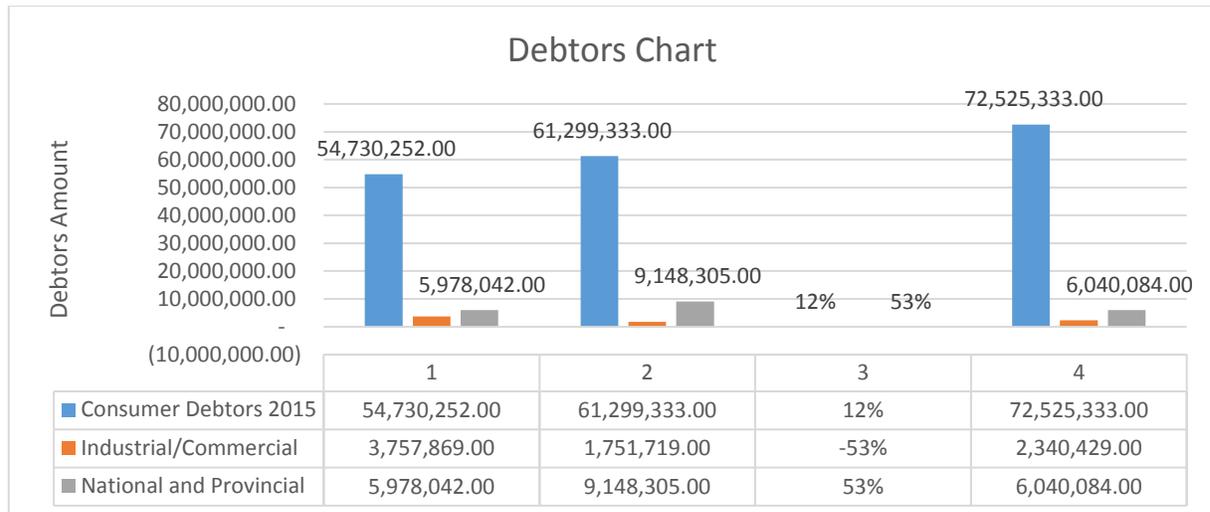
8.3.1 Debtors Analysis

Below is the analysis of the outstanding debtors as at 30 June 2015, 30 June 2016 and 30 June 2017 respectively:

Table 55; Debtors Analysis

Debtors	2015	2016	% Change	2017	% Change
Consumers	54,730,252.00	61,299,333.00	12%	72,525,333.00	18%
Industrial/Commercial	3,757,869.00	1,751,719.00	-53%	2,340,429.00	34%
National and Provincial Government	5,978,042.00	9,148,305.00	53%	6,040,084.00	-34%
Grant Total	64,466,163.00	72,199,357.00		80,905,846.00	

Figure 35; Debtors Chart



The above information indicates that consumer debtors has been increased by 12% in 2016 and 18% 2017, which indicates a poor collection strategy. This has ultimately affect the cash flows.

The industrial/commercial debtors has reduced by 53% in 2016, while increased by 34% in 2017 which is a huge increase in relation to prior year. It also indicates poor collection strategy by the municipality.

The National and Provincial governments increased by 53% in 2016 and decrease by 34% in 2017, there is also a poor collection strategy in 2016, however, in 2017 the management has managed to collect. The credit control policy has not been implemented to its fullest extent except for the component dealing with the sale in execution of both movable and immovable assets.

8.3.2 Analysis of Creditors

Below is the analysis of the creditors as at 30 June 2015, 30 June 2016 and 30 June 2017 respectively:

Table 56; Creditors Analysis

Creditors Details	2015	2016	% Change	2017	% Change
Trade Creditors	76,632,228.00	60,071,753.00	28%	94,882,947.00	37%

Figure 36; Creditors Chart



Based on the above analysis the creditors increased by 28% in 2016 and by 37% in 2017, this represent a poor payment strategy by management. Included in these creditors are retention which are +/- R48 million and they have been owed since 2015. This will affect cash flow and further, it might have a legal implication from service providers who have completed the projects and met all conditions of the contracts to sue them to release retention.

8.3.3 Payment of Service Providers

Section 65(2)(e) of the MFMA states that “all monies owing by the Municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure”.

To ensure efficient administration all reporting in relation to payment is based on using the invoice date as the baseline and not the date of receipt of the invoice. An average number of days to make payment from the date of invoice have been calculated at 35 days, by allowing 5 days for postal travel of the invoice from the supplier to the municipality.

It must be noted that the date of receipt is inserted in the payments program by the directorate who is capturing the invoice. This date is subjective as it relies on the directorate to be honest when capturing the date the invoice document was physically received by the municipality.

This reporting standard is being applied due to the fact that:

Service Providers give discount based on the invoice date, irrespective of the invoice receipt date. Performance of the ZDM in relation to payment is determined by the Service Provider from the date of the invoice. Recording of the invoice receipt date may be subjective, impractical to manage and difficult to prove. ZDM has delayed some invoices for payment within 30 days, this was due to cash flow crisis, and delays by municipal officials to pay invoices on time.

8.3.4 Investment portfolio and cash and cash Equivalents

Table 57; Investments & Cash Analysis

Details	2015	2016	2017
Investments	NIL	NIL	NIL
Cash	6,000.00	6,000.00	7 436 356
Bank Overdraft	4 5 486 859	3 3 437 872	

The above tables shows that municipality has been surviving by overdraft in 2015 and 2016, although cash improve in 2017 it was too low to cover the liquidity of the municipality. There was no investments in the past three years, which means no interest earned which would have boost the cash flow of the municipality.

8.4 COGTA ANALYSIS

8.4.1 Capital Funding and Expenditure to address Service Delivery

Is there a 3-year synopsis of funds received, spent, unspent source of finding, variance tables and contingency plans to address challenges such as delays?

- The municipality does not have a synopsis of funds done over three years. The Grants received has been spent at year end since 2015 to 2017.

Are projects indicated in order of prioritization and duration of each project?

- The projects are prioritized accordingly , however, some projects delays due to lack of funding.

Are projects identified as either “new “or “ongoing”?

- The municipality has a contract management register in place which records all active projects for the year, according to new and ongoing projects.

Is the investment register provided?

- The investment register was provided, hwoever, it has been noted that all investments were cashed out before year-end, since there were all RNIL at year-end.

8.4.2 Social and Economic redress via Indigent Management

Is there any indigent Policy?

- The municipality do have indigent register, however, there is a gap in terms of reviewing of the policy annually.

Is there an indication of the number of registered indigents on the indigent register?

- There is a drafted register for 2017/2018 but not yet approved by the councillors. This also has an impact on the debtors.

Is there any indication of how much has been allocated for indigent support from the equitable share?

- There is no allocation for indigent support as it is not yet approved by the councillors.

Is the category of indigent support with projected amounts indicated (FBS)?

- Not yet allocated since the indigent register is on draft (still not approved by councillors).

Is there any indication of the increase/ decrease of indigent support over the last three years?

- Not yet allocated since the indigent register is on draft (still not approved by councillors).

Is there a monitoring mechanism to ensure that the budget allocated for people with disabilities is fully utilised?

- Not yet allocated since the indigent register is on draft (still not approved by councillors).

8.4.3 Revenue Raising Strategies

Is there revenue raising strategy provided?

- Not yet updated there is 2014/2015. This strategy has never been reviewed and never implemented.

Is there an analysis of how the strategy is benefitting the municipality, and if not what plans are in place to review the strategy?

- Not yet updated as there is 2014/2015. As it still needs to be addressed by the council for amendments and updates.

8.4.4 Revenue Protection (Debt Management)

Is the 3 year outstanding debt indicating per category?

- Yes , Age Analysis is provided.

Is the debtor's age analysis provided?

- Yes

Is there an indication of policy decisions of dealing with debt e.g. write-off or plan to recover.

- The collection of debts is done by the municipality using collection procedures as municipality is in a process of appointing the debt collector to assist with the collections. The Discretion to write-off indigent debt lies with Municipal Manager.

8.4.5 Financial Management

Is there alignment of the procurement plan timeframes with the SDBIP to ensure that the projects are being executed in accordance to the expectation created?

- There is no procurement plan in place.
- There is SCM Policy, however, it need to be reviewed in order accommodate 2017 PPPFA updates.

Are there any challenges experienced with the SCM unit?

- No SCM Procurement Plan
- Shortage of staff
- Lack of proper alignment on organogram
- Struggling to manage contractors of the municipality
- Some activities for SCM section are done by other units of the municipality because of short staff.
- There has been a lot of deviations and due to improper implementation of supply chain policy.

Does SCM management display cohesiveness to assess whether the primary objectives of services delivery are met?

- No, but if there were no challenges that are mentioned above, objectives of service delivery will be met.

Does it include statements on functionality of bid committees, as well as timeframes from advert to award?

- No, but if there were no challenges that are mentioned above objectives of service delivery will be met.

Does the SCM Policy make provision for the disabled to qualify for tenders?

- The policy is not yet updated.

8.4.6 Assets and Infrastructure

Is an asset renewal plan supported with an operations and maintenance plan?

- None exist

Is the asset renewal plan feasible?

- No, the assets infrastructure has been aged and need serious attention in order to be in place.

8.4.7 Repairs and Maintenance

Does the plan accommodate a realistic budget towards repairs and maintenance? If not near the norm of 8% of value, then what is the budget forecast for 3- years is it incremental? (Show Calculations)

- No plans and assumptions as the municipality have to persuade grants from allocations movements.
- In terms of actual it's not near 8% norm.

Should the budgeted R&M be below the norm of 8%, is there an indication of what plans are in place to address the shortfall/challenges?

- In terms of budget the 8% norm is a Yes but actual is a No because of cash flow issues.
- Funding for repairs is very low.
- The budget for the next 3-years is at 5.4% as the municipality working on it.
- Yes it's below 8% no plans and assumption as they have to persuade grant funders for projects.

8.4.8 Financial Viability and Sustainability

- The financial viability for the past three years were done, however, the overdraft that was taken in 2015 shows that financial viability were not done properly.

8.4.9 Loans, Borrowings and Grants Dependency

Is there an indication of borrowings/loans (even if not applicable?)

- The municipality had a short-term loan in 2015 &2016 financial years, however, it was paid in 2017.

Is the purpose of the borrowings/loans indicated?

- No

Is the level of grant dependency indicated (calculations)?

- The management has always indicate that the municipality is in deep rural areas and is grant dependent.

Is there an indication of the capability of the municipality to repay loans/borrowings?

- No

8.4.10 Auditor-General's Opinion

- The audit report for 2015 to 2017 has been unqualified which is good. The municipality failed to implement all AG queries raised in the past three years in particular those that relate to irregular expenditure.

8.5 FINANCE INTERVIEWS (Mr. Hlongwa (CFO), Ms. Sthembile Msibi (DCFO), Ms. Sibiya (DCFO))

8.5.1 Questions to Finance

Is the budget prepared over the past years was cash backed?

- The CFO raised his concerned that budget for the past 3 years was not cash backed. For 2017/2018 the budget is cash backed because if it's not cash backed it will be at risk. Ask if there is any cash flow challenge currently faced by the municipality?
Yes, there are challenges as the municipality rely on grants as they are using operational grants to cover bag locks of the municipality. In terms of operations there is a red light. For the next financial year they will try to cover all the bag locks and reduce their budget.

Is there any cost containment currently in place?

- Yes, but they have challenges of contracts and water is the big challenge as 80% of water goes to rural areas as there are no meters. The municipality tries to cut water and minimize service of water, in townships people are billed and the municipality switch off water, subject to payment being paid then they release again. Ask if they exceeded the budget during the current year?

Is the collection of debtors in place , i.e. water and sanitation?

- The collection has the challenges at the moment due data cleansing not being done, and the debtors amount owed to date amounts to R85 million and which is a big amount for the municipality.

Are the meters working properly ?

- Yes, All meters are all working properly.

8.6 FUTURE STRATEGIES TO IMPROVE CASH FLOW

8.6.1 Updating the indigent register

As a priority, the indigent registration process must be re-opened with the clear framework and evaluation criteria to ensure that only qualifying debtors are subsidised. This process must be properly communicated and administratively the municipality must be able to handle and process the new applications effectively and efficiently. It is also imperative that all applications will only be valid for the current financial year and those consumers renew their registration on an annual basis.

8.6.2 Expenditure Management

As important as Revenue Management, is Expenditure Management which is also prescribed per Section 65 of the Municipal Finance Management Act. In respect of Cash Outflow (Expenditure side) the following is also critical because how you spend is just as important as collecting revenue.

Responsible spending is important and the following, inter alia, are some of the questions to be considered:

- Is the expense budgeted?
- Does the expense provide value for money?
- Is the expense necessary?
- Is the expense to the benefit of the wider community?
- Would the expense, if not incurred create a health hazard or threaten lives?
- Is the expense a statutory requirement?
- Is it a funded mandate? •

Is there a contractual commitment?

- Is the expense income-generating?
- Is the expense the best option? The following areas must be well managed and in certain areas, improved:
 - Ensure accurate payments, e.g. no over payments, deduction of discounts.
 - Reconciling of Creditors' Accounts.
 - Avoid payments before due date.
 - Ensure value-for-money in spending.

- Strict Budgetary Control / Fiscal Discipline.
- Better returns on Investments without compromising safety of investments.
- More competitive prices / bidding. • Supply Chain Management Policy adherence

8.6.3 Repairs and Maintenance to Infrastructure

- The municipality must ensure that all infrastructure assets that are used to produce income, i.e. water works are properly maintained and must to ensure that there is no interruption to supply of water.

8.6.4 VAT Vendors

- The municipality must do business with VAT vendors in big contracts, so that they will recover VAT from grant expenditure.

CHAPTER 9: STRATEGIC OBJECTIVES & DEVELOPMENT STRATEGIES

9.1 VISION

The ZDM Council adopted the following long-term development vision:

'We are the Zululand region and proud of our heritage. We are mindful of the needs of the poor and we seek to reflect the aspirations of our communities. We are committed to responsible and accountable actions, tolerance and concern for racial harmony, the protection of our environment, and the strengthening of the role of women and youth. We will strive to improve the quality of life in Zululand by providing sustainable infrastructure, promoting economic development and building capacity within our communities.'

'WE SERVE THE PEOPLE'

9.2 MISSION

To create an affluent district by:

- Provision of optimal delivery of essential services;
- Supporting sustainable local economic development; and
- Community participation in service delivery

9.3 CORE VALUES

- Transparency
- Commitment
- Innovation
- Integrity
- Co-operation

The above vision strategic focus areas of the Zululand District Municipality are:

- To facilitate the delivery of sustainable infrastructure and services
- To promote economic development
- To promote social development

9.4 GOALS, OBJECTIVES AND STRATEGIES

Table 58; Strategic Framework

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
1	Infrastructure and Services	1.1	Water & Sanitation	1.1.1	To progressively provide a cost effective, reliable water and sanitation services at a good quality to all potential consumers in the district	1.1.1.1	Maintaining an updated Water Services Development Plan	1.1.1.1.1	Review 2017/18 WSDP
								1.1.1.1.2	Implement 2016/17 WSDP
						1.1.1.2	To provide cost effective water and sanitation (including free basic water and sanitation services)	1.1.1.2.1	Provide Free Basic Water and sanitation
								1.1.1.2.2	Establish base-line costs of water production
								1.1.1.2.3	To provide for the Operations and Maintenance of water and sanitation projects
						1.1.1.3	Maintaining an updated water loss strategy	1.1.1.3.1	Implement Water Loss Strategy
						1.1.1.4	Institutional Development&structuring for water loss	1.1.1.4.1	Investigate&Implement information systems to pick up water leaks
						1.1.1.5	To improve on the quality of water delivered	1.1.1.5.1	Implement Water Quality Strategy

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
								1.1.1.5.2	Improving quality of ground water delivered to communities through partnerships i.e. mines
								1.1.1.5.3	Rehabilitation&Refurbishment of water treatment works & infrastructure to improve quality of surface water
								1.1.1.5.4	To establish capital investment needed(including personnel) for waste water collection and treatment facilities to meet the water quality standards (blue drop & green drop)
						1.1.1.6	To facilitate labour intensive construction through water and sanitation projects implementation	1.1.1.6.1	Implement the EPWP
						1.1.1.7	To provide effective Customer Care	1.1.1.7.1	Improving communication and efficiency of response to technical concerns reported
						1.1.1.8	Maintaining updated bylaws	1.1.1.8.1	Review and implement legislated water policies & Bylaws

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
						1.1.1.9	To effectively utilise grant allocation for water and sanitation	1.1.1.9.1	Implement WSDP
						1.1.1.10	To deliver and regulate water services in a structured manner	1.1.1.10.1	To effectively regulate and monitor WSP's and Water Services Intermediaries
						1.1.1.11	Prioritising and installing infrastructure in areas of economic opportunity	1.1.1.11.1	
						1.1.1.12	Identify methods to reduce presurre off the water systems due to increased levels of development		
						1.1.1.13	Ensuring universal access to water&sanitation (target funding agencies or adopt once off area specific interventions)		
						1.1.1.14	Investigate&implement billing to previously unbilled areas(by means of reasonable flat rate)		
						1.1.1.15	Investigate&Implement energy efficiency measures at water sector systems(plants, boreholes)		

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
							and households to reduce operating costs (i.e.ESKOM)		
						1.1.1.1 6	Managing infrastructure capital assets to minimize the total cost of owning and operating these assets while delivering the desired service levels		
						1.1.1.1 7	Effectively regulating and monitoring WSP's and Water Services Intermediaries		
						1.1.1.1 8	Enterprise Development by increasing the local infrastructure skills pool by empowering local engineers& contractors		Design labour intensive projects
		1.2	Municipal Airports (District)	1.2.1	To viably operate & maintain a Regional Airport that contributes to the growth & development of the district	1.2.1.1	To ensure development of airport infrastructure	1.2.1.1.1	Review Airport Implementation Plan
								1.2.1.1.2	Implement current activities as identified in the Reviewed Airport Implementation Plan

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
						1.2.1.2	To operate the airport as a catalyst for economic growth	1.2.1.2.1	
						1.2.1.3	Investigating PPP activities as a mechanism to manage the airport efficiently	1.2.1.3.1	
						1.2.1.4	Maintenance of Airport infrastructure		
		1.3	Municipal Roads	1.3.1	To facilitate the provision of a well-developed district road network	1.3.1.1	To establish the status quo of roads within the Municipal Area and to take responsibility of the assigned district roads	1.3.1.1.1	To develop a Rural Road Asset Management System and ensure that it is maintained
									Continuously collecting and interpreting of road condition data
						1.3.1.2	Development and review of an Integrated Public Transport Plan		
						1.3.1.3	Collection, interpretation and maintenance of public transport infrastructure data		
		1.4	Regulation Of Passenger Transport Services	1.4.1	To facilitate the Regulation of Passenger Transport Services	1.4.1.1	To clarify the DM's role in the Regulation of Passenger Transport Services	1.4.1.1.1	Development of an Integrated Public Transport Plan

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy	
							Constantly monitor and actively improve efficiency of operations		Ensuring compliance with relevant legislation, policies and frameworks	
		1.5	Fire Fighting	1.5.1	To Plan, co-ordinate and regulate Fire Fighting Services in the district	1.5.1.1	Regulation and co-ordination of Fire Fighting Services	1.5.1.1.1	Secure funds to prepare ZDM Fire Fighting Bylaws	
		1.6	Disaster Management	1.6.1	To deal with Disasters efficiently & effectively in the district	1.6.1.1	To review and facilitate the district Disaster Management plan	1.6.1.1.1	To review and implement the District Disaster Management Plan	
							1.6.1.2	To create awareness of hazards and disasters	1.6.1.2.1	To prepare Disasters and Hazards Awareness Strategy
							1.6.1.3	Ensuring compliance with relevant legislation, policies and frameworks		
							1.6.1.4	Review and adjust capacity of the Disaster Management Unit in relation to demand		
							1.6.1.5	To reduce deployment times of disaster management equipment to disaster prone areas		
		1.7	Solid Waste	1.7.1	To facilitate the effective and efficient removal of solid waste	1.7.1.1	To facilitate co-ordinated regional solid waste management	1.7.1.1.1	Investigate Feasibility of Regional Solid Waste management	

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
									Develop Integrated Waste Management Strategy
									Investigate feasibility of regional solid waste sites
		1.8	Municipal Health Services	1.8.1	To facilitate the effective and efficient municipal health service across the district	1.8.1.1	To deliver an effective environmental municipal health service	1.8.1.1.1	Prepare Plan for effective and efficient Municipal Environmental Health Services
								1.8.1.1.2	Develop a Municipal Environmental Health Strategy
								1.8.1.1.3	To incorporate municipal health staff into the municipal organogram
		1.9	Regional Fresh Produce Markets & Abattoirs	1.9	Investigate the feasibility of Fresh Produce Markets and Abattoirs	1.9.1.1	To establish co-ordinated and efficient regional fresh produce infrastructure where feasible	1.9.1.1.1	Investigate Feasibility of regional Fresh Produce Markets and Abattoirs
		1.10	District Cemeteries	1.10.1	To ensure that sufficient burial space is available within the district	1.10.1.1	To establish co-ordinated and efficient regional burial infrastructure where feasible	1.10.1.1.1	Investigate the feasibility of a Regional Cemetery Site/s
2	Economic, Agriculture and Tourism	2.1	District Tourism	2.1.1	To promote tourism in the District	2.1.1.1	To create effective Tourism structures and have effective institutional arrangements in place.	2.1.1.1.1	Regularly review Tourism section resources
								2.1.1.1.2	Revive Tourism Forum

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
								2.1.1.1.3	Strengthen TKZN linkages
								2.1.1.1.4	Review/update Tourism Sector Plan
								2.1.1.1.5	To update/maintain the Zululand Tourism Database
						2.1.1.2	To ensure tourists/ potential tourists are aware of our product	2.1.1.2.1	To update/implement themes/packages website upgrading brochure distribution
								2.1.1.2.2	To train and build capacity of employees
						2.1.1.3	Safety and Signage	2.1.1.3.1	Investigate needs and allocate resources
						2.1.1.4	To develop and promote Tourism Infrastructure	2.1.1.4.1	Develop/improve the following tourism routes Battlefields Route ZBR (Birding Route) Route 66
								2.1.1.4.2	Implement Tourism Portfolio Project
								2.1.1.4.3	To manage Tourism Hub Development
				2.1.2	To have effective institutional arrangements in place	2.1.2.1	Review Tourism Sector Plan		

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
						2.1.2.2	Maintain the Zululand Tourism Database as the main tourism information portal		
						2.1.2.3	Revive the Tourism Forum as a main consultative structure		
				2.1.3	To maintain a strong marketing campaign of the regional tourism products	2.1.3.1	Develop and review the Zululand District Municipality investment & marketing strategy		
						2.1.3.2	Develop marketing skills among existing staff/add new marketing capacity to staff contingent		
						2.1.3.3	Constantly monitor and actively improve efficiency of operations		
				2.1.4	To support the maximisation of tourism opportunities	2.1.4.1	Identification of new tourism opportunities & potential	2.1.4.2	Pursue the Zulu Heritage Route (Emakhosi Valley Heritage Route)
		2.2	LED	2.2.1	To improve the economy of the district, through the	2.2.1.1	Establishing LED Institutions and Processes	2.2.1.1.1	Review LED Plan

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
					creation of job opportunities and additional economic activities	2.2.1.2	To change the attitudes of local stakeholders in the economy with spesific focus on local buying, local investment, welcoming new investment, co-operation in implementation of economic development and entrepreneurship	2.2.1.2.1	Promote economic development through use of the regional radio station
								2.2.1.2.2	Conduct grass roots capacity building and awareness programmes
								2.2.1.2.3	Sensitize the community about LED
						2.2.1.3	To establish a solid foundation for economic development within the district be addressing key socio-economic issues to allow communities to effectively participate in the district economy	2.2.1.3.1	Provide assistance with home-based HIV/AIDS care
								2.2.1.3.2	Youth entrepreneurship development
								2.2.1.3.3	Provide support to the informal sector
						2.2.1.4	To raise specifically the investment profile of the district through a multi-pronged public relations and marketing programme	2.2.1.4.1	Develop Marketing Plan
								2.2.1.4.2	To market product development
								2.2.1.4.3	Establish Development Agency
						2.2.1.5	To improve access within the district and access between the district and neighbouring areas	2.2.1.5.1	Prepare and implement a roads upgrading programme in co-operation with DoT and the LMs
								2.2.1.5.2	Upgrade road signage

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
								2.2.1.5.3	Investigate the feasibility of a privatised "highway patrol"
						2.2.1.6	Focus on achieving visible delivery with regard to local economic development	2.2.1.6.1	Implement budgeted Tourism Development Projects
3	Social Development & Food Security	3.1	HIV/AIDS	3.1.1	To reduce the impact of HIV/AIDS	3.1.1.1	To create HIV/AIDS awareness and education	3.1.1.1.1	Review HIV/Aids Plan
								3.1.1.1.2	Implement HIV/AIDS awareness and education campaigns
						3.1.1.2		3.1.1.2.1	Developing and review Zululand HIV strategy
						3.1.1.3	Ensuring compliance with relevant legislation, policies and frameworks	3.1.1.3.1	The dispensing of HIV/AIDS must be in line with National Government Policy
						3.1.1.4	Providing & equipping adequate testing and treatment centres to communities	3.1.1.4.1	
		To train&build capacity of employees	3.1.1.4.2						
		3.2	Youth and Gender	3.2.1	To develop and empower Youth, Woman, people living with Disability, the Elderly, Widows and	3.2.1.1	To strategically plan development and empowerment initiatives for youth and gender	3.2.1.1.1	Review the Youth, Gender and People living with Disabilities Plan

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
					Orphans				
								3.2.1.1.2	Identify and implement projects focussed on youth development
								3.2.1.1.3	Identify and implement projects focussed on the development of women
						3.2.1.2	To promote early childhood development	3.2.1.2.1	Development of education infrastructure based on received community needs
				3.2.2	To propmote sports development within the district	3.2.2.1	To promote various sporting events within the district	3.2.2.1.1	Identify and implement sporting events within the district
		3.3	Orphans, Elderly&disabled	3.3.1	To support establishment of support services to orphans&elderly	3.3.1.1	Maintaining an updated Orphans, Elderly&disabled strategy		
						3.3.1.2	Identification, providing & equipping adequate orphans&elderly support centres at strategic locations		
						3.3.1.3	Modifying existing municipal run community facilities to accommodate physically challenged		

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
						3.3.1.4	Co-ordinating, monitoring provision of support services to orphans&elderly across the district		
						3.3.1.5	To promote the development of people living with Disabilities	3.3.1.5.1	Identify and implement Disability programme
						3.3.1.6	To contribute towards addressing the needs of the elderly within the district	3.3.1.6.1	Identify and implement projects focussed on the needs of the elderly
						3.3.1.7	To contribute towards addressing the needs of widows and orphans within the district	3.3.1.7.1	Identify and implement projects focussed on the needs of widows and orphans
		3.4	Early childhood development	3.4.1	To support development of education infrastructure at lower grades	3.4.1.1	Maintaining an updated Early Childhood Infrastructure development strategy		
		3.5	Community Development	3.5.1	The social upliftment of the communities in ZDM	3.5.1.1	To reduce poverty by implementing Community Development Projects	3.5.1.1.1	To investigate new & review existing social upliftment programs
								3.5.1.1.2	To identify and implement poverty alleviation projects through the Poverty Alleviation Fund

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
						3.5.1.2	To promote arts and culture	3.5.1.2.1	Identify and implement arts and culture projects
						3.5.1.3	Investigating community skills levels for participation in the local economy		
4	Institutional Transformation & Development	4.1	Employment Equity	4.1.1	To transform the organisation to comply with the Employment Equity Act	4.1.1.1	To comply with Employment Equity Legislation	4.1.1.1.1	To implement budgeted activities in the Employment Equity Plan
		4.2	ICT & GIS	4.2.1	To ensure that the Municipality remains up-to-date with the latest computer technology and programmes to enable effective and efficient service delivery	4.2.1.1	To constantly update and maintain the Municipality's computer and software assets to conform to market and industry requirements	4.2.1.1.1	To implement budgeted activities for maintenance and upgrade of IT infrastructure
				4.2.2	To use ICT as a catalyst for development of employee skills	4.2.2.1	Maintain an updated ICT policy		
		4.3	Municipal Buildings	4.3.1	To ensure that the Municipality has sufficient office space in order to effectively and efficiently fulfill its development mandate	4.3.1.1	To ensure that municipal buildings are developed and maintained in order to serve communities	4.3.1.1.1	To implement budgeted activities in the construction and maintenance of new and existing municipal, buildings

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
		4.4	Skills development & capacity building	4.4.1	To develop capacity in the organisation for effective service delivery	4.4.1.1	To comply with Skills Development Legislation	4.4.1.1.1	To have a planned Skills Development programme in place
								4.4.1.1.2	To implement an Employee Assistance Programme
								4.4.1.1.3	Implement budgeted Skills development projects
						4.4.1.2	District Human Resource Development Strategy	4.4.1.2.1	Constantly enhancing & increasing internal personnel capacity
								4.4.1.2.2	Support culture of continuous learning and capacity building of all levels of employees
								4.4.1.2.3	Constantly monitor& introduce methods to increase productivity of employees
						4.4.1.3	Maintain an updated succession strategy	4.4.1.3.1	Support equipping of targeted groups with skills to occupy the next level of management
						4.4.1.4	Constantly monitor and improve efficiency of systems&operations	4.4.1.4.1	Consistent analysis and review of the organogram against the service delivery model

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
				4.4.2	To establish an efficient and productive administration	4.4.2.1	To review the supply chain system and establish mechanism and controls to maximise employment opportunities of local enterprises		
5	Financial Management	5.1	Sound Financial Management	5.1.1	To promote good financial practices	5.1.1.1	To improve revenue collection	5.1.1.1.1	Implement current credit control and debt collection policy and bylaws & Review same policy and bylaws
						5.1.1.2	To complete and submit accurate annual financial statements within the specified time period	5.1.1.2.1	Prepare a schedule of all reconciliations to be performed
						5.1.1.3	To process payments in time	5.1.1.3.1	Develop an invoice tracking system
						5.1.1.4	To complete and submit accurate annual financial statements within the specified time period	5.1.1.4.1	Prepare a time schedule of all reconciliations to be performed to prepare AFS timely (in compliance with MFMA)
						5.1.1.5	To complete a budget within the specified time period	5.1.1.5.1	Develop a budget time table in line with the IDP Process Plan
						5.1.1.6	To have an effective Auditing Function	5.1.1.6.1	Develop an internal Audit plan

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
								5.1.1.6.2	Regular Review and implementation of risk register
								5.1.1.6.3	Ensure effective Audit Committee function
						5.1.1.7	To develop a Financial Plan (i.e. Budget Process and Time Table)	5.1.1.7.1	Review and implement the current Financial Plan
				5.1.2	To be a financially viable municipality	5.1.2.1	To increase the cost coverage ratio	5.1.2.1.1	Review and implement the investment policy
								5.1.2.1.2	Implement the SCM policy to obtain cost effective methods of reducing fixed operating expenditure
						5.1.2.2	To increase the debt coverage ratio	5.1.2.2.1	To Increase the revenue base of the municipality
						5.1.2.3	To provide sufficient cash resources	5.1.2.3.1	Review and implement the current SDBIP
						5.1.2.4	To keep a minimum cash balance to cover average monthly expenditure	5.1.2.4.1	Maintenance of the investment register on a monthly basis

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy
						5.1.2.5	To report timely and accurately	5.1.2.5.1	Development of a reporting framework and adherence to the MFMA reporting checklist
						5.1.2.6	To align Capital Programme and IDP	5.1.2.6.1	Review and implement the current financial plan
6	Democracy and Governance	6.1	Compliance, Clean and Sound Administration	6.1.1	To promote good governance, accountability & transparency	6.1.1.1	Policies & bylaws	6.1.1.1.1	Review and implement current policies and bylaws
						6.1.1.2	Municipal Audit	6.1.1.2.1	To implement budgeted activities for Municipal Auditing
						6.1.1.3	To review and improve public participation mechanisms	6.1.1.3.1	To implement budgeted activities for community participation
						6.1.1.4	Development and maintenance of an updated communication strategy		
						6.1.1.5	Ensure the effective and efficient marketing of the Municipal Area to attract investment	6.1.1.451	To implement budgeted activities for marketing
						6.1.1.6	OPMS	6.1.1.6.1	Review and Implement the Municipality's OPMS

KPA No	National General Key Performance Areas	Focus Area No	Powers and Functions	Key Obj No	Goal	Obj No	Objective	Strategy No	Strategy		
								6.1.1.6.2	Maintain an updated performance management system to monitor service delivery performance		
				6.1.2	To manage risk to the Municipality effectively and efficiently	6.1.2.1	To operate the organisation at a minimum risk level	6.1.2.1.1	Review Municipal Risk Register		
				6.1.3	To ensure effective administrative practices	6.1.3.1	To identify, document, classify, benchmark and improve standard operating procedures				
						6.1.3.2	Ensure compliance with legislation, policies and frameworks				
		6.2	Integrated & Co-ordinated Development	6.2.1	To continuously promote integrated & co-ordinated planning and development within the District	6.2.1.1	To promote integrated development planning (including the spatial reflection thereof) in an environmentally responsible manner	6.2.1.1.1	Review IDP		
								6.2.1.1.2	Review ZDM Infrastructure Plan		
								6.2.1.2	To promote effective and efficient Shared Services	6.2.1.2.1	To implement budgeted activities for Shared Services
								6.2.1.3	To promote good IGR	6.2.1.3.2	To implement budgeted activities for IGR

9.5 SPATIAL STRATEGIES

9.5.1 Nodal Development

The relative importance of development nodes is a reflection of an area's economic development potential and the range of service that should be provided. The nodal hierarchy in the District SDF should therefore be interpreted in a district context. At the local SDF level, the identification and classification of nodes should follow a similar methodology as that of the district but it must be influenced by the various centres in the local economy.

Notwithstanding the broad level of indication of nodes at a district level, it is of the utmost importance at the local level that any identified nodes be clearly demarcated on a cadastral basis. Such demarcation is important in order to:

- Optimise the use of existing bulk infrastructure and social facilities
- Discourage urban sprawl
- Ensure compact and efficient urban areas
- Protect agricultural land with high production potential
- Provide guidance to both public and private sectors investors
- Promote economic, social and environmental sustainability
- Accommodate reasonable future demand for development

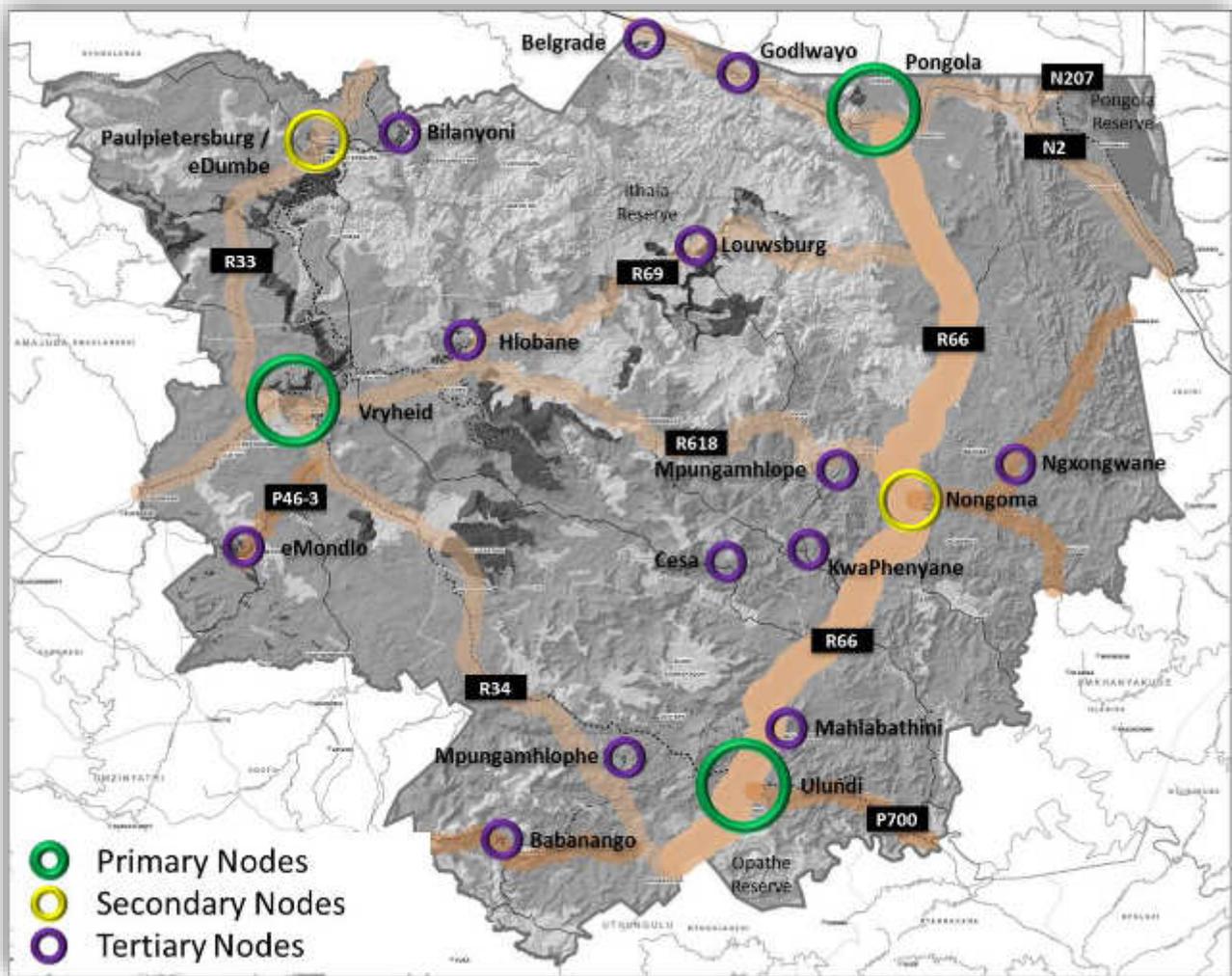
Table 59; Proposed Nodes

Name of Municipality	Primary Development Nodes	Secondary Development Node	Tertiary Development Nodes
Abaqulusi Local Municipality	<ul style="list-style-type: none"> • Vryheid 		<ul style="list-style-type: none"> • eMondlo • Hlobane • Louwsburg
Ulundi Local Municipality	<ul style="list-style-type: none"> • Ulundi 		<ul style="list-style-type: none"> • Babanango • Ceza • Mpungamhlophe • Nqulwane
uPhongolo Local Municipality	<ul style="list-style-type: none"> • Pongola 		<ul style="list-style-type: none"> • Belgrade • Godlwayo
Nongoma Local Municipality		<ul style="list-style-type: none"> • Nongoma 	<ul style="list-style-type: none"> • Kwaphenyane • Maphophoma

			<ul style="list-style-type: none"> • Mahashini • Ngxongwane
eDumbe Local Municipality		<ul style="list-style-type: none"> • Paulpietersburg/ eDumbe 	<ul style="list-style-type: none"> • Bilanyoni / Mangosothu

The locality of these Nodes is depicted in the Image below:

Map 23; : LOCALITY OF NODES



PRIMARY NODES

The following Primary nodes have been identified in the District Area.

Although fulfilling similar roles within the municipal context, in terms of scale of economic activities, the basis of the economies of the three nodal areas are very different.

Pongola – the economy of Pongola is based on large scale commercial production of Sugarcane. The uPhongolo natural features further allow for eco-tourism opportunities in the highly sensitive areas adjacent the Pongola Poort Dam, and the areas between the R69 and the N2.

Ulundi – Ulundi, as the current seat of the Zululand District Municipality, and the former seat of KZN, has a strong public service oriented economy. This allows for other supporting commercial and residential activities to be present within the Municipality.

Vryheid – In comparison to Pongola and Ulundi, Vryheid has a much larger commercial and services sector, although the economy is also dependant on agriculture, and mining.

These nodes are mainly centres which should provide service to the sub-regional economy and community needs. These centres were identified as Third Order Development nodes within the PSEDS. The following functions are envisaged for these centres.

- 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

SECONDARY DEVELOPMENT NODES

The following 2nd order nodes have been identified in the District Area.

- Paulpietersburg

- Nongoma

These nodal areas do not provide services or economic advantages significant on Provincial Level, but fulfil very important service delivery functions within the local economies of the municipalities and are the only areas providing commercial choice to the residents of the respective municipalities.

These nodes were identified as fourth order nodes within the KZN PSEDS. Key strategic interventions specifically targeted at these nodes and their directly surrounding areas might include:

- Focused investment in areas of Poverty Concentrations
- 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
- Promote Cultural & Community Based Tourism

TERTIARY DEVELOPMENT NODES

A total of 14 third order nodes have been identified throughout the district. The functions of these nodes consist of basic government service delivery to the surrounding communities with very limited commercial opportunities. The services sector within these areas is basically non-existent.

9.5.2 Corridor Development

In addition to the need to promote compact and efficient urban areas it is also essential that spatial planning at a local level addresses the imbalances created by apartheid planning.

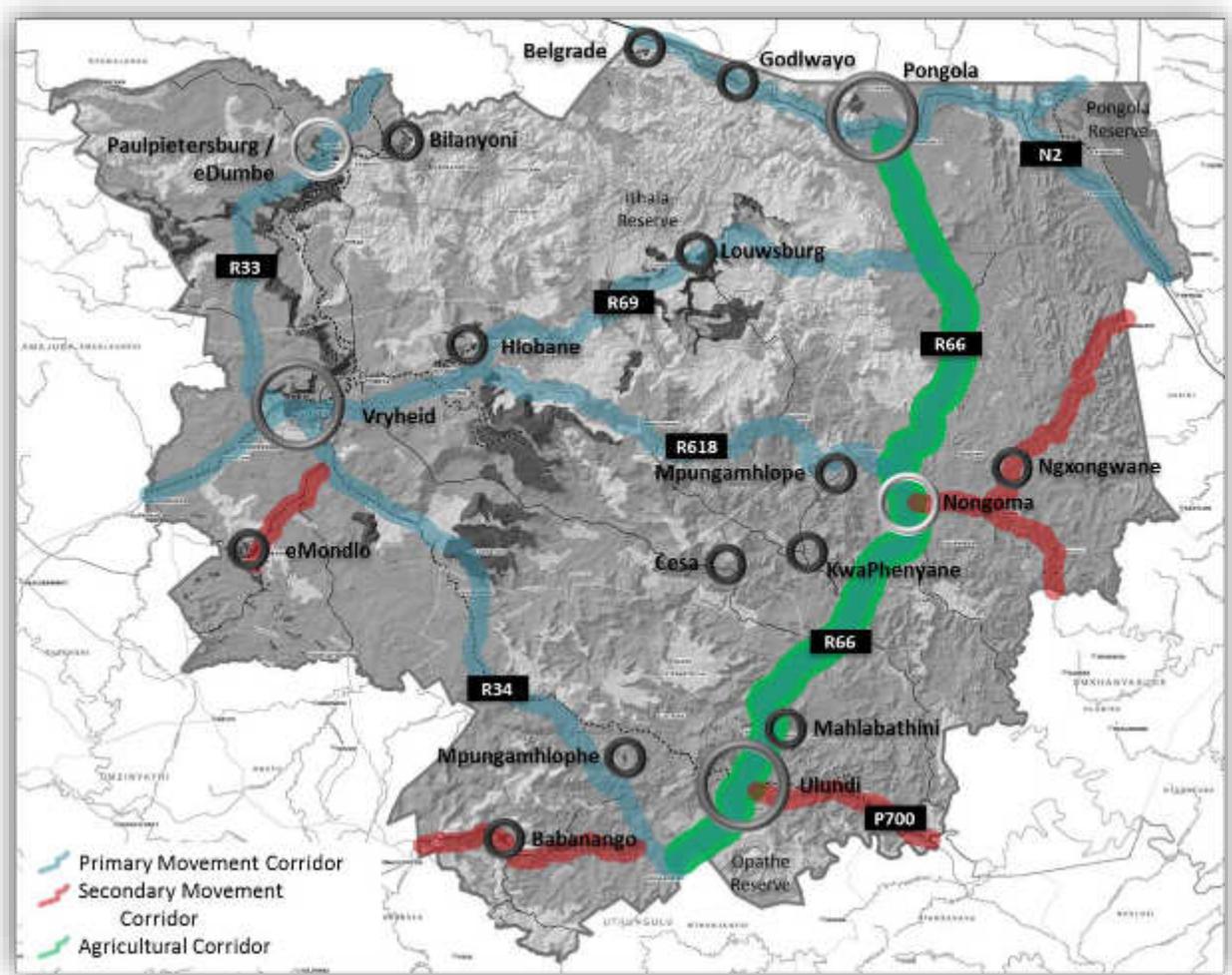
A development corridor is an efficient planning tool to address the above. This allows for previously segregated and areas that developed separately to be connected and to create opportunities for economic development in previously disadvantaged communities. In addition to this, it can also achieve the correction of spatial imbalances through the identification of alternative development

axis. An example would be the road between Pongola and Ncotshane, where there is a need for the two areas to grow towards each other.

Although the main objectives of corridors are to achieve integration, improve access and provide investment opportunities, it should allow for controlled development through the development of local area plans, corridor development plans etc.

Proposed Primary and Secondary Movement Corridors, as well as a proposed Agricultural Corridor, are depicted on the map below:

Map 24; MOVEMENT CORRIDORS



9.5.2 Spatial Strategic Intervention Areas

The proposed interventions are aligned with the provisions of the KwaZulu-Natal Growth and Development Strategy, where the Strategic Goals have spatial manifestations. The sections below depict the intervention areas for the Following Strategic Goals:

- Goal 1: Job Creation;
- Goal 2: Human Resource Management;
- Goal 3: Human & Community Development;
- Goal 4: Strategic Infrastructure;
- Goal 7: Promote Spatial Concentrations

PGDS STRATEGIC GOAL 1 – JOB CREATION

The image below depicts the areas where the strategic objectives from the KwaZulu-Natal Provincial Growth and Development Strategy need to be addressed urgently to allow for overall economic growth of the District.

The following objectives are addressed:

9.5.2.1 PGDS Strategic Goal 1 - JOB CREATION

The image below depicts the areas where the strategic objectives from the KwaZulu-Natal Provincial Growth and Development Strategy need to be addressed urgently to allow for overall economic growth of the District.

The following objectives are addressed:

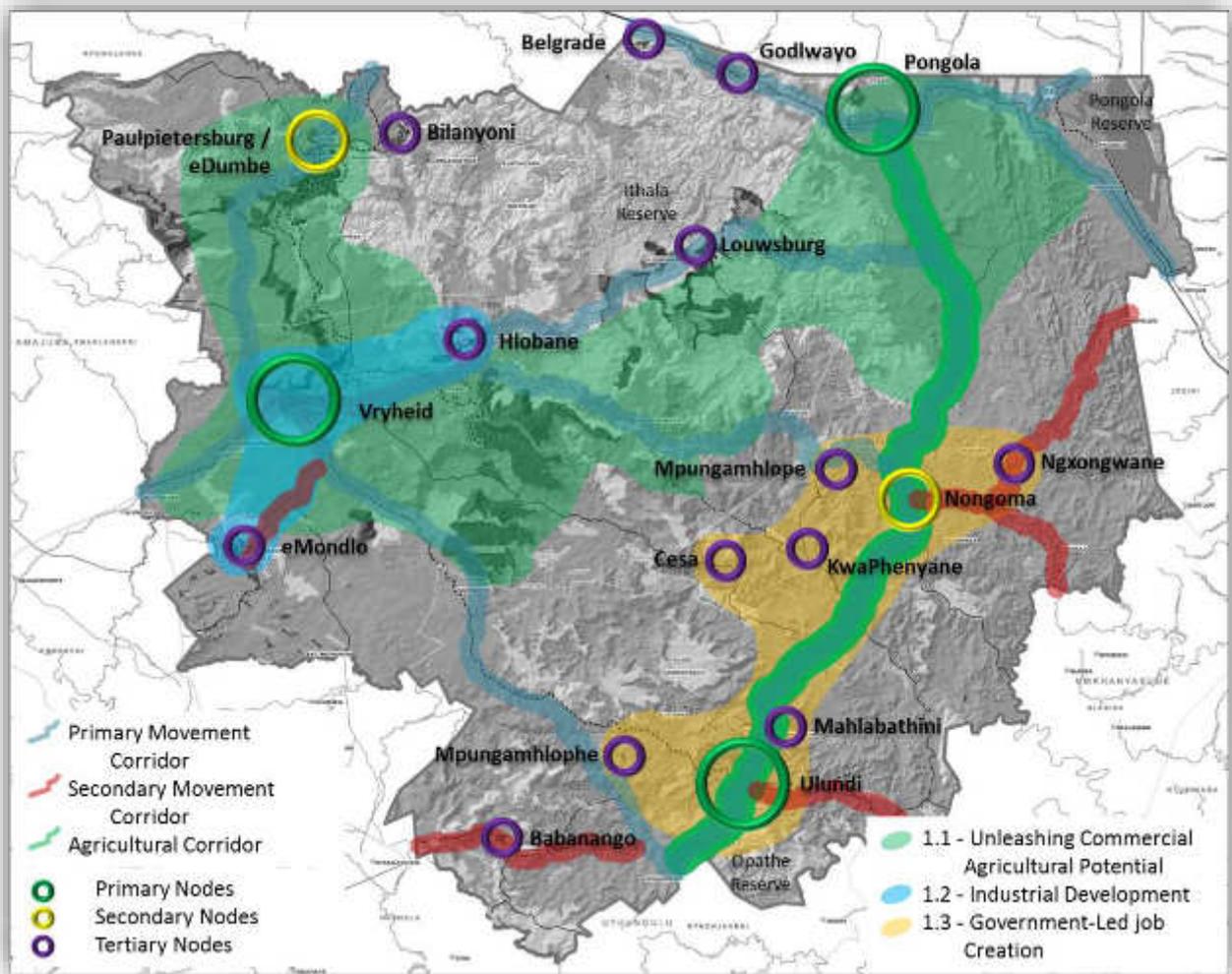
- 1.1 - Unleashing Agricultural Potential
- 1.2 - Enhance Industrial Development through Trade, Investment & Exports
- 1.3 - Improve efficiency of Government-led Job Creation Programmes

The above strategic goals have the collective aim of investing in areas with the potential of obtaining a high “rate of return”. Resources are therefore identified which hasn’t yet reached its full potential and can be developed in order to do so.

Agricultural potential that can be developed is situated within the municipalities of uPhongolo, Abaqulusi and eDumbe LM, where conditions are favourable for agricultural production. Industrial Expansion is proposed within the Abaqulusi Local municipality where the best developed infrastructure for Industrial Development exists. This can be linked to agro-processing facilities as well and does not have to be purely Industrial Developments.

The nodal areas of Ulundi and Nongoma are situated within rural areas with extreme topographical features. Commercial Agriculture is therefore not viable for this area, and it is proposed that government led jobs through labour intensive infrastructure development be utilised in these areas for job creation.

Map 25; SPATIAL STRATEGY TO ADDRESS PGDS GOAL 1: JOB CREATION



9.5.2.2 PGDS Strategic Goal 2 – Human Resource Development

This section and the image below discuss and depict the spatial strategies to address Strategic Objective 2: Human Resource Development. The following objectives are addressed:

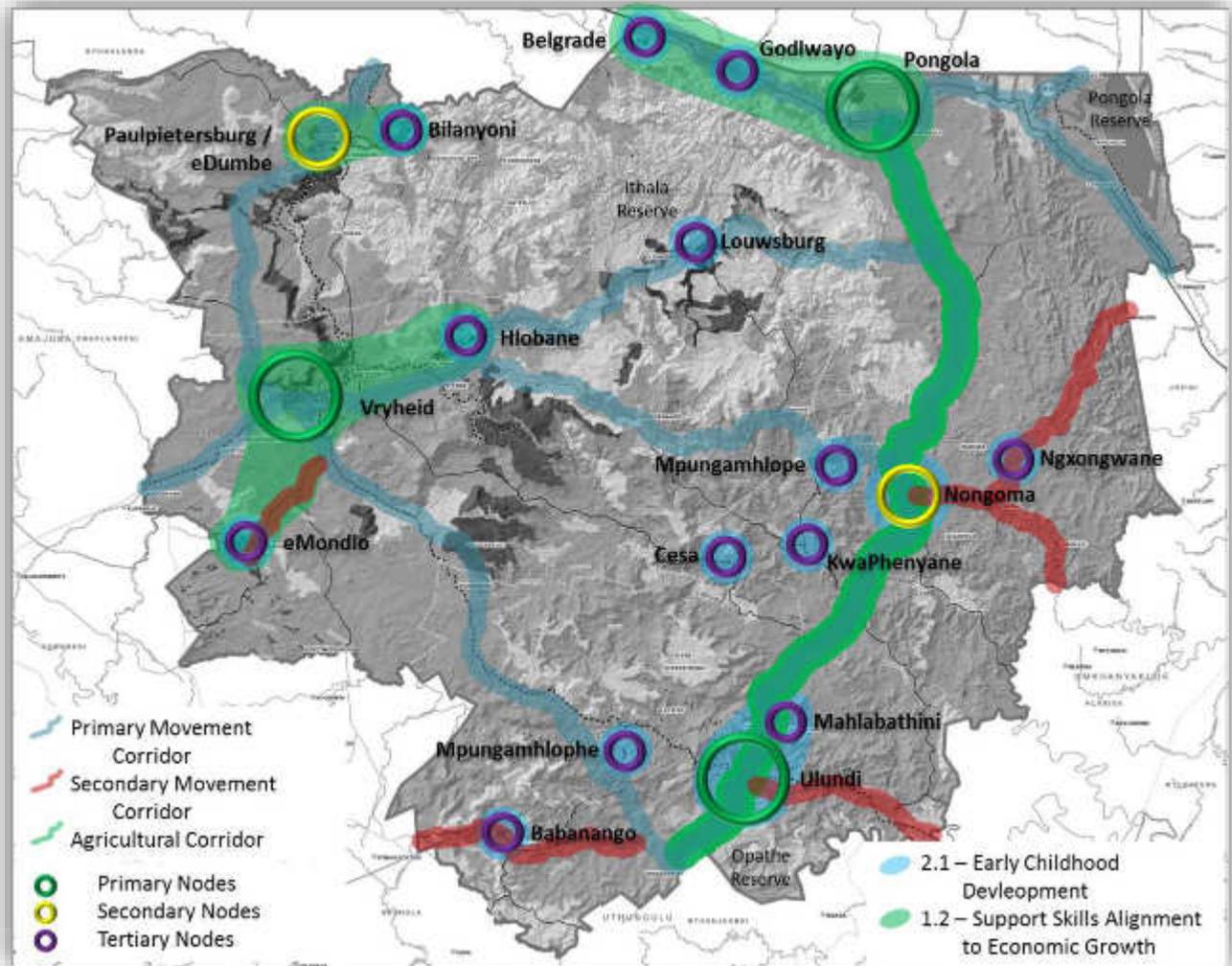
2.1 - Improve Early Childhood Development, Primary and Secondary Education

2.2 - Support Skills Alignment to Economic Growth

The image below depicts the areas of intervention for early Childhood Development, and skills development which should be improved to assist with economic growth within areas. Basically the nodal areas are targeted for early childhood development. The nodal areas were identified within Local Spatial Development Frameworks as distribution points for service provision. Subsequently qualified personnel and the necessary resources should be deployed to areas from where childhood development can be facilitated.

Areas within the aBaqulusi LM (Vryheid Hlobane and Emondlo), eDumbe LM (Paulpietersburg, eDumbe & Bilanyoni) and uPhongolo LM (Pongola, Godlwayo & Belgrade) has economic potential that can only be tapped if the skills of the communities are developed to allow for them to participate in the economy. The economic base within these municipalities is largely private sector driven, and therefore skills development to allow for active participation in this economy is required and could be achieved through tertiary training facilities.

MAP 28: SPATIAL STRATEGY TO ADDRESS PGDS GOAL 4: HUMAN RESOURCE DEVELOPMENT



9.5.2.3 PGDS Strategic Goal 3 – Human and Community Development

This section and the image below discuss and depict the spatial strategies to address Strategic Objective 2: Human Resource Development. The following objectives are addressed:

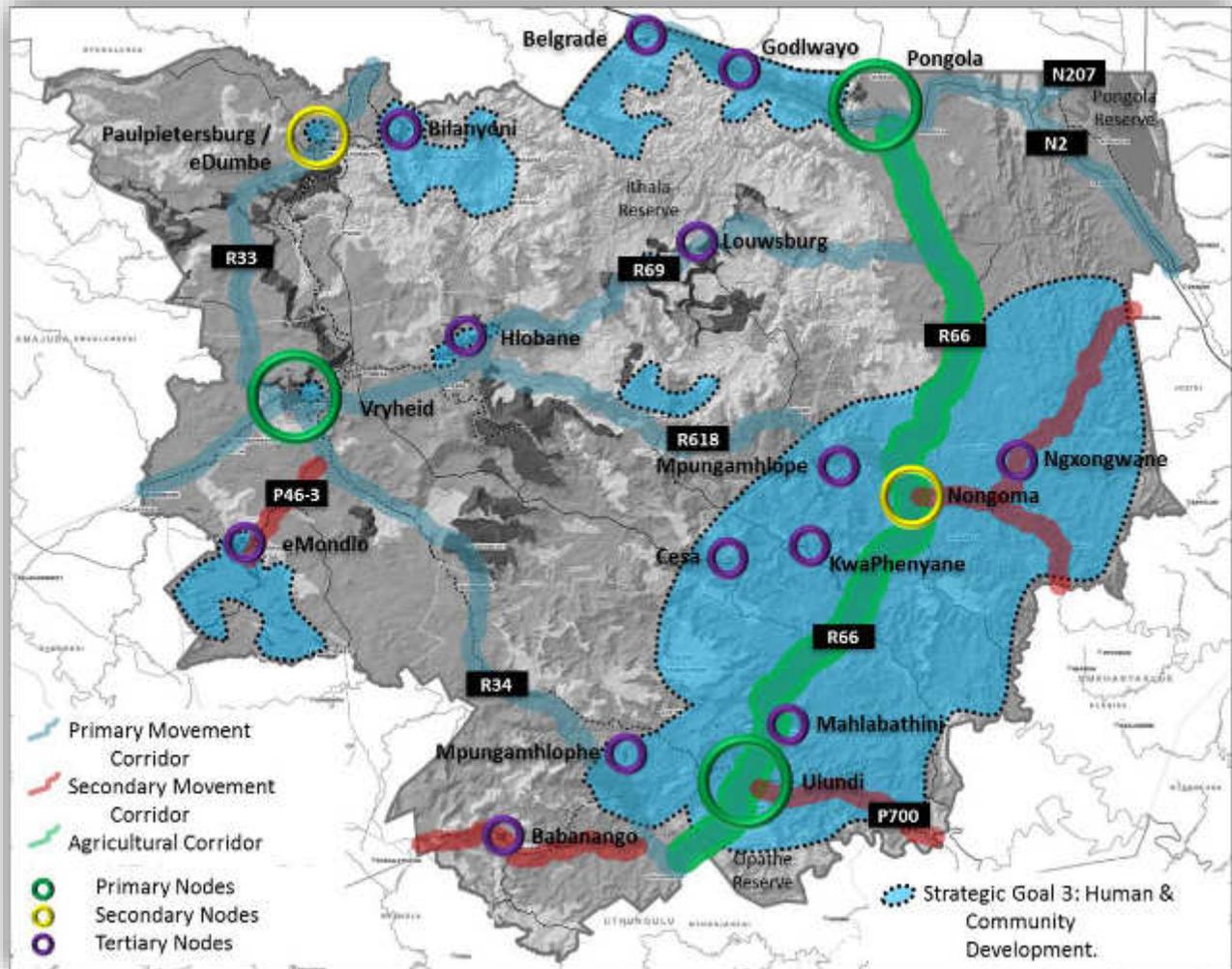
- 3.1 - Poverty Alleviation & Social Welfare
- 3.2 - Enhancing Health of Communities and Citizens
- 3.3 - Safeguard Sustainable Livelihoods & Food Security
- 3.4 - Sustainable Human Settlements
- 3.5 - Enhancing Safety & Security
- 3.6 - Advance Social Cohesion

The above strategic goals are to a large extent applicable to the same geographic area, as these are aimed at developing and improving the lives of communities with the highest levels of deprivation. The areas in need of these interventions are largely situated on Ingonyama Trust Land. Subsequently Large portions of the Ulundi and Nongoma Local Municipalities are earmarked for interventions under this Strategic Goal.

In addition to the identified areas hatched in blue, the nodal areas as well as all new housing projects should be targeted for initiatives related to Human and Community Development. Within achieving this goal, economic development is not possible as the population who participates in the economy needs to be healthy to do so.

The image below identifies the most vulnerable and most deprived areas within the District, but it needs to be noted that all these principles are evenly applicable to urban areas as well. It is therefore necessary that new urban or rural developments should address the strategies outlined in the table below.

MAP 29: SPATIAL STRATEGY TO ADDRESS PGDS GOAL 3: HUMAN & COMMUNITY DEVELOPMENT



9.5.2.4 PGDS Strategic Goal 4 – Strategic Infrastructure

This section and the image below discuss and depict the spatial strategies to address Strategic Objective 4: Strategic Infrastructure. The following objectives are addressed:

- 4.2 - Develop Road & Rail networks
- 4.3 - Develop ICT Infrastructure
- 4.4 - Improve Water Resource Management

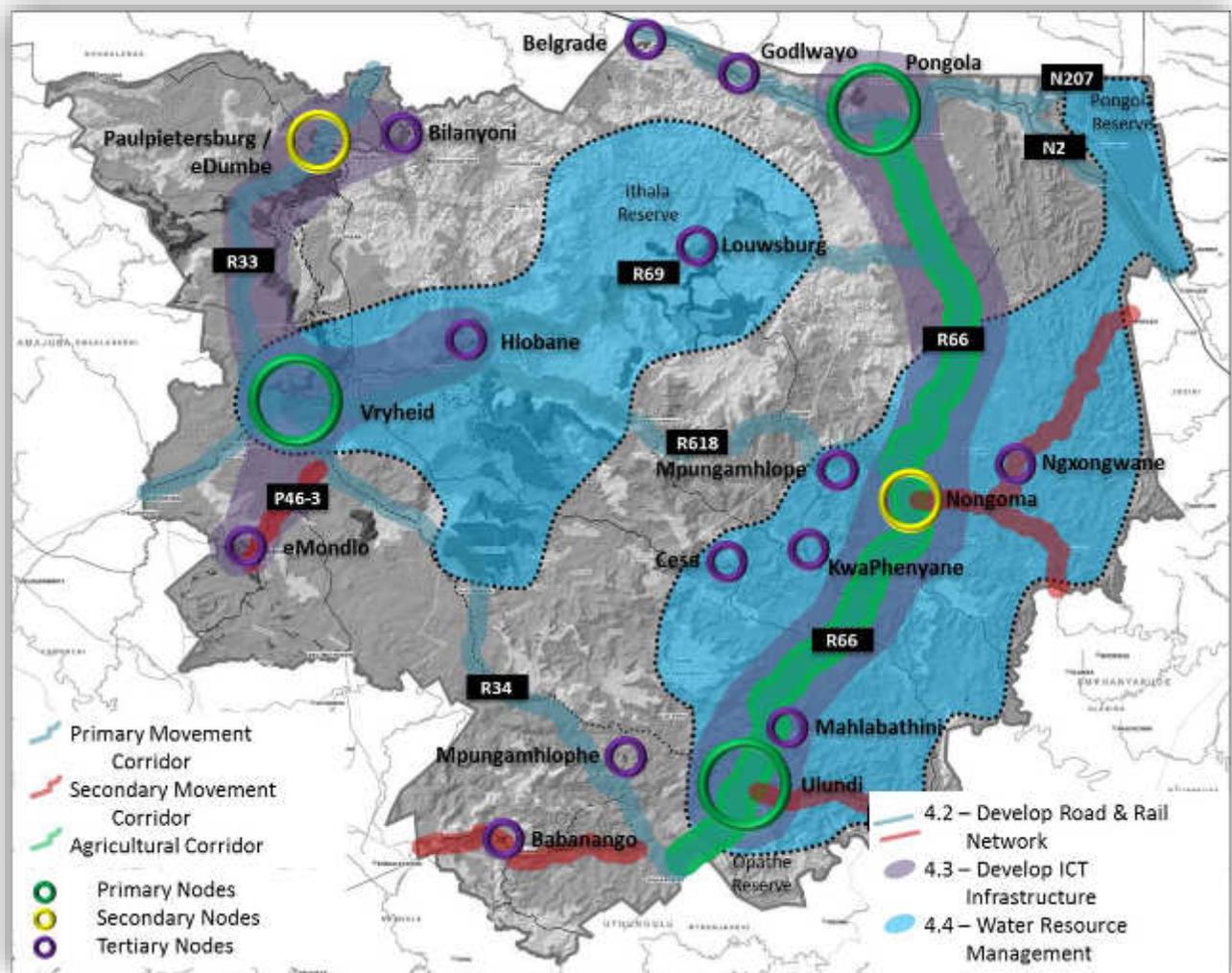
The image below identifies the strategic intervention areas that will facilitate the economic growth of the municipality, and assist with other strategic goals such as Human development which cannot occur without the necessary infrastructure. The transportation network is the only manner for

transporting economic goods and subsequently an integrated system is required to allow for a fully functional district.

The figure below depicts the most important connections within the Municipality which is critical for accessibility to economic areas, and movement of economic goods. Information & Communications Technology is critical to ensure competitiveness with economic competitors, and ensuring accessibility to the global markets. It is therefore important that ICT is highly accessible within the Nodal Areas.

Strategic Infrastructure is further aimed at addressing the most pressing needs within the district. Subsequently, water resource management is earmarked within area where the highest need exist.

MAP 30: SPATIAL STRATEGY TO ADDRESS PGDS GOAL 4: STRATEGIC INFRASTRUCTURE



9.5.2.5 PGDS Strategic Goal L 5 – Response to Climate Change

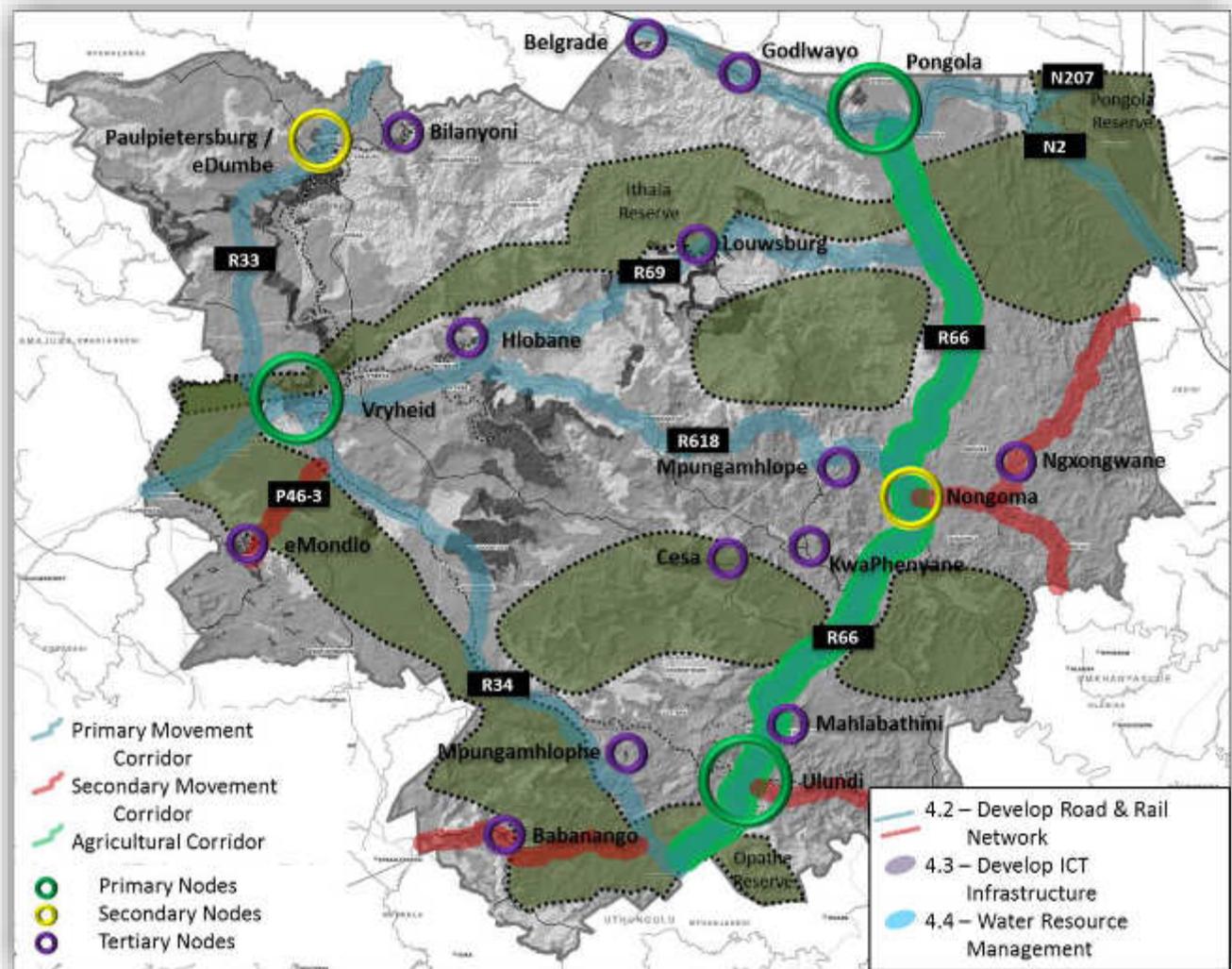
This section and the image below discuss and depict the spatial strategies to address Strategic Objective 4: Strategic Infrastructure. The following objectives are addressed:

5.3 – Manage Pressures on Biodiversity

The image below depicts the areas identified earlier as environmentally sensitive, and which is important for maintenance of ecological and biodiversity integrity.

These areas consist of the environmentally sensitive areas identified on the informant maps as well as the environmental corridors identified by the KZN PGDS and Spatial Development Framework.

MAP 31: SPATIAL STRATEGY TO ADDRESS PGDS GOAL 4: STRATEGIC INFRASTRUCTURE



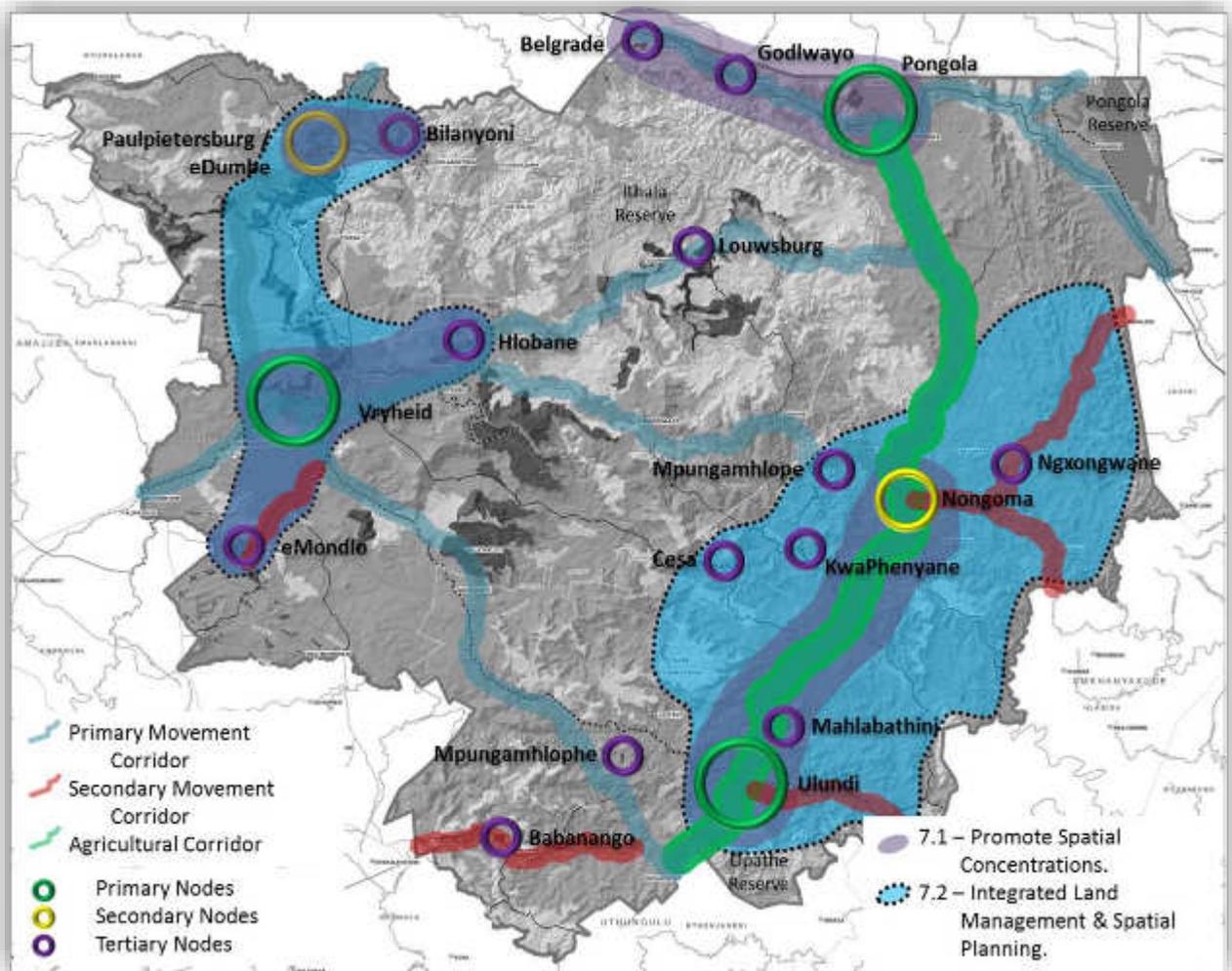
9.5.2.6 PGDS Strategic Goal 7 – Spatial Equity

This section and the image below discuss and depict the spatial strategies to address Strategic Objective 7: Spatial Equity.

The following objectives are addressed:

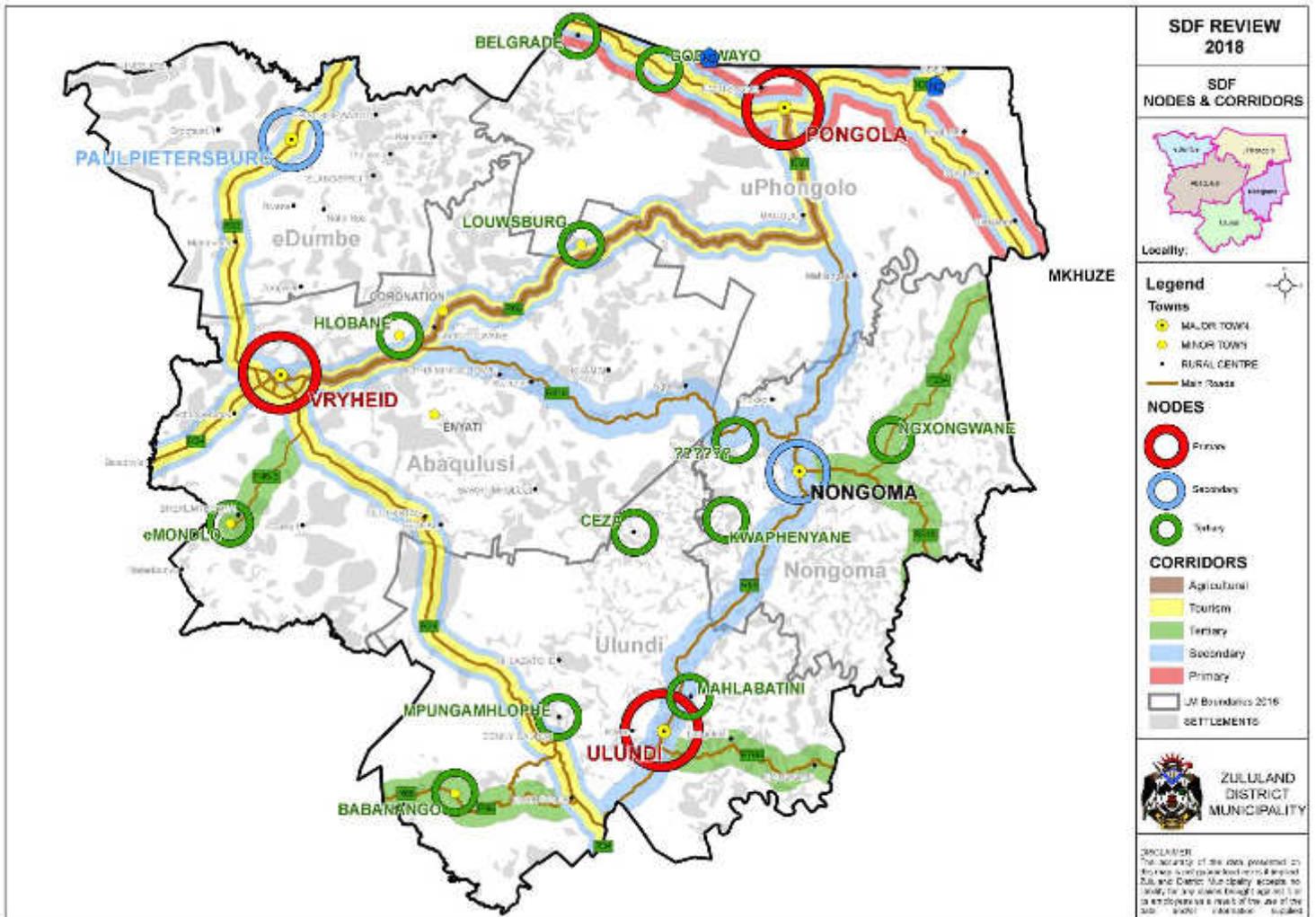
- 7.1 – Promote Spatial Concentration
- 7.2 – Facilitate Integrated Land Management and Spatial Planning

MAP 32: SPATIAL STRATEGY TO ADDRESS PGDS GOAL 7: SPATIAL EQUITY



9.5.3 Conceptual Spatial Development Framework

MAP 33: CONCEPTUAL SPATIAL DEVELOPMENT FRAMEWORK



CHAPTER 10: ENVIRONMENTAL MANAGEMENT & SPATIAL DEVELOPMENT FRAMEWORK

10.1 SPATIAL DEVELOPMENT FRAMEWORK

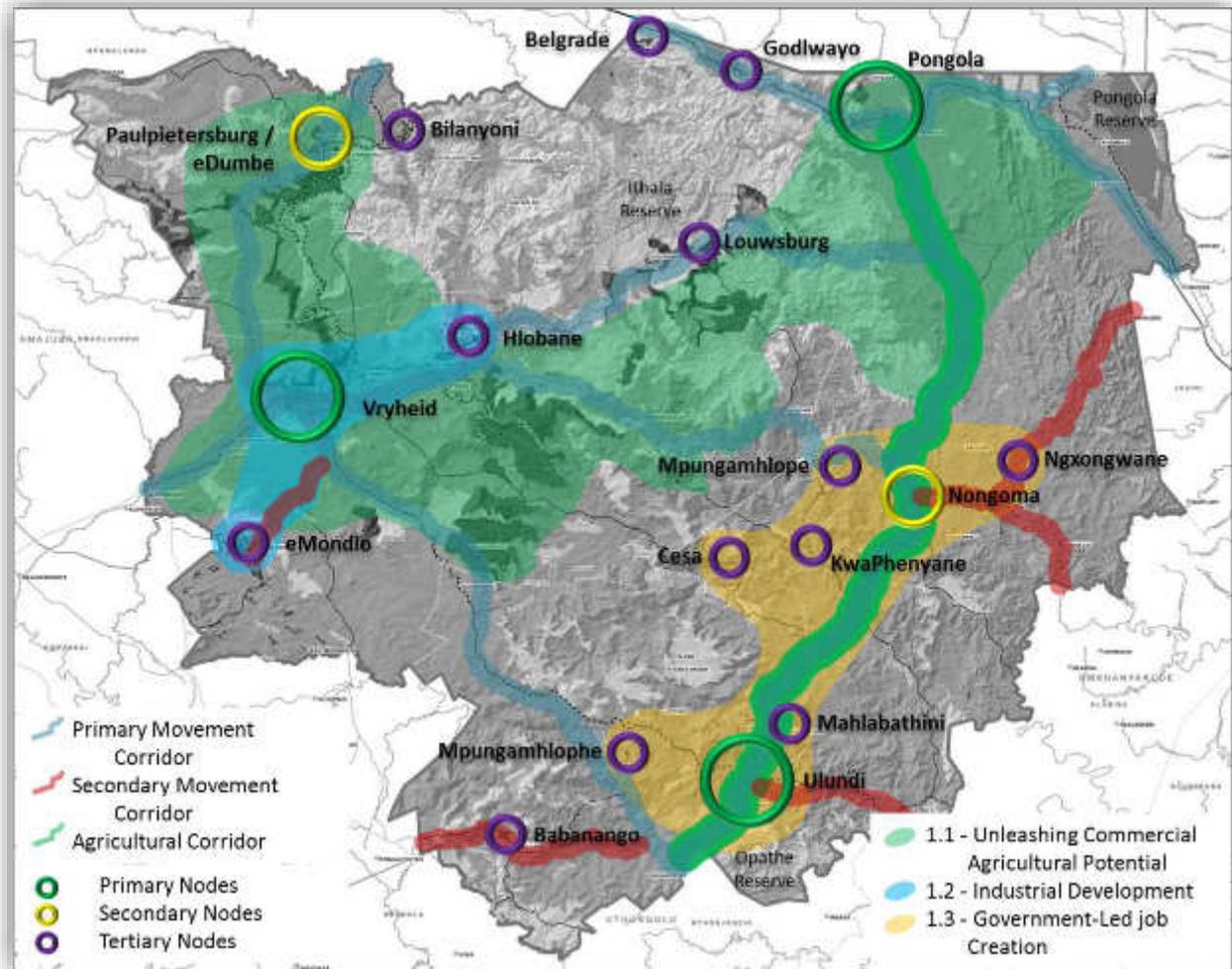
10.1.1 Provincial Growth and Development Strategy

Table 60; Alignment of ZDM Strategies to PGDS

No.	PGDS Strategic Goal	Application thereof at ZDM DM Level through appropriate Strategies
1	Job Creation	<ul style="list-style-type: none"> Applying labour intensive methods in all project implementation Investigate the feasibility of Fresh Produce Markets and Abattoirs promote tourism in the District To improve the economy of the district, through the creation of job opportunities and additional economic activities
2	Human Resource Development	<ul style="list-style-type: none"> To develop capacity in the organisation for effective service delivery
3	Human and Community Development	<ul style="list-style-type: none"> To develop and empower the youth, different genders and people living with disabilities – through sports and cultural events The social upliftment of the communities in ZDM
4	Strategic Infrastructure	<ul style="list-style-type: none"> To progressively provide a cost effective, reliable water services at a good quality to all potential consumers in the district To viably operate & maintain a Regional Airport that contributes to the growth & development of the district To facilitate the provision of a well-developed district road network
5	Responses to Climate Change	<ul style="list-style-type: none"> To Plan, co-ordinate and regulate Fire Fighting Services in the district To deal with Disasters efficiently & effectively in the district
6	Governance and Policy	<ul style="list-style-type: none"> To promote good governance, accountability & transparency
7	Spatial Equity	<ul style="list-style-type: none"> Applying projects to overturn the spatial structures of the past Implement Revised SDF

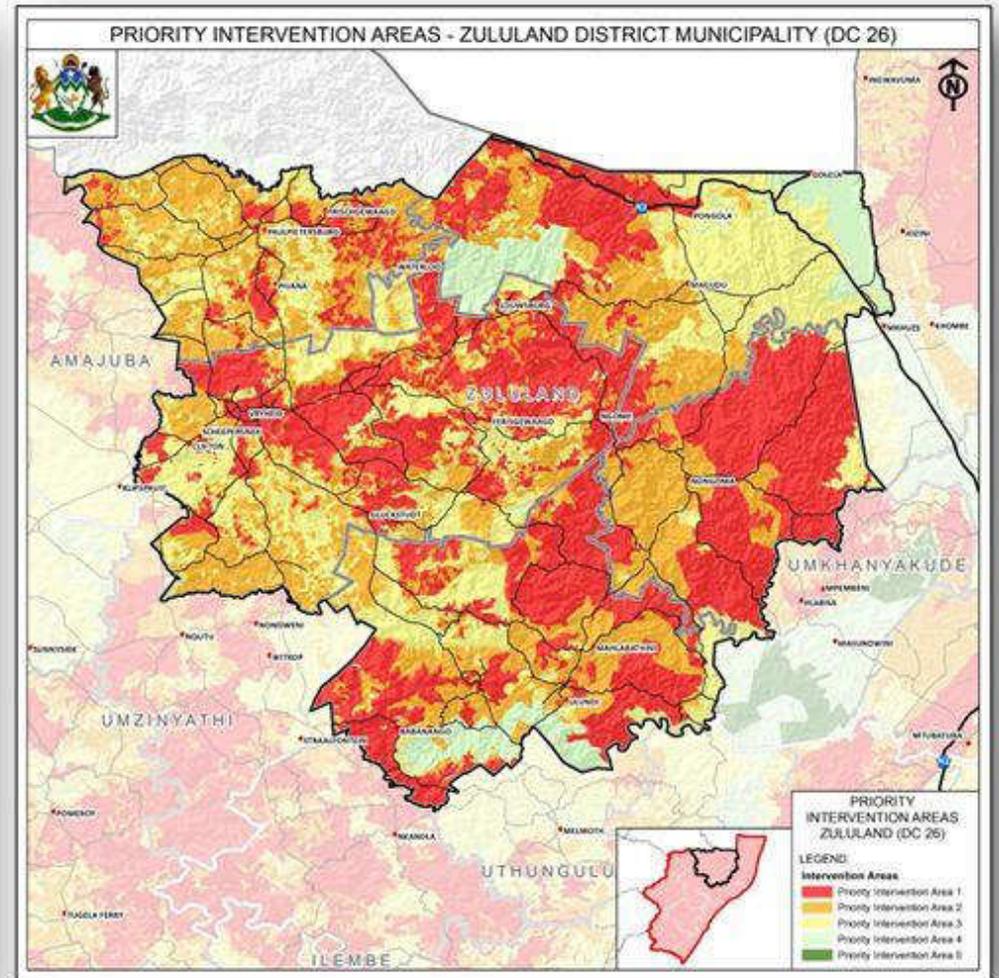
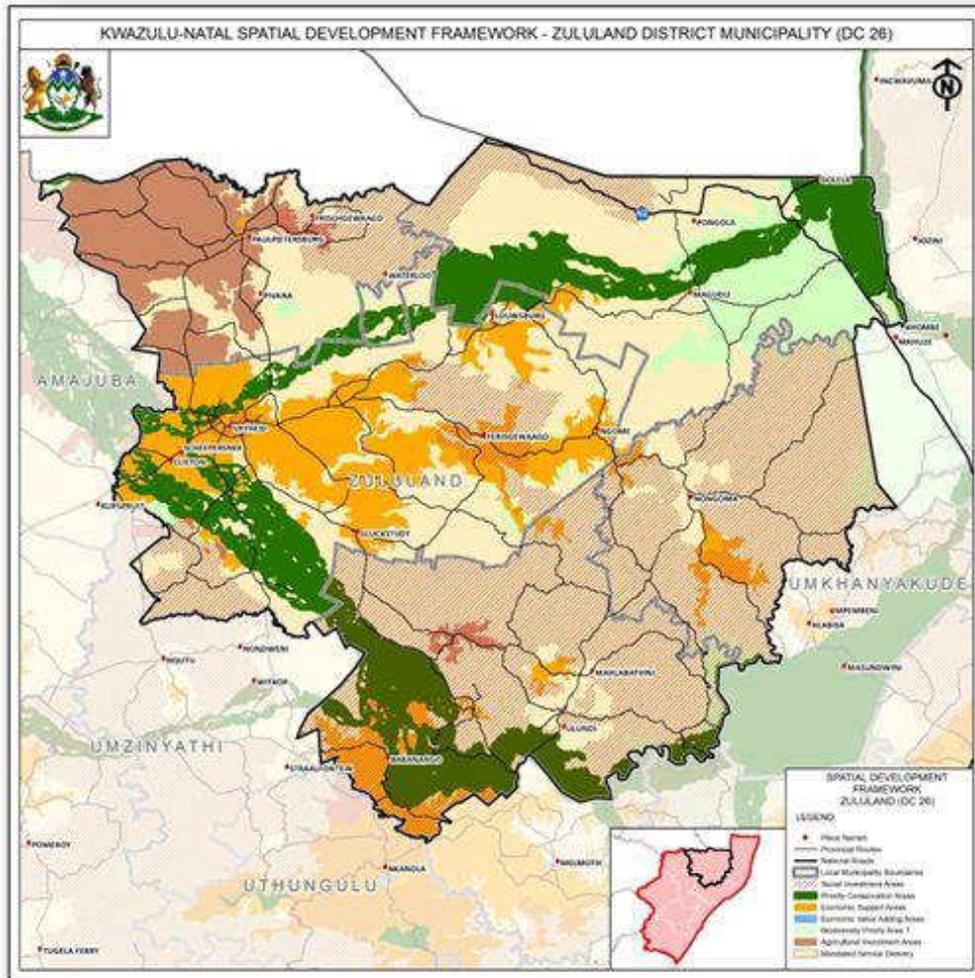
No.	PGDS Strategic Goal	Application thereof at ZDM DM Level through appropriate Strategies
		<ul style="list-style-type: none"> • Prepare and implement District Housing Sector Plan

MAP 34: SPATIAL STRATEGY TO ADDRESS PGDS GOAL 1: JOB CREATION;



10.1.2 Priority Intervention Areas

MAP 35: ZULULAND DISTRICT MUNICIPALITY - PRIORITY INTERVENTION AREAS (AS PER THE KZN PGDS)

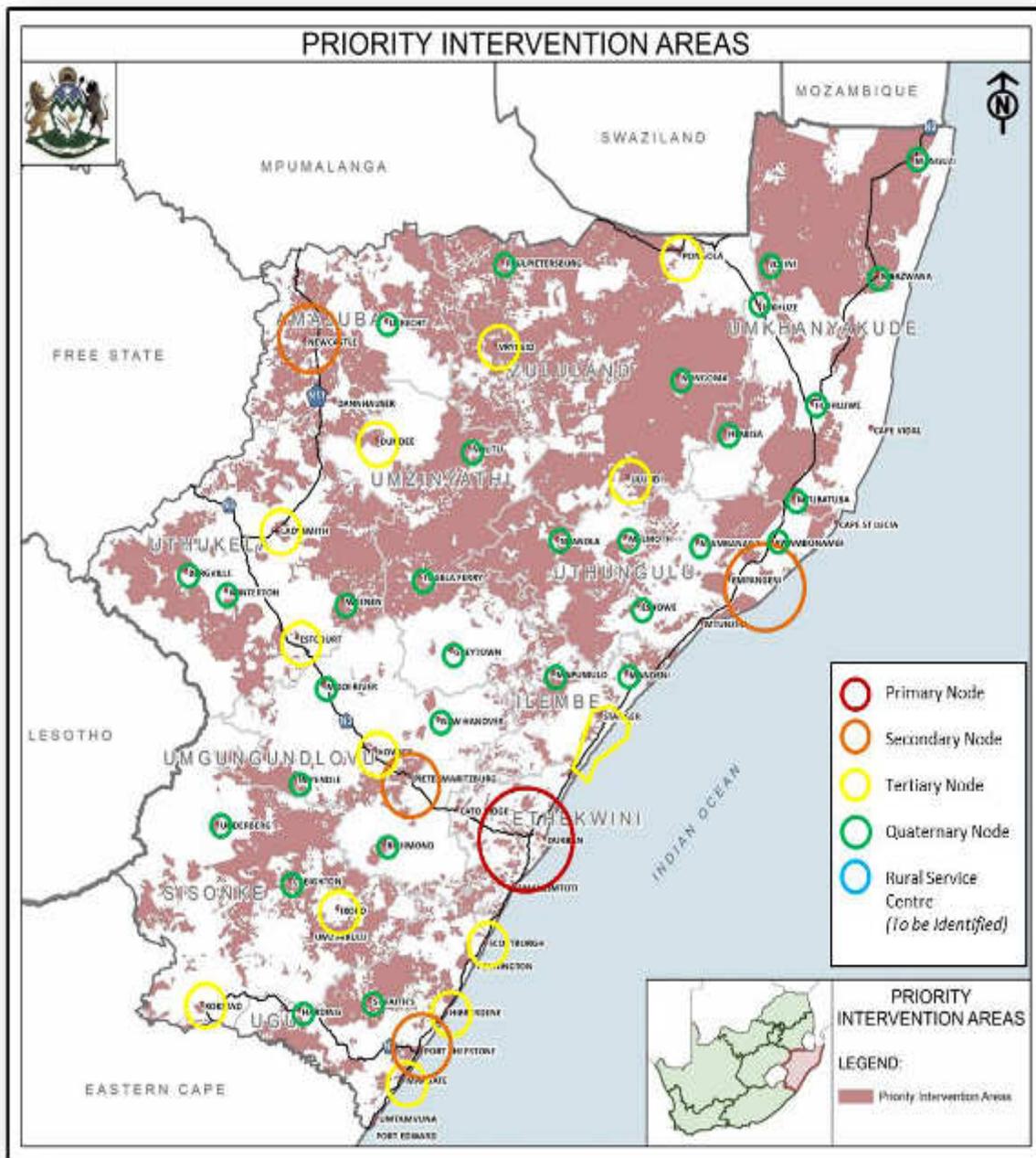


In promoting growth and development within the Zululand District as well as supporting the proposed spatial structure and areas in need of intervention, some of the following provincial catalytic projects are envisaged within the district:

- Strategic Infrastructure
- 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 Centres
- ECD Centre Development
- Centres for the Disabled
- Centres for Senior Citizens
- Substance abuse Rehabilitation Centres
- Cultural Villages
- School Greening
- Rural Waste Management Units

KZN Nodal Hierarchy

MAP 36: KZN NODAL HIERARCHY

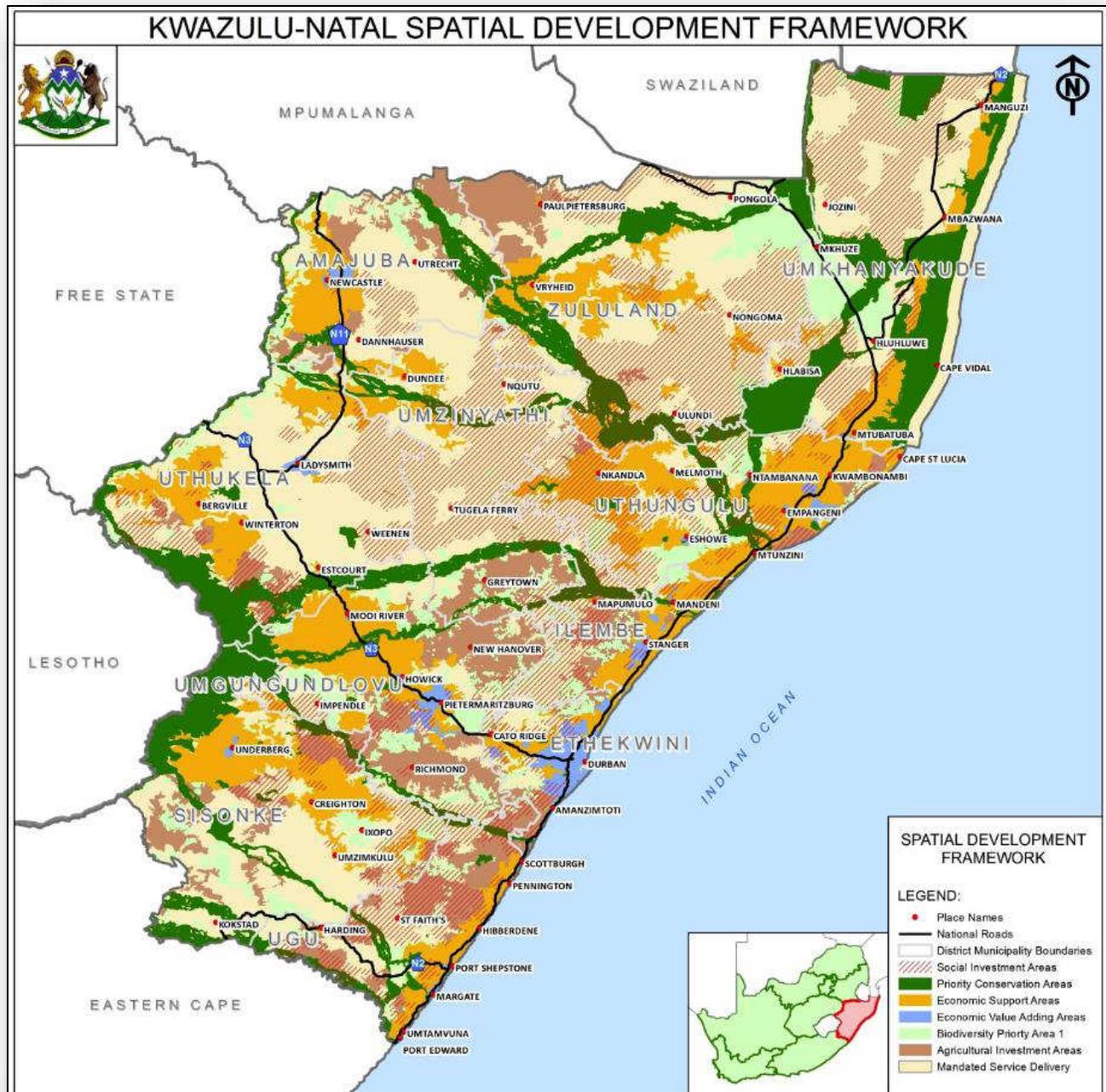


Given the urbanisation trends as well as the already significant contribution which major urban centres such as eThekweni, Msunduzi and Richards Bay make to the regional economy of the province, as well as the fact that these areas also accommodated concentrations of poverty stricken areas, these centres should not be neglected. The Provincial Spatial Economic Development Strategy (PSEDS) has identified a hierarchy of provincial nodes which contribute strategically to the provincial, regional and local economies as well as service as vital service centres to communities. These nodes, in relation to the Level 1 and 2 Priority Interventions areas, are illustrated on the adjacent map.

It noted that 3 towns within the ZDM area are considered as Provincial Tertiary Nodes, namely Ulundi, Vryheid and Pongola.

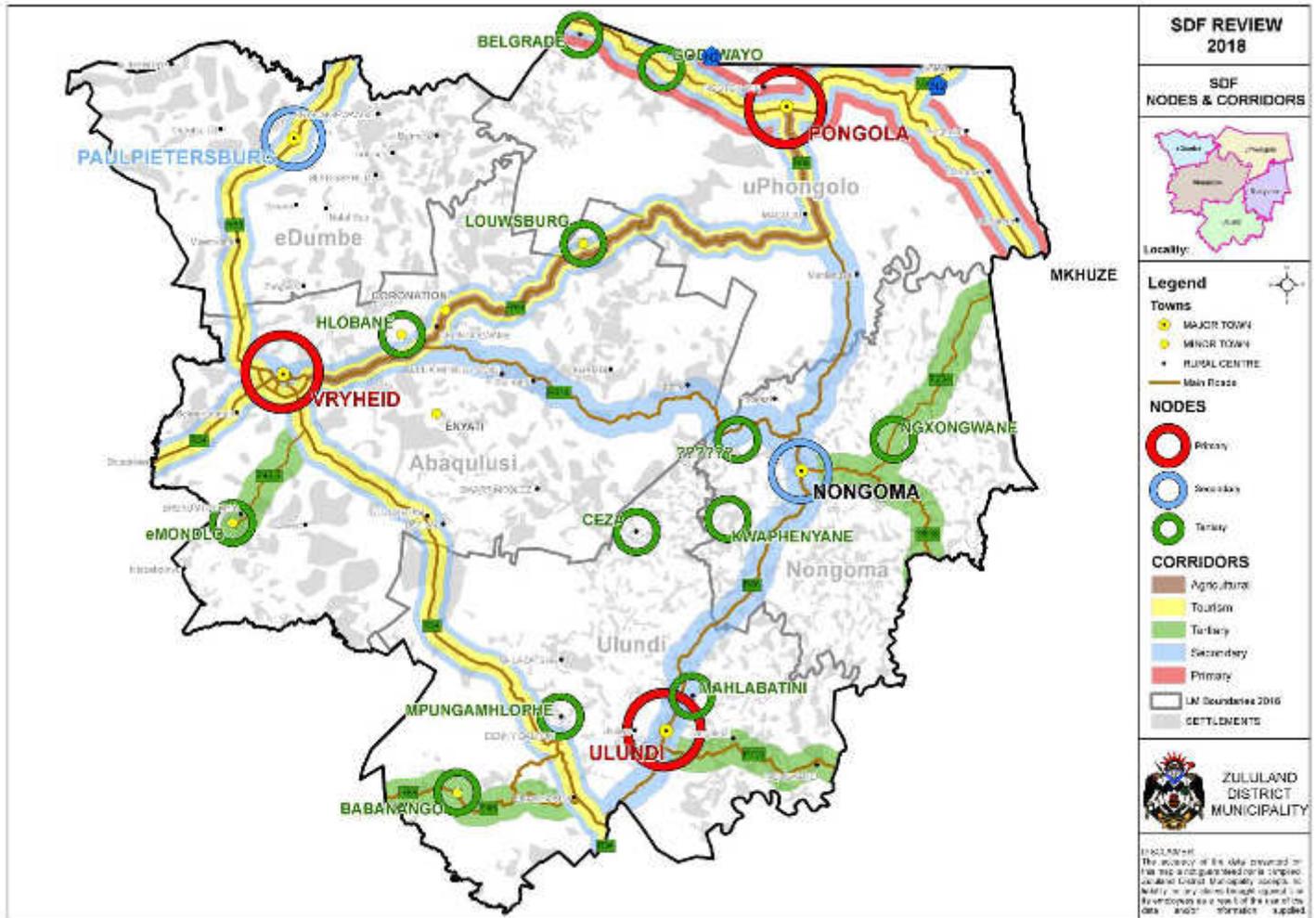
10.1.3 Provincial Spatial Development Framework

MAP 37: KZN SPATIAL DEVELOPMENT FRAMEWORK



10.1.4 Spatial Development Framework (SDF)

MAP 38: FINAL ZDM SDF



CHAPTER 11: IMPLEMENTATION PLAN

11.1 MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT

11.1.1 Implementation Plan

Table 61; MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT IMPLEMENTATION PLAN

KEY PERFORMANCE AREA	Strategic Objective	Type of KPI	Indicator	Indicator No.	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
Institutional Development & Transformation	Maintain and enhance ICT infrastructure (software & hardware) of the municipality	Input	ICT policy submitted to MM by 30 Jun 2018	35	Identify key areas to review & table to portfolio committee	Conduct Situational Analysis and Strategies	Draft ICT policy submitted to MM by 30 Mar 2018	Final ICT policy submitted to MM by 30 Jun 2018
	Maintain building assets and equipment through maintenance and refurbishment	Input	Report on the status of all municipal buildings submitted to MM by 30 Jun 2018	36	Draft scope of works & procure services of a suitable service provider	Field data collection & analysis	Draft Report submitted to MM for budget analysis & incorporation	Implement prioritised repairs
	Maintain an updated succession strategy	Input	Succession Strategy submitted to Council for approval by 30 Jun 2018	38	Identify key areas to review & table to portfolio committee	Conduct Situational Analysis and Strategies	Draft Succession strategy submitted to Council by 30 Mar 2018	Final Succession strategy submitted to Council by 30 Jun 2018

Constantly monitor and improve efficiency of systems & operations	Input	Standard Operating Procedures developed for the municipality by 30 Jun 2018	39	To be determined	To be determined	To be determined	To be determined
Constantly monitor& introduce methods to increase productivity of employees	Input	Report on methods to increase staff productivity submitted to MM by 30 Jun 2018	40	Draft scope of works with MM	Data collection& analysis	Draft Report on Methods submitted to MM	Final Report on Methods submitted to MANCO
Consistent analysis and review of the organogram against the service delivery model	Input	Municipal Organogram submitted to Council for approval by 30 Jun 2018	41	Identify key areas to review & table to portfolio committee	Conduct Situational Analysis and Strategies	Draft Municipal Organogram submitted to Council by 30 Mar 2018	Final Municipal Organogram submitted to Council by 30 Jun 2018
To review the supply chain system and establish mechanism and controls to maximise employment opportunities of local enterprises	Input	Reviewed Supply Chain Policy submitted to Council for approval	42	Identify key areas to review & table to portfolio committee	Conduct Situational Analysis and Strategies	Draft Supply Chain Policy submitted to Council by 30 Mar 2018	Final Supply Chain Policy submitted to Council by 30 Jun 2018
Manage fleet effectively to support and enable efficient service delivery operations	Processes	Average downtime of municipal vehicle fleet	43	To be determined	To be determined	To be determined	To be determined

11.2 SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT

11.2.1 Implementation Plan

Table 62; INFRASTRUCTURE & SERVICES IMPLEMENTATION PLAN (ZDM SDBIP)

KEY PERFORMANCE AREA	Strategic Objective	Type of KPI	Indicator	Indicator No.	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
Infrastructure and Services	Maintaining an updated Water Services Development Plan	Input	Final 2018/2019 WSDP submitted to Council for approval by 30 Jun 2018	1	Identify key areas to review & table to portfolio committee	Conduct Situational Analysis and Strategies	Draft 2018/2019 WSDP submitted to Council for approval by 30 Mar 2018	Final 2018/2019 WSDP submitted to Council for approval by 30 Jun 2018
	Maintaining an updated water loss strategy	Processes	Final 2018/2019 water loss strategy submitted to Council for approval by 30 Jun 2018	2	Identify key areas to review & table to portfolio committee	Conduct Situational Analysis and Strategies	Draft 2018/2019 Water Loss submitted to Council for approval by 30 Mar 2018	Final 2018/2019 Water Loss submitted to Council for approval by 30 Jun 2018
	Ensuring universal access to water & sanitation	Output	% of households with access to basic level of water (Reticulation-new	3	To be determined	To be determined	To be determined	To be determined

	ut	household connections)					
Ensuring universal access to water & sanitation	Output	% of households earning less than R1600 pm with access to free water (Note: Rudimentary)	4	To be determined	To be determined	To be determined	To be determined
Ensuring universal access to water & sanitation	Output	& of households with access to basic level of sanitation as per WSDP	5	To be determined	To be determined	To be determined	To be determined
Ensuring universal access to water & sanitation	Output	% of households earning less than R1600 pm with access to free basic sanitation	6	To be determined	To be determined	To be determined	To be determined
Implement regional schemes	Input	Number of business plans submitted to funders by 30 Jun 2018	7	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget inputs	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018
Implement rural sanitation new infrastructure & phase 3 replacement programme	Input	Number of business plans submitted to funders by 30 Jun 2018	8	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018

						inputs		
Effectively regulating and monitoring WSP's and Water Services Intermediaries	Processes	Number of WSP Meetings scheduled per quarter	9	2 WSP meetings scheduled by 30 Sept 2018	3 WSP meetings scheduled by 30 Dec 2018	2 WSP meetings scheduled by 30 Mar 2018	2 WSP meetings scheduled by 30 Jun 2018	
Implement strategies to reduce water loss	Output	% water leaks recorded by 30 Jun 2018	10	To be determined	To be determined	To be determined	To be determined	
Investigate & implement billing to previously unbilled areas	Input	Develop phase 1 of the Comprehensive indigent register by 30 Jun 2018	11	Draft scope of works & procure services of a suitable service provider	Field data collection & analysis	Draft phase 1 indigent register submitted to MM by 30 Mar 2018	Final phase 1 indigent register submitted to MM by 30 Jun 2018	
Improving quality of ground water delivered to communities through partnerships	Output	Number of water quality tests conducted as per the approved strategy	12	To be determined	To be determined	To be determined	To be determined	
Rehabilitation & Refurbishment of water treatment works & infrastructure to improve quality of surface water	Input	Rehabilitation and refurbishment programme submitted to MM by 30 Jun 2018	13	Draft scope of works & procure services of a suitable service	Field data collection & analysis	Draft Rehabilitation and refurbishment submitted to MM by 30 Mar 2018	Final Rehabilitation and refurbishment submitted to MM by 30 Jun 2018	

					provider			
Constantly develop management capacity to operationalize the airport	In p ut	Investigate feasibility of transporting fresh produce outside of the DM by 30 Jun 2018	1 4	Draft scope of works & procure services of a suitable service provider	Field data collection & analysis	Draft fresh produce feasibility report outside of the DM by 30 Mar 2018	Final fresh produce feasibility report outside of the DM by 30 Jun 2019	
Secure capital to implement refurbishment and rehabilitation of airport infrastructure	In p ut	Number of business plans submitted to funders by 30 Jun 2018	1 5	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget inputs	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018	
Investigate and implement potential opportunities to make the airport functional and viable	In p ut	No of engagements held with potential partners by 30 Jun 2018	1 6	Identify potential partners & request for proposals	Evaluate proposals & table to MANCO/EXCO	Enter into agreements with preferred bidder	Implement phase 1 of the agreement	
Review Disaster Management Plan	In p ut	Final 2018/2019 Disaster Management Plan submitted to Council for approval by 30 Jun 2018	1 7	Identify key areas to review & table to portfolio committee	Conduct Situational Analysis and Strategies	Draft 2018/2019 Disaster Management Plan submitted to Council for approval by 30 Mar 2018	Final 2018/2019 Disaster Management Plan submitted to Council for approval by 30 Jun 2018	
Establish functionally effective arrangements	In p	Package Business Plan for funding by	1 8	Draft concept plan & table with portfolio	Cost concept & include table to CFO	Draft Business Plans submitted to MM by	Final Business Plans submitted to MM	

	ut	30 June 2018		committee	along with budget inputs	30 Mar 2018	by 30 Jun 2018
Constantly identify education, training, public awareness	In put	Disaster Management Workshop held by 30 Jun 2018	19	Draft list of requirements & workshop with portfolio committee	Market workshop	Schedule and implement workshop	Review workshop impact
Develop Integrated Waste Management Strategy	In put	Package Business Plan for funding of Integrated Waste Management Strategy by 30 June 2018	20	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget inputs	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018
Investigate feasibility of regional solid waste sites	In put	Package Business Plan for funding of Regional Fresh Produce Markets by 30 June 2018	21	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget inputs	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018
To develop a Municipal Environmental Health Strategy	In put	Package Business Plan for funding of Municipal Enviro Health Strategy by 30 June 2018	22	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget inputs	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018
To investigate feasibility of a fresh produce	In put	Package Business Plan for funding	2	Draft concept plan & table	Cost concept & include	Draft Business Plans submitted to MM by	Final Business Plans submitted to MM

	market	ut	Feasibility of Fresh Produce Market by 30 June 2018	3	with portfolio committee	table to CFO along with budget inputs	30 Mar 2018	by 30 Jun 2018
	Investigate the feasibility of a Regional Cemetery	Inp ut	Package Business Plan for funding of Feasibility of Regional Cemetery by 30 June 2018	2 4	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget inputs	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018

11.3 LOCAL ECONOMIC DEVELOPMENT

11.3.1 IMPLEMENTATION PLAN

Table 63; LOCAL ECONOMIC DEVELOPMENT IMPLEMENTATION PLAN

KEY PERFORMANCE AREA	Strategic Objective	Type of KPI	Indicator	Indicator No	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
Economic, Agriculture & Tourism	Transform the Spatial Economy	Input	Package Business Plan for funding of Nodal Development Programme by 30 June 2018	25	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget inputs	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018
	Build the Capacity of the people	Input	Package Business Plan for funding of Social Development Review by 30 June 2018	26	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget inputs	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018
	Develop Business	Input	Package Business Plan for funding of developing a ZDM Contractor Development Programme by 30 June 2018	27	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget inputs	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018
	Explore mining	Input	Package Business Plan for funding of a ZDM mine resuscitation and prospecting rights strategy by 30 June 2018	28	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget inputs	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018

11.4 MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT

11.4.1 IMPLEMENTATION PLAN

Table 64; FINANCIAL VIABILITY IMPLEMENTATION PLAN

KEY PERFORMANCE AREA	Strategic Objective	Type of KPI	Indicator	Indicator No.	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
Financial Viability	To increase the cost coverage ratio	Processes	Cost Coverage ratio achieved per quarter	44	Cost Coverage ratio of 3 by 30 Sept	Cost Coverage ratio of 3 by 30 Dec	Cost Coverage ratio of 3 by 30 Dec by 30 Mar 2018	Cost Coverage ratio of 3 by 30 Dec 2018
	To increase the debt coverage ratio	Processes	Debt Coverage ratio achieved per quarter	45	Cost Coverage ratio of 3 by 30 Sept	Cost Coverage ratio of 3 by 30 Dec	Debt Coverage ratio of 3 by 30 Mar 2018	Cost Coverage ratio of 3 by 30 Dec 2018
	To keep a minimum cash balance to cover average monthly expenditure	Output	Number of days with excessive funds in current account in relation to strategy	46	15 days with excessive funds in current account in relation to strategy	15 days with excessive funds in current account in relation to strategy	15 days with excessive funds in current account in relation to strategy	15 days with excessive funds in current account in relation to strategy
	To report timely and accurately	Processes	Annual report 2017/2018 tabled to Council by 31 Jan 2018	47	Identify key areas to review & table to portfolio committee	Conduct Situational Analysis and Strategies	Draft Annual Report submitted to Council by 30 Aug 2017	Final Annual Report submitted to Council by 30 Jan 2018
	improve revenue collection(collection of rates in previously unbilled areas)	Output	% of rates collected in previously unbilled areas by 30 Jun 2018	48	To be determined	To be determined	To be determined	To be determined

11.5 GOOD GOVERNANCE & PUBLIC PARTICIPATION

11.5.1 IMPLEMENTATION PLAN

Table 65; DEMOCARCY & GOVERNANCE IMPLEMENTATION PLAN

KEY PERFORMANCE AREA	Strategic Objective	Type of KPI	Indicator	Indicator No.	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
Democracy & Governance	complete and submit accurate annual financial statements within the specified time period	Output	% of accounts adjustments effected per quarter	49	3% of accounts adjustments effected per quarter	3% of accounts adjustments effected per quarter	3% of accounts adjustments effected per quarter	3% of accounts adjustments effected per quarter
	complete a budget within the specified time period	Input	Final budget tabled to Council for approval by 30 Jun 2018	50	Identify key areas to review & table to portfolio committee	Conduct Situational Analysis and Strategies	Draft Budget submitted to Council by 30 Mar 2018	Final Budget submitted to Council by 30 Jun 2018
	To have an effective Auditing Function	Output	Percentage of audit queries addressed from the AG report by end of the financial year	51	Percentage of audit queries addressed from the AG report by end of the financial year	51		100% of audit queries addressed from the AG report by end of the financial year
	Ensure audit and risk committees sit regularly to ensure performance management and financial systems are on track	Output	No of targeted Audit and Risk Management meetings held per	56	1 Audit and Risk Management meetings held by 30 Sept 2018	1 Audit and Risk Management meetings held	1 Audit and Risk Management meetings held	1 Audit and Risk Management meetings held by 30 Jun 2018

			quarter			by 30 Dec 2018	by 30 Mar 2018	
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11.6 SOCIAL DEVELOPMENT & FOOD SECURITY

11.6.1 IMPLEMENTATION PLAN

Table 66; SOCIAL DEVELOPMENT & FOOD SECURITY

Social Development & Food Security	Review of Zululand HIV strategy	In p u t	Package Business Plan for funding the review of ZDM HIV strategy by 30 June 2018	29	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget inputs	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018
	To train & build capacity of employees	O u p u t	Percentage of the municipality's budget actually spent on implementing its Workplace Skills Plan	30	Identify & capture staff skills training needs	Identify & evaluate service providers	Implement training	Monitor training impact
	Developing Youth, Gender & Elderly strategy	In p u t	Package Business Plan for funding the review of ZDM Youth, Gender & Elderly strategy by 30 June 2018	31	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget inputs	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018
	To train & build capacity of communities	L Y A F D	No people from the community who benefited from community building programmes	32	20 people from the community benefited from community building programmes	21 people from the community benefited from community building programmes	22 people from the community benefited from community building programmes	23 people from the community benefited from community building programmes
	Maintaining an updated Orphans, Elderly & disabled strategy	In p u t	Package Business Plan for funding the review of ZDM Orphans, Elderly and Disabled strategy by 30 June 2018	33	Draft concept plan & table with portfolio committee	Cost concept & include table to CFO along with budget inputs	Draft Business Plans submitted to MM by 30 Mar 2018	Final Business Plans submitted to MM by 30 Jun 2018

CHAPTER 12: FINANCIAL MANAGEMENT PLAN

12.1 EXECUTIVE SUMMARY

In terms of section 16 (1) of the Municipal Finance Management Act, Act No.56 of 2003, the council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year. (2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year. In terms of section 24 of Municipal Finance Management Act, Act No.56 of 2003, the municipal council must at least 30 days before the start of the budget year consider approval of the annual budget

The 2018/2019 budget is prepared in accordance with the Local Government; Municipal Finance Management Act, 2003 together with the Municipal Budget and reporting regulations and Municipal Standard chart of Accounts issued by the Minister in terms of Section 168(1) of the Act. In terms of these regulations a multi-year budget spanning over three (3) years is prepared. It needs to be noted that the figures for 2019/2020 and 2020/2021 are indicative in terms of the medium-term revenue and expenditure framework (MTREF). The functions have been ring-fenced in terms of the Council vote structure.

Medium term service delivery objectives as stated in the Integrated Development Plan (IDP):

The medium-term service delivery objectives of Zululand District Municipality include the following strategic focus areas and objectives:

Service delivery - Primarily focusing on the eradication of water and sanitation backlogs through the implementation of regional schemes. Our ultimate objective is to progressively provide a cost effective, reliable water services at a good quality to all potential consumers in the district.

Economic development- The objective is to improve the economy of the district through the creation of job opportunities and additional economic activities.

Social development- The objective is to reduce the occurrence and impact of HIV/Aids and to develop and empower youth, gender and communities in the district.

Institutional development- The focus is on employment equity with the objective of transforming the municipality and capacity development for effective service delivery.

Financial management- our objective is to ensure sound financial management by promoting good financial practices with a view of ensuring a financially viable municipality.

Good governance and public participation- The objectives are to promote good governance, accountability and transparency; to operate the municipality at a minimum risk level.

Other focus areas include:

- Municipal airports
- Fire fighting

- Disaster management
- Solid waste
- Municipal health services
- District tourism

Financial implications of the medium-term service delivery objectives:

As a water services authority, ZDM spends a substantial portion of the municipal infrastructure grant (MIG) on water and sanitation projects. The recovery rate of water tariffs is very low due to the fact that the population within the district is predominantly rural and poor such that the level of service in these areas takes the form of communal stand pipes. As a result, the water is provided as a free basic service with no recovery at all.

As a rural node, the district does not have major industries and economic hubs. As a result, unemployment is rife and cross subsidization is not possible. Therefore, the district is heavily dependent on grant funding to implement its mandate in terms of the constitution of the Republic.

Linkages between the budget, the IDP and political priorities

Firstly, the budget timetable and the IDP process plan are aligned through an integrated time schedule.

Secondly, the IDP is prepared and the projects therefore are included in the budget.

Moreover, the financial plan comprising the total budget, among other items, is included in the IDP.

Finally, the implementation of water and sanitation projects and other assigned functions through the structures Act constitutes compliance with National, Provincial and Local development goals to eradicate backlogs of the past.

National policy Key Imperatives

There are five key factors that have been taken into consideration in the compilation of the 2018/19 MTREF:

- (i) The general inflationary outlook and the impact on Municipality's residents and businesses

Table 67; MACRO ECONOMIC PERFORMANCE & PROJECTIONS

Table 1: Macroeconomic performance and projections, 2016 - 2020

Fiscal year	2016/17	2017/18	2018/19	2019/20	2020/21
	Actual	Estimate		Forecast	
CPI Inflation	6.3%	5.3%	5.3%	5.4%	5.5%

(ii) Division of Revenue Bill

Table 68; DIVISIONS OF REVENUE

GRANT	2017/2018	2018/2019	2019/20	2020/21
EQUITABLE SHARE	382 571 000	424 766 000	463 503 000	505 418 000
FMG	1 250 000	1 000 000	1 465 000	1 200 000
EPWP	5 760 000	5 908 000		
SHARED SERVICES	0	300 000	400 000	400 000
SPATIAL DEVELOPMENT FRAMEWORK SUPPORT	0	0	1 250 000	0
TOURISM STRATEGY	0	700 000	735 000	776 000
OPERATING COSTS OF ART CETRES	1 911 000	1 911 000	1 911 000	1 911 000
MIG	229 725 000	220 762 000	225 574 000	238 887 000
RBIG	107 746 000	131 498 000	90 000 000	100 000 000
WSIG	110 000 000	115 000 000	100 000 000	105 500 000
RRAMS	2 359 000	2 364 000	2 504 000	2 649 000
TOTAL	841 322 000	904 209 000	887 342 000	956 741 000

(iii) The revenue budget

An increase of 10 % is proposed to be effected on Tariffs.

The assumed collection rate based on the current collection level is expected to be 70% of billable revenue, taking into account that there are debtors paying for prior years.

(iv) Employee related Costs

The South African Local Government Council last year entered into a threeyear salary and wage collective agreement. A propose increase of 7.3% as per the Salary wage agreement will be effected on employee related costs.

(v) Cost containment measures

Cost containment measures continue as our resolution. Hence the budget is largely informed by this. We took note of the call by the State President to eliminate expenditures on the following:

Travel, Conferences, Catering, Entertainment, social functions and wasteful expenditure

(vi) Budget related policies

The municipality should include a section in its budget document listing the budget related policies that are in place, when they were last updated and where a member of the public can easily access them. If the municipality intends amending any of its budget related policies, such amendments must be attached as annexures to the budget document.

Below is the list of Budget related policies for the municipality:

- i). Budget Policy
- ii). Virement Policy
- iii). Credit control policy
- iv). Debt write off-policy
- v). Banking and investment policy
- vi). Funding and Reserve policy
- vii). Supply Chain management policy
- viii). Asset Management Policy
- ix). Asset Loss control policy
- x). Indigent support policy
- xi). Insurance Policy
- xii). Tariff Policy
- xiii). Subsistence and Travelling Policy

All reviewed and new policies will be work shopped to stakeholders and Council.

Attached are the annual budget document for 2018/19 & MTREF, Schedule of Tariffs and Budget Related Policies for 2018/19 financial year. As per the adopted Key deadline schedule. The Committee is expected to approve the annual budget for 2018/19 & MTREF before 31 May 2018.

The budget is summarized in more detail in the budget schedules.

Table 69; MAIN BUDGET SUMMARY

	2017/18	2018/19	2019/20	2020/21
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Revenue	1 060 057 133	1 032 297 210	1 074 027 052	1 132 472 381
Expenditure	598 663 231	624 183 793	658 453 052	694 661 133
Contribution to Capital	461 393 902	408 113 417	415 574 000	437 811 248
Capital Grants and Transfers	443 822 902	408 113 417	415 574 000	444 387 000
Capital Expenditure	460 024 902	408 113 417	415 574 000	444 387 000
Internally funded assets	16 202 000	-	-	-
Total Budget Revenue	1 060 057 133	1 032 297 210	1 074 027 052	1 132 472 381
Total Budget Expenditure	1 060 057 133	1 032 297 210	1 067 787 632	1 132 472 381
	-	-	-	-

The total movement in budget is 3%

With the above background, it is important to highlight the major causes for such increases and decreases in both the operating and capital budgets respectively. This will be done through the highlights section. Firstly, the operating budget will be reviewed. Thereafter, the Capital budget will be subjected to a review.

12.2 OPERATING REVENUE

The sources of funding are important to ensure that the budget is actually funded and cash backed. The following items warrant specific mention:

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	20 163	16 762	12 646	15 683	20 683	20 683	20 683	16 498	17 406	18 363
Service charges - sanitation revenue	2	8 936	7 792	7 054	7 858	7 858	7 858	7 858	8 267	8 721	9 201
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other											
Rental of facilities and equipment		178	169	135	113	113	113	113	119	125	132
Interest earned - external investments		2 038	3 617	6 095	6 650	6 650	6 650	6 650	6 996	7 381	7 787
Interest earned - outstanding debtors		-	28	82	85	85	85	85	89	94	100
Dividends received											
Fines, penalties and forfeits		-	-	-	-	-	-	-	71	75	79
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		313 589	372 665	354 619	391 492	391 492	391 492	391 492	434 585	469 264	509 695
Other revenue	2	11 421	4 279	1 344	132 047	1 300	1 300	1 300	96 048	152 883	146 671
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		356 326	405 312	381 974	553 927	428 181	428 181	428 181	562 673	655 949	692 027

Sale of water and sewerage fees

Sale of water is based on the current collection level. The amounts budgeted for has taken into account the level of billing and as a result, an amount of **R7 768 939** has been set aside as a provision for working capital reserve (provision for non- collection). The municipality has provided for revenue forgone amounting to R 4.2million, the R16, 4 million service charges are exclusive of revenue forgone. In 2017-2018 adjustment budget revenue forgone was not taken into consideration. The municipality is predominantly rural and there are no industries, the level of employment is very low, as a result the municipality is working on updating the indigent register, at a moment the cost of production is higher than the revenue recovered and not all levels of category have increased by 10%.

Sanitation revenue is only collected from a fraction of metered consumers since our municipality is surrounded by rural areas.

Water tariffs have been determined as follows:

0-6kl	freebasic water
7-30kl	10%
30-40kl	15%
>40kl	20%

These increases are recommended in order to cap water consumption.

Rent of facilities

The income is expected from renting of park homes that are used by WSSA as offices. The budget is based on the contract agreement.

Interest income

Interest Income is expected to be R 6 995 800 due to funds from grants. MIG and WSIG have multi-year contracts that have no delays in project implementation, these grants are anticipated. The investments that we have are only call investment deposits.

Interest earned - outstanding debtors

The interest from outstanding debtors is only charged from Businesses

Fines, penalties and forfeits

These are charges of illegal connection by community

Transfer and subsidies

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		305 590	333 756	352 708	389 581	389 581	389 581	431 674	464 968	506 608
Local Government Equitable Share		297 420	322 706	347 834	382 571	382 571	382 571	424 766	463 503	505 408
Finance Management		1 250	1 250	1 250	1 250	1 250	1 250	1 000	1 465	1 200
Municipal Systems Improvement		934								
Water Services Operating Subsidy		3 500	6 000							
EPWP Incentive		2 486	3 800	3 624	5 760	5 760	5 760	5 908		
Provincial Government:		2 325	3 715	2 311	1 911	1 911	1 911	2 911	4 296	3 087
Shared services		250	400	400				300	400	400
Art centre Subsidies (Indonsa Grant)		1 729	1 815	1 911	1 911	1 911	1 911	1 911	1 911	1 911
Tourism strategy spatial frame work								700	735	776
Other transfers/grants [insert description]			1 500					-	1 250	-
Total Operating Transfers and Grants	5	307 915	337 471	355 019	391 492	391 492	391 492	434 585	469 264	509 695
Capital Transfers and Grants										
National Government:		350 304	522 707	437 625	449 830	499 830	499 830	469 624	418 078	447 036
Municipal Infrastructure Grant (MIG)		241 622	221 359	218 314	229 725	229 725	229 725	220 762	225 574	238 887
Regional Bulk Infrastructure		62 866	187 699	108 011	110 000	160 000	160 000	131 498	90 000	100 000
Rural Roads Asset Managemnt Systems Grant		2 167	2 173	2 229	2 359	2 359	2 359	2 364	2 504	2 649
Municipal Water Infrastructure Grant		39 205	79 006							
Water services infrastructure Grant				109 071	107 746	107 746	107 746	115 000	100 000	105 500
Total Capital Transfers and Grants	5	352 339	522 707	437 625	449 830	499 830	499 830	469 624	418 078	447 036
TOTAL RECEIPTS OF TRANSFERS & GRANTS		660 254	860 178	792 644	841 322	891 322	891 322	904 209	887 342	956 731

It is assumed that the National and Provincial grants as per Division of Revenue Act (DORA) which has been included in the budget will be received during the 2018/2019 financial year

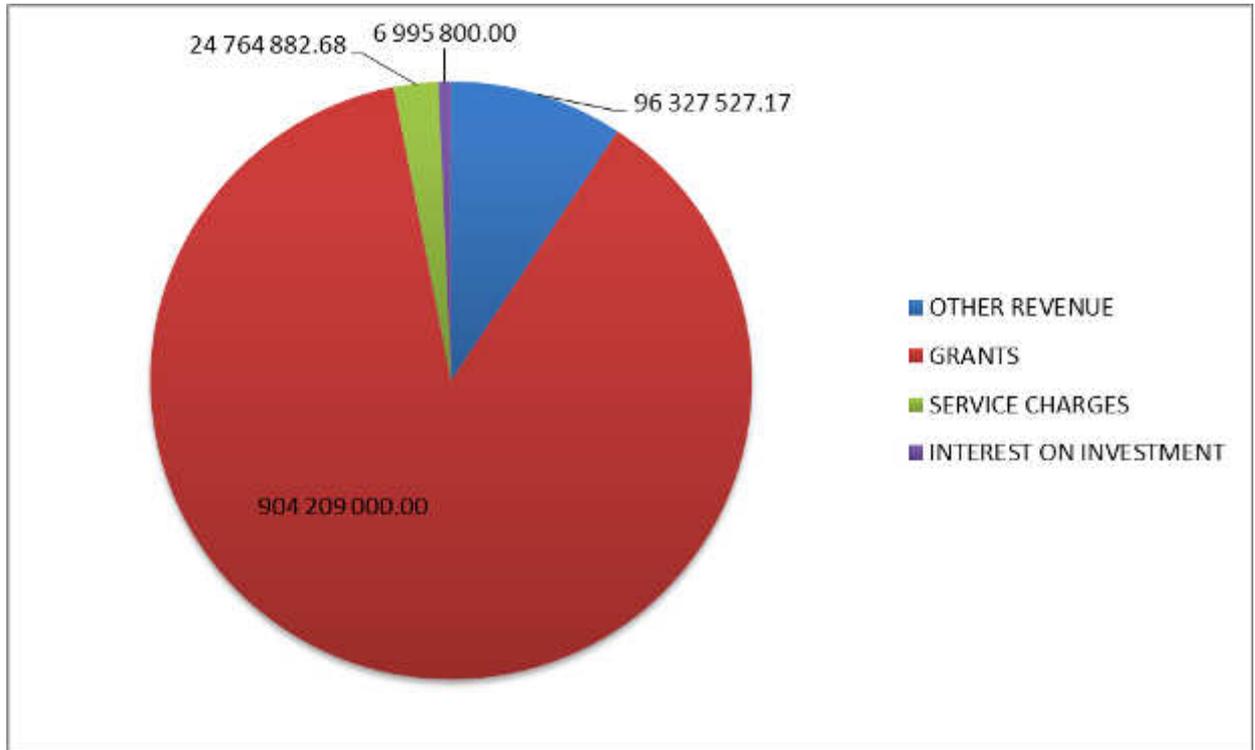
The portion of MIG is used to fund the operating part of MIG, the allocation for VIP toilet is in operating expenditure because the toilet are handed over to the community and the is expenditure not capitalized to asset. It must be noted that capital expenditure is less by the amount allocated to VIP toilet

Provincial Gazette allocation have been taken into account

Other revenue

Other revenue in the budget consist of the amount that will be collected during the year such as meter testing, tender fee, Indonsa hall hire, Indonsa deposit refundable etc. The other portion of revenue is non collectable revenue or reserves but the funds that will be used to cater for backlog depreciation and provision of doubtful debts.

Figure 37; Revenue Base



12.3 OPERATING EXPENDITURE

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Expenditure By Type											
Employee related costs	2	159 789	154 409	162 210	171 638	171 638	171 638	171 638	182 250	192 274	202 849
Remuneration of councillors		6 221	6 634	6 825	7 416	8 416	8 416	8 416	7 722	8 147	8 595
Debt impairment	3	-	-	-	3 637	3 637	3 637	3 637	7 769	8 196	8 647
Depreciation & asset impairment	2	42 788	51 504	55 435	75 445	75 445	75 445	75 445	83 194	87 770	92 597
Finance charges											
Bulk purchases	2	70 963	65 947	82 214	79 307	88 507	88 507	88 507	83 431	88 020	92 861
Other materials	8	34 254	38 223	57 910	76 786	74 625	74 625	74 625	23 745	25 135	26 517
Contracted services		132 358	116 556	81 254	131 404	131 491	131 491	131 491	178 345	187 545	197 868
Transfers and subsidies		-	1 507	1 396	1 954	1 954	1 954	1 954	2 150	2 268	2 393
Other expenditure	4, 5	99 198	97 000	91 518	46 595	44 248	44 248	44 248	55 577	59 098	62 348
Loss on disposal of PPE											
Total Expenditure		545 571	531 781	538 760	594 182	599 960	599 960	599 960	624 184	658 453	694 676

12.3.1 Employee Related Costs

The employee related costs comprise 30% of the total operating budget inclusive of councilor’s remuneration. The primary reason for the increase is an annual increment of 7.3% including the

notch increases. The 7.3% is not affected to all allowances and contribution e.g medical contribution, car allowances etc.

12.3.2 Councillors Allowances

A 7.3% increment for Councilor's remuneration is provided for and also taking into account the upper limits. In 2017-2018 there was a higher allocation for sitting allowance for special sittings of councillors, in 2018-2019 we have provided according to planned sittings.

12.3.3 Working Capital Reserve

This is the provision for doubtful debts as a result of a non-collection level. It is based on the projected inflation level and the collection estimates. Municipality has increased the provision based on 2016-2017 financial statements.

12.3.4 Depreciation

This is a non-cash item budgeted for as per the stipulation of the new accounting standards and is funded from backlog depreciation. The increase is based preliminary 2017/2018 financial statements and 2018-2019 budget year. The depreciation calculation takes into account assets that are still in progress but will be completed in the following financial years.

12.3.5 Bulk purchases

The bulk purchases have decreased because there has been reclassification; some of the items were not qualifying to be bulk but they were included in bulk in 2017-2018 and previous. That is corrected this year. It is assumed that electricity tariffs of Eskom will increase by 6.84 % as from 1 July 2018, as approved by NERSA.

12.3.6 Other Materials

Other material has decreased because some of items that were allocated to other material in 2017-2018 were not forming part of material but maintenance, now is in the correct maintenance vote

12.3.7 Contracted services

Contracted services has increased due to the fact that, every item that we will not provide internal including maintenance, security etc.

12.3.8 Transfers and subsidies paid

Transfers and subsidies paid has increased due to the fact that municipality is providing to assist in burial services due to the need the community.

12.3.9 General expenditure

The municipality general expenditure includes all other expenditures that do have line space in A4. It is assumed that costs for services will increase in line with the CPI. The current oil price is still a concern and it is expected that the fuel price hikes will have a substantial effect on expenditure. It is also assumed that the capital projects for 2018/2019 will be completed during the financial year as there were budgeted for, the depreciation of such projects as per general recognized accounting practice.

12.3.10 Repairs and Maintenance

Buildings

The budgeted amount is for the maintenance of municipal buildings.

Vehicles

The budget will remain the same due to the high expenditure on maintenance of the water tankers and the poor conditions of vehicles.

Operation Rural Water Schemes

These funds are set aside for the maintenance of rural water schemes and to ensure sustainability of such schemes.

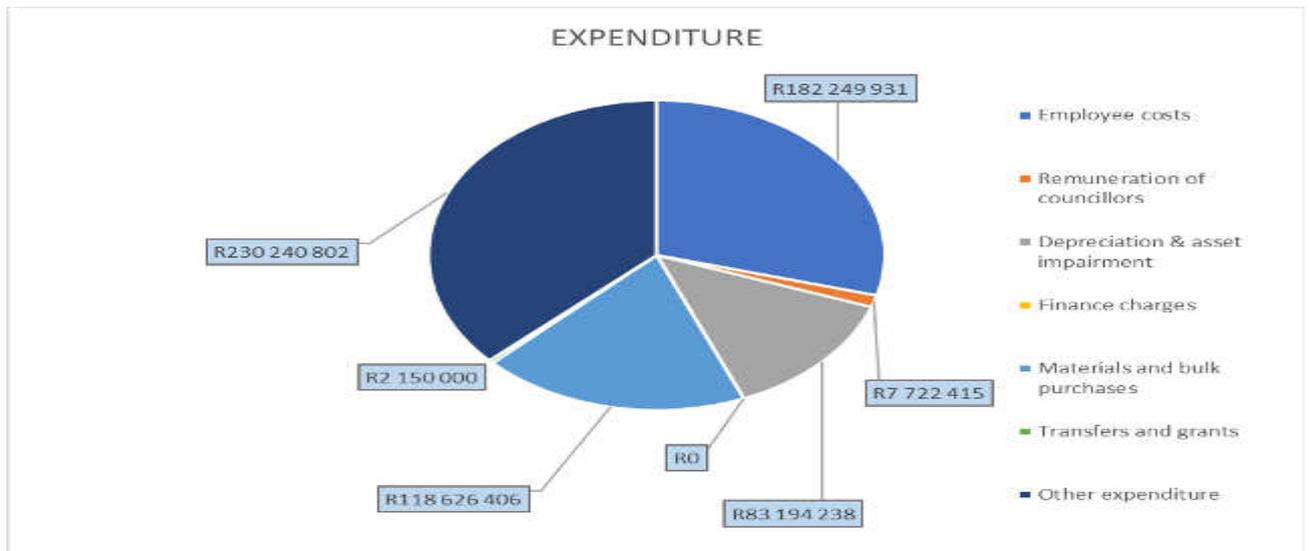
Refurbishment and maintenance

This is the provision based on the fact that Water and sanitation treatment plants need to be refurbished regularly to ensure sustainable and reliable water supply.

Bulk Water Purification and Sewerage Treatment

Bulk sewerage treatment and bulk water purification is based on the existing contract and trend. In addition, a budget has been set aside for the purchase of raw water from the Department of Water Affairs

Figure 38; Operating Expenditure



12.3.11 The deficit budget

A4 reflect the deficit of R61.5 million, the municipality has allocated this amount to operating expenditure to fund rural sanitation (VIP) toilet, rural road asset management and project management unit which is funded by MIG.

Below is the recon showing the reallocation:

Table 70; BUDGET ALLOCATIONS

	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
C&PS: B&A PROJECT MANAGEMENT (RURAL ROAD ASS MAN SYS GRT)	2 364 000.00	2 504 000.00	2 649 000.00
C&PS: B&A PROJ MAN (PMU PROF FEES)	11 992 366.58	12 651 946.74	13 347 803.81
CONTR: SEWER SERV - RURAL EDUMBE	47 154 216.80	49 747 698.72	52 483 822.15
	61 510 583.38	64 903 645.46	68 480 625.96
CAPITAL TRANSFERS	469 624 000.00	418 078 000.00	447 036 000.00
CAPITAL BUDGET	408 113 417.00	415 574 000.00	444 387 000.00
TO FUND OPERATING	61 510 583.00	2 504 000.00	2 649 000.00
REALLOCATION FROM CAPITAL TO OPERATING BUDGET	61 510 583.00	2 504 000.00	2 649 000.00
OPERATING EXPENDITURE	562 673 209.55	655 949 051.32	692 026 824.14
REALLOCATED FROM CAPITAL BUDGET	61 510 583.00	2 504 000.00	2 649 000.00
TOTAL OPERATING EXPENDITURE	624 183 792.55	658 453 051.32	694 675 824.14

12.4 CAPITAL BUDGETING

Total Capital Expenditure - Vote		233 638	376 590	416 393	410 025	460 025	460 025	460 025	408 113	415 574	444 387
Capital Expenditure - Functional											
Governance and administration		2 999	416	3 165	8 820	454 921	454 921	454 921	–	–	–
Executive and council		–	–	1 061	100	–	–	–	–	–	–
Finance and administration		2 999	416	2 104	8 720	454 921	454 921	454 921	–	–	–
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		296	43	–	252	230	230	230	–	–	–
Community and social services		8	43	–	252	230	230	230	–	–	–
Sport and recreation		133	–	–	–	–	–	–	–	–	–
Economic and environmental services		230 343	376 108	412 838	2 409	2 359	2 359	2 359	–	–	–
Planning and development		230 343	376 108	412 838	2 409	2 359	2 359	2 359	–	–	–
Trading services		–	23	390	454 371	1 900	1 900	1 900	408 113	415 574	444 387
Energy sources		–	–	–	–	–	–	–	–	–	–
Water management		–	23	390	454 371	1 900	1 900	1 900	408 113	415 574	444 387
Total Capital Expenditure - Functional	3	233 638	376 590	416 393	465 852	459 410	459 410	459 410	408 113	415 574	444 387
Funded by:											
National Government		228 618	375 054	412 398	449 830	443 208	443 208	443 208	408 113	415 574	444 387
Provincial Government		–	–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	228 618	375 054	412 398	449 830	443 208	443 208	443 208	408 113	415 574	444 387
Internally generated funds		5 020	1 536	3 994	16 022	16 202	16 202	16 202	–	–	–
Total Capital Funding	7	233 638	376 590	416 393	465 852	459 410	459 410	459 410	408 113	415 574	444 387

Capital budget is funded 100% by grants as per DORA, the above recon will clearly indicate what is happening in capital budget, the only expenditure we have is for water infrastructure. No internal funding is available to fund budget, A5 is also corrected and allocation is trading services.

12.5 ANNUAL BUDGET TABLES

The following part of budget presentation portrayed below focuses on budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables clearly outline the municipality's 2018/19 budget and MTREF as approved by the Council. Below each table there is a provision of clarification pertaining to what is depicted from the provided tables.

Table A1 - Budget Summary

Choose name from list - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands										
Financial Performance										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	29 100	24 554	19 699	23 541	28 541	28 541	28 541	24 765	26 127	27 564
Investment revenue	2 038	3 617	6 095	6 650	6 650	6 650	6 650	6 996	7 381	7 787
Transfers recognised - operational	313 589	372 665	354 619	391 492	391 492	391 492	391 492	434 585	469 264	509 695
Other own revenue	12 448	5 367	2 197	132 244	1 498	1 498	1 498	96 328	153 178	146 981
Total Revenue (excluding capital transfers and contributions)	357 174	406 203	382 610	553 927	428 181	428 181	428 181	562 673	655 949	692 027
Employee costs	159 789	154 409	162 210	171 638	171 638	171 638	171 638	182 250	192 274	202 849
Remuneration of councillors	6 221	6 634	6 825	7 416	8 416	8 416	8 416	7 722	8 147	8 595
Depreciation & asset impairment	42 788	51 504	55 435	75 445	75 445	75 445	75 445	83 194	87 770	92 597
Finance charges	–	–	–	–	–	–	–	–	–	–
Materials and bulk purchases	105 217	104 171	140 123	156 093	163 132	163 132	163 132	107 177	113 155	119 379
Transfers and grants	–	1 507	1 396	1 954	1 954	1 954	1 954	2 150	2 268	2 393
Other expenditure	231 556	213 556	172 772	181 637	179 376	179 376	179 376	241 691	254 839	268 863
Total Expenditure	545 571	531 781	538 760	594 182	599 960	599 960	599 960	624 184	658 453	694 676
Surplus/(Deficit)	(188 396)	(125 578)	(156 150)	(40 255)	(171 780)	(171 780)	(171 780)	(61 511)	(2 504)	(2 649)
Transfers and subsidies - capital (monetary alloc	345 860	490 237	508 156	449 830	499 830	499 830	499 830	469 624	418 078	447 036
Contributions recognised - capital & contributed a	–	–	–	–	132 047	132 047	132 047	–	–	–
Surplus/(Deficit) after capital transfers & contributions	157 464	364 658	352 006	409 575	460 097	460 097	460 097	408 113	415 574	444 387
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	157 464	364 658	352 006	409 575	460 097	460 097	460 097	408 113	415 574	444 387
Capital expenditure & funds sources										
Capital expenditure	233 638	376 590	416 393	465 852	459 410	459 410	459 410	408 113	415 574	444 387
Transfers recognised - capital	228 618	375 054	412 398	449 830	443 208	443 208	443 208	408 113	415 574	444 387
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	5 020	1 536	3 994	16 022	16 202	16 202	16 202	–	–	–
Total sources of capital funds	233 638	376 590	416 393	465 852	459 410	459 410	459 410	408 113	415 574	444 387
Financial position										
Total current assets	33 035	49 806	49 231	65 898	35 261	35 261	35 261	78 653	81 384	80 784
Total non current assets	2 229 007	2 589 055	2 951 354	3 442 331	3 492 511	3 492 511	3 492 511	3 492 330	3 768 129	4 076 885
Total current liabilities	132 677	67 953	125 726	56 950	56 950	56 950	56 950	54 232	51 525	33 364
Total non current liabilities	15 738	19 560	19 779	23 387	23 387	23 387	23 387	27 214	31 041	31 041
Community wealth/Equity	2 145 639	2 551 349	2 855 080	3 427 891	3 447 434	3 447 434	3 447 434	3 489 537	3 766 947	4 093 264
Cash flows										
Net cash from (used) operating	177 706	384 812	456 864	489 182	463 677	463 677	463 677	457 352	455 221	500 836
Net cash from (used) investing	(233 421)	(376 590)	(416 215)	(450 352)	(470 352)	(470 352)	(470 352)	(408 113)	(415 574)	(444 387)
Net cash from (used) financing	15 733	3 827	219	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	(45 481)	(33 432)	7 436	5 398	761	761	761	50 000	89 647	146 096
Cash backing/surplus reconciliation										
Cash and investments available	(45 481)	6	7 436	31 398	761	761	761	50 000	52 000	65 000
Application of cash and investments	55 676	31 878	35 129	22 137	(1)	(1)	(1)	26 554	22 059	11 442
Balance - surplus (shortfall)	(101 157)	(31 872)	(27 693)	9 261	761	761	761	23 446	29 941	53 558
Asset management										
Asset register summary (WDV)	2 222 058	2 580 815	2 938 577	3 436 247	3 486 427	3 486 427	3 486 427	3 486 427	3 480 981	3 756 280
Depreciation	45 070	53 098	57 672	75 445	75 445	75 445	75 445	83 194	87 770	92 597
Renewal of Existing Assets	–	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	41 115	29 009	19 018	40 445	38 284	38 284	38 284	36 203	38 089	40 184
Free services										
Cost of Free Basic Services provided	848	891	636	0	0	0	4 425	4 425	4 867	5 354
Revenue cost of free services provided	–	–	–	–	–	–	–	–	–	–
Households below minimum service level										
Water:	171	173	62	6	6	6	7	7	8	8
Sanitation/sewerage:	46	36	36	6	6	6	6	6	7	7
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

Choose name from list - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional										
Governance and administration		318 577	368 203	356 739	522 715	895 200	895 200	534 926	625 451	661 297
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		318 577	368 203	356 739	522 715	895 200	895 200	534 926	625 451	661 297
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1 729	1 815	1 911	1 911	1 911	1 911	1 911	1 911	1 911
Community and social services		1 729	1 815	1 911	1 911	1 911	1 911	1 911	1 911	1 911
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		352 780	500 977	511 780	455 590	2 359	2 359	2 664	4 154	3 049
Planning and development		352 780	500 977	511 780	455 590	2 359	2 359	2 664	4 154	3 049
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		29 948	25 445	20 335	23 541	28 541	28 541	492 096	441 776	472 030
Energy sources		-	-	-	-	-	-	-	-	-
Water management		21 012	17 653	13 282	15 683	20 683	20 683	483 758	432 980	462 750
Waste water management		8 936	7 792	7 054	7 858	7 858	7 858	8 338	8 796	9 280
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	700	735	776
Total Revenue - Functional	2	703 035	896 439	890 766	1 003 757	928 011	928 011	1 032 297	1 074 027	1 139 063
Expenditure - Functional										
Governance and administration		132 811	131 576	147 129	225 228	320 110	320 110	244 651	258 480	272 696
Executive and council		44 671	44 554	40 583	49 827	48 746	48 746	44 393	47 267	49 867
Finance and administration		88 140	87 021	106 546	175 400	271 364	271 364	200 258	211 213	222 830
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		35 194	36 664	33 399	9 674	17 765	17 765	38 852	40 555	42 785
Community and social services		32 360	34 482	31 399	-	8 091	8 091	28 863	30 091	31 745
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		2 834	2 182	2 000	9 674	9 674	9 674	9 989	10 464	11 040
Economic and environmental services		127 115	127 117	90 564	23 494	23 494	23 494	27 006	28 501	30 076
Planning and development		127 115	127 117	90 564	23 494	23 494	23 494	27 006	28 501	30 076
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		231 020	219 967	258 613	220 648	229 348	229 348	304 722	321 548	339 233
Energy sources		-	-	-	-	-	-	-	-	-
Water management		222 774	213 771	252 272	211 980	220 680	220 680	295 770	312 104	329 270
Waste water management		8 246	6 196	6 340	8 668	8 668	8 668	8 951	9 444	9 963
Waste management		-	-	-	-	-	-	-	-	-
Other	4	21 647	23 588	11 509	9 243	9 243	9 243	8 954	9 369	9 885
Total Expenditure - Functional	3	547 787	538 913	541 214	488 286	599 960	599 960	624 184	658 453	694 676
Surplus/(Deficit) for the year		155 248	357 527	349 553	515 471	328 050	328 050	408 113	415 574	444 387

MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.

Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote	1									
Vote 1 - COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 3 - FINANCE		318 577	368 203	356 739	522 715	895 200	895 200	534 926	625 451	661 297
Vote 4 - COMMUNITY DEVELOPMENT		1 729	1 815	1 911	1 911	1 911	1 911	2 611	3 896	2 687
Vote 5 - PLANNING & WSA		3 101	3 113	2 229	2 359	2 359	2 359	2 664	2 904	3 049
Vote 6 - TECHNICAL SERVICES		349 679	497 864	509 551	453 231	-	-	467 260	415 574	444 387
Vote 7 - WATER PURIFICATION		-	-	-	-	-	-	-	-	-
Vote 8 - WATER DISTRIBUTION		21 012	17 653	13 282	15 683	20 683	20 683	16 498	17 406	18 363
Vote 9 - WASTE WATER		8 936	7 792	7 054	7 858	7 858	7 858	8 338	8 796	9 280
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	703 035	896 439	890 766	1 003 757	928 011	928 011	1 032 297	1 074 027	1 139 063
Expenditure by Vote to be appropriated	1									
Vote 1 - COUNCIL		49 827	49 827	49 827	49 827	49 227	49 227	44 393	47 267	49 867
Vote 2 - CORPORATE SERVICES		67 550	67 550	67 550	67 550	69 131	69 131	74 381	78 413	82 726
Vote 3 - FINANCE		114 425	114 425	114 425	114 425	113 025	113 025	131 346	138 570	146 191
Vote 4 - COMMUNITY DEVELOPMENT		51 684	51 684	51 684	51 684	47 884	47 884	42 337	44 154	46 583
Vote 5 - PLANNING & WSA		16 087	16 087	16 087	16 087	16 087	16 087	27 006	28 501	30 076
Vote 6 - TECHNICAL SERVICES		73 960	73 960	73 960	73 960	73 960	73 960	79 312	83 741	88 347
Vote 7 - WATER PURIFICATION		23 025	23 025	23 025	23 025	23 025	23 025	25 291	26 682	28 150
Vote 8 - WATER DISTRIBUTION		188 956	188 956	188 956	188 956	198 953	197 656	191 167	201 681	212 773
Vote 9 - WASTE WATER		8 668	8 668	8 668	8 668	8 668	8 668	8 951	9 444	9 963
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	594 182	594 182	594 182	594 182	599 960	598 663	624 184	658 453	694 676
Surplus/(Deficit) for the year	2	108 853	302 257	296 584	409 575	328 050	329 347	408 113	415 574	444 387

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source											
Property rates	2	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	20 163	16 762	12 646	15 683	20 683	20 683	20 683	16 498	17 406	18 363
Service charges - sanitation revenue	2	8 936	7 792	7 054	7 858	7 858	7 858	7 858	8 267	8 721	9 201
Service charges - refuse revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - other											
Rental of facilities and equipment		178	169	135	113	113	113	113	119	125	132
Interest earned - external investments		2 038	3 617	6 095	6 650	6 650	6 650	6 650	6 996	7 381	7 787
Interest earned - outstanding debtors		–	28	82	85	85	85	85	89	94	100
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	–	–	–	–	71	75	79
Licences and permits		–	–	–	–	–	–	–	–	–	–
Agency services		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies		313 589	372 665	354 619	391 492	391 492	391 492	391 492	434 585	469 264	509 695
Other revenue	2	12 270	5 170	1 980	132 047	1 300	1 300	1 300	96 048	152 883	146 671
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		357 174	406 203	382 610	553 927	428 181	428 181	428 181	562 673	655 949	692 027
Expenditure By Type											
Employee related costs	2	159 789	154 409	162 210	171 638	171 638	171 638	171 638	182 250	192 274	202 849
Remuneration of councillors		6 221	6 634	6 825	7 416	8 416	8 416	8 416	7 722	8 147	8 595
Debt impairment	3	–	–	–	3 637	3 637	3 637	3 637	7 769	8 196	8 647
Depreciation & asset impairment	2	42 788	51 504	55 435	75 445	75 445	75 445	75 445	83 194	87 770	92 597
Finance charges		–	–	–	–	–	–	–	–	–	–
Bulk purchases	2	70 963	65 947	82 214	79 307	88 507	88 507	88 507	83 431	88 020	92 861
Other materials	8	34 254	38 223	57 910	76 786	74 625	74 625	74 625	23 745	25 135	26 517
Contracted services		132 358	116 556	81 254	131 404	131 491	131 491	131 491	178 345	187 545	197 868
Transfers and subsidies		–	1 507	1 396	1 954	1 954	1 954	1 954	2 150	2 268	2 393
Other expenditure	4, 5	99 198	97 000	91 518	46 595	44 248	44 248	44 248	55 577	59 098	62 348
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Total Expenditure		545 571	531 781	538 760	594 182	599 960	599 960	599 960	624 184	658 453	694 676
Surplus/(Deficit)		(188 396)	(125 578)	(156 150)	(40 255)	(171 780)	(171 780)	(171 780)	(61 511)	(2 504)	(2 649)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		345 860	490 237	508 156	449 830	499 830	499 830	499 830	469 624	418 078	447 036
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Transfers and subsidies - capital (in-kind - all)	6	–	–	–	–	132 047	132 047	132 047	–	–	–
Surplus/(Deficit) after capital transfers & contributions		157 464	364 658	352 006	409 575	460 097	460 097	460 097	408 113	415 574	444 387
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		157 464	364 658	352 006	409 575	460 097	460 097	460 097	408 113	415 574	444 387
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		157 464	364 658	352 006	409 575	460 097	460 097	460 097	408 113	415 574	444 387
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		157 464	364 658	352 006	409 575	460 097	460 097	460 097	408 113	415 574	444 387

Table A4 - Budgeted Financial Performance (revenue and expenditure)

With the above background, it is important to highlight the major causes for such increases and decreases in both the operating and capital budgets respectively. This will be done through the highlights section, operating expenditure increased and also capital increased.

Sale of water is based on the current collection level. The amounts budgeted for has taken into account the level of billing and as a result, an amount of **R7 768 939** has been set aside as a provision for working capital reserve (provision for non- collection). The municipality has provided for revenue forgone amounting to R 4.2million, the R16, 4 million service charges are exclusive of revenue forgone. In 2017-2018 adjustment budget revenue forgone was not taken into consideration. The municipality is predominantly rural and there are no industries, the level of employment is very low, as a result the municipality is working on updating the indigent register, at a moment the cost of production is higher than the revenue recovered and not all levels of category have increased by 10%.

Bulk purchases

The bulk purchases have decreased because there has been reclassification; some of the items were not qualifying to be bulk but they were included in bulk in 2017-2018 and previous. That is corrected this year.

It is assumed that electricity tariffs of Eskom will increase by 6.84 % as from 1 July 2018, as approved by NERSA.

Choose name from list - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure - Vote	1										
Multi-year expenditure to be appropriated	2										
Vote 1 - COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 3 - FINANCE		-	-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 5 - PLANNING & WSA		-	-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 7 - WATER PURIFICATION		-	-	-	-	-	-	-	-	-	-
Vote 8 - WATER DISTRIBUTION		-	-	-	-	-	-	-	-	-	-
Vote 9 - WASTE WATER		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - COUNCIL		-	-	1 061	100	100	100	100	-	-	-
Vote 2 - CORPORATE SERVICES		1 778	215	1 295	2 310	2 310	2 310	2 310	-	-	-
Vote 3 - FINANCE		1 221	201	808	6 460	6 460	6 460	6 460	-	-	-
Vote 4 - COMMUNITY DEVELOPMENT		1 013	43	-	252	252	252	252	-	-	-
Vote 5 - PLANNING & WSA		1 923	1 906	1 955	2 409	2 409	2 409	2 409	-	-	-
Vote 6 - TECHNICAL SERVICES		227 704	374 202	410 883	391 594	441 594	441 594	441 594	408 113	415 574	444 387
Vote 7 - WATER PURIFICATION		-	-	212	-	-	-	-	-	-	-
Vote 8 - WATER DISTRIBUTION		-	23	178	6 900	6 900	6 900	6 900	-	-	-
Vote 9 - WASTE WATER		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		233 638	376 590	416 393	410 025	460 025	460 025	460 025	408 113	415 574	444 387
Total Capital Expenditure - Vote		233 638	376 590	416 393	410 025	460 025	460 025	460 025	408 113	415 574	444 387
Capital Expenditure - Functional											
Governance and administration		2 999	416	3 165	8 820	454 921	454 921	454 921	-	-	-
Executive and council		-	-	1 061	100	-	-	-	-	-	-
Finance and administration		2 999	416	2 104	8 720	454 921	454 921	454 921	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		296	43	-	252	230	230	230	-	-	-
Community and social services		8	43	-	252	230	230	230	-	-	-
Sport and recreation		133	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		155	-	-	-	-	-	-	-	-	-
Economic and environmental services		230 343	376 108	412 838	2 409	2 359	2 359	2 359	-	-	-
Planning and development		230 343	376 108	412 838	2 409	2 359	2 359	2 359	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	23	390	454 371	1 900	1 900	1 900	408 113	415 574	444 387
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		-	23	390	454 371	1 900	1 900	1 900	408 113	415 574	444 387
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	233 638	376 590	416 393	465 852	459 410	459 410	459 410	408 113	415 574	444 387
Funded by:											
National Government		228 618	375 054	412 398	449 830	443 208	443 208	443 208	408 113	415 574	444 387
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	228 618	375 054	412 398	449 830	443 208	443 208	443 208	408 113	415 574	444 387
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		5 020	1 536	3 994	16 022	16 202	16 202	16 202	-	-	-
Total Capital Funding	7	233 638	376 590	416 393	465 852	459 410	459 410	459 410	408 113	415 574	444 387

MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Capital budget is funded 100% by grants as per DORA, the above recon will clearly indicate what is happening in capital budget, the only expenditure we have is for water infrastructure. No internal funding is available to fund budget, A5 is also corrected and allocation is trading services.

Choose name from list - Table A6 Budgeted Financial Position

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
ASSETS											
Current assets											
Cash		6	6	7 436	5 398	761	761	761	36 707	35 000	45 000
Call investment deposits	1	-	-	-	26 000	-	-	-	13 293	17 000	20 000
Consumer debtors	1	8 103	12 199	12 200	11 000	11 000	11 000	11 000	9 653	11 084	11 484
Other debtors		19 418	33 534	24 750	19 000	19 000	19 000	19 000	15 000	14 000	
Current portion of long-term receivables											
Inventory	2	5 507	4 067	4 844	4 500	4 500	4 500	4 500	4 000	4 300	4 300
Total current assets		33 035	49 806	49 231	65 898	35 261	35 261	35 261	78 653	81 384	80 784
Non current assets											
Long-term receivables		5 224	7 089	11 565	7 235	7 235	7 235	7 235	12 500	13 000	13 500
Investments											
Investment property											
Investment in Associate											
Property, plant and equipment	3	2 222 058	2 580 411	2 938 283	3 429 495	3 479 675	3 479 675	3 479 675	3 477 830	3 751 429	4 057 385
Agricultural											
Biological											
Intangible		574	404	294	5 600	5 600	5 600	5 600	2 000	3 700	6 000
Other non-current assets		1 151	1 151	1 213							
Total non current assets		2 229 007	2 589 055	2 951 354	3 442 331	3 492 511	3 492 511	3 492 511	3 492 330	3 768 129	4 076 885
TOTAL ASSETS		2 262 042	2 638 862	3 000 586	3 508 228	3 527 771	3 527 771	3 527 771	3 570 983	3 849 513	4 157 669
LIABILITIES											
Current liabilities											
Bank overdraft	1	45 487									
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Consumer deposits		3 330	3 334	3 681	3 344	3 344	3 344	3 344	3 354	3 364	3 364
Trade and other payables	4	77 046	44 709	94 883	45 000	45 000	45 000	45 000	42 000	41 000	30 000
Provisions		6 815	19 910	27 162	8 606	8 606	8 606	8 606	8 878	7 161	
Total current liabilities		132 677	67 953	125 726	56 950	56 950	56 950	56 950	54 232	51 525	33 364
Non current liabilities											
Borrowing	5										
Provisions		15 733	19 560	19 779	23 387	23 387	23 387	23 387	27 214	31 041	31 041
Total non current liabilities		15 738	19 560	19 779	23 387	23 387	23 387	23 387	27 214	31 041	31 041
TOTAL LIABILITIES		148 416	87 513	145 505	80 337	80 337	80 337	80 337	81 446	82 566	64 405
NET ASSETS	5	2 113 626	2 551 349	2 855 080	3 427 891	3 447 434	3 447 434	3 447 434	3 489 537	3 766 947	4 093 264
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		2 145 639	2 551 349	2 855 080	3 427 891	3 447 434	3 447 434	3 447 434	3 489 537	3 766 947	4 093 264
Reserves	4	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	2 145 639	2 551 349	2 855 080	3 427 891	3 447 434	3 447 434	3 447 434	3 489 537	3 766 947	4 093 264

Table A6 - Budgeted Financial Position

Table A6 is consistent with international standards of good financial management practice, and improves understandability for councillors and management of the impact of the budget on the statement of financial position (balance sheet).

This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth.

- Table SA3 is providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;

- Property, plant and equipment;
- Trade and other payables;
- Provisions

Property Plant and Equipment

It is assumed that looking at our current funding there will be an addition to PPE in 2018/2019. However, the carrying value will deteriorate from due to the fact that most of our assets are depreciating.

Long –term Receivables

It is assumed that taking in to account the current budget movement there will be an increase in 2018/2019 long term receivables. The movement will be informed by excessive expansion of plants which will subsequently increase demand of connection and require more deposits to Eskom.

Intangible Asset

It is assumed that the Intangible asset will increase taking into account the budget for intangible assets such as Software licences and upgrade to MSCOA compliant financial system.

Call Investment Deposits

For 2018/19 financial year it is assumed that there will be a slight increase on investment, cash will be available for investment because of extra revenue collection strategic mechanism that are currently in pipeline for implementation.

Inventory

The inventory level is assumed to decrease in the next financial year based on the current stock level.

Trade and other payables from exchange transactions

It is assumed based on the 2016-2017 and 2015-2014 Audited financial year that the payables will decrease. A decrease is also expected for the current budget year 2018/2019.

Consumer Debtors

It is assumed that, looking at our initiative of hiring a consultant assigned with a duty to strengthen collection of debts from consumers, there will be a decrease in consumer Debtors.

Consumer deposit

It is assumed that there will be no significant increase in Consumer deposits since most urban settlements already has service connections.

Choose name from list - Table A7 Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates											
Service charges		27 114	7 043	25 425	23 541	23 541	23 541	23 541	17 335	18 289	19 295
Other revenue			225	1 543	72 113	106 169	106 169	106 169	61 943	104 602	110 355
Government - operating	1	309 145	342 367	354 619	391 492	391 492	391 492	391 492	434 585	469 264	509 695
Government - capital	1	350 304	520 534	508 156	449 830	469 830	469 830	469 830	469 624	418 078	447 036
Interest		2 038	3 617	6 095	6 735	6 735	6 735	6 735	7 085	7 475	7 886
Dividends									-	-	-
Payments											
Suppliers and employees		(510 894)	(488 974)	(438 974)	(452 575)	(532 136)	(532 136)	(532 136)	(531 071)	(560 219)	(591 039)
Finance charges					-	-	-	-	-	-	-
Transfers and Grants	1				(1 954)	(1 954)	(1 954)	(1 954)	(2 150)	(2 268)	(2 393)
NET CASH FROM/(USED) OPERATING ACTIVITIES		177 706	384 812	456 864	489 182	463 677	463 677	463 677	457 352	455 221	500 836
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		395			500	500	500	500	-	-	-
Decrease (Increase) in non-current debtors					15 000	15 000	15 000	15 000	-	-	-
Decrease (increase) other non-current receivables						-	-	-	-	-	-
Decrease (increase) in non-current investments									-	-	-
Payments											
Capital assets		(233 816)	(376 590)	(416 215)	(465 852)	(485 852)	(485 852)	(485 852)	(408 113)	(415 574)	(444 387)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(233 421)	(376 590)	(416 215)	(450 352)	(470 352)	(470 352)	(470 352)	(408 113)	(415 574)	(444 387)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing		15 733	3 827	219					-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing									-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		15 733	3 827	219	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(39 982)	12 049	40 868	38 830	(6 675)	(6 675)	(6 675)	49 239	39 647	56 449
Cash/cash equivalents at the year begin:	2	(5 499)	(45 481)	(33 432)	(33 432)	7 436	7 436	7 436	761	50 000	89 647
Cash/cash equivalents at the year end:	2	(45 481)	(33 432)	7 436	5 398	761	761	761	50 000	89 647	146 096

MBRR Table A7 - Budgeted Cash Flow Statement

The budgeted cash flow statement is the first measurement in determining if the budget is funded.

The assumed collection rate based on the current collection level is expected to be 70% of billable revenue, taking into account that there are debtors paying for prior years.

The figure for other revenue is assumed based on the last financial year AFS and current collection.

All other activities are assumed based on the previous financial statements information and talking into account the current movements.

In terms circular 58 a municipality must show the anticipated reclaimed VAT under 'current assets' on its Budgeted Statement of Financial Position (Table A6), which would flow through to the Budgeted Cash Flow (Table A7) (i.e. the reclaimed VAT does not get recorded as 'own revenue' on the Budgeted Statement of Financial Performance, but as a cash receipt on the Budgeted Cash Flow);

Choose name from list - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash and investments available											
Cash/cash equivalents at the year end	1	(45 481)	(33 432)	7 436	5 398	761	761	761	50 000	89 647	146 096
Other current investments > 90 days		(0)	33 438	0	26 000	(1)	(1)	(1)	0	(37 647)	(81 096)
Non current assets - investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		(45 481)	6	7 436	31 398	761	761	761	50 000	52 000	65 000
Application of cash and investments											
Unspent conditional transfers		5	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	55 671	31 878	35 129	22 137	(115 785)	(115 785)	(115 785)	17 676	14 898	11 442
Other provisions		-	-	-	-	115 784	115 784	115 784	8 878	7 161	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		55 676	31 878	35 129	22 137	(1)	(1)	(1)	26 554	22 059	11 442
Surplus(shortfall)		(101 157)	(31 872)	(27 693)	9 261	761	761	761	23 446	29 941	53 558

Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist

Municipality show that the municipality budget is funded after considering some provisions

Choose name from list - Table A9 Asset Management										
Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CAPITAL EXPENDITURE										
Total New Assets	1	233 816	376 482	416 215	465 852	459 410	459 410	408 113	415 574	444 387
<i>Roads Infrastructure</i>		-	-	-	2 359	2 359	2 359	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		229 622	376 000	412 746	405 648	443 849	443 849	408 113	415 574	444 387
<i>Sanitation Infrastructure</i>		-	-	-	44 823	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		229 622	376 000	412 746	452 830	446 208	446 208	408 113	415 574	444 387
<i>Community Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Sport and Recreation Facilities</i>		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	61	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		-	-	-	-	-	-	-	-	-
<i>Housing</i>		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		471	-	58	5 600	5 600	5 600	-	-	-
Intangible Assets		471	-	58	5 600	5 600	5 600	-	-	-
Computer Equipment		623	299	631	800	800	800	-	-	-
Furniture and Office Equipment		635	89	137	722	902	902	-	-	-
Machinery and Equipment		122	94	286	-	-	-	-	-	-
Transport Assets		2 343	-	2 295	5 900	5 900	5 900	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	-	-	-	-	-	-	-	-	-
<i>Roads Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
<i>Community Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Sport and Recreation Facilities</i>		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		-	-	-	-	-	-	-	-	-
<i>Housing</i>		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-

Total Upgrading of Existing Assets	6	-	-	-	-	-	-	-	-	-
<i>Roads Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	-	-	-	-	-	-	-	-	-
<i>Roads Infrastructure</i>		-	-	-	2 359	2 359	2 359	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		229 622	376 000	412 746	405 648	443 849	443 849	408 113	415 574	444 387
<i>Sanitation Infrastructure</i>		-	-	-	44 823	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		229 622	376 000	412 746	452 830	446 208	446 208	408 113	415 574	444 387
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	61	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		471	-	58	5 600	5 600	5 600	-	-	-
Intangible Assets		471	-	58	5 600	5 600	5 600	-	-	-
Computer Equipment		623	299	631	800	800	800	-	-	-
Furniture and Office Equipment		635	89	137	722	902	902	-	-	-
Machinery and Equipment		122	94	286	-	-	-	-	-	-
Transport Assets		2 343	-	2 295	5 900	5 900	5 900	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		233 816	376 482	416 215	465 852	459 410	459 410	408 113	415 574	444 387

ASSET REGISTER SUMMARY - PPE (WDV)	5				2 359	2 359	2 359			
Roads Infrastructure										
Storm water Infrastructure										
Electrical Infrastructure										
Water Supply Infrastructure		2 218 334	2 580 333	2 935 228	3 393 019	3 443 019	3 443 019	3 445 378	3 439 932	3 715 231
Sanitation Infrastructure										
Solid Waste Infrastructure										
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
Infrastructure		2 218 334	2 580 333	2 935 228	3 395 378	3 445 378	3 445 378	3 445 378	3 439 932	3 715 231
Community Facilities										
Sport and Recreation Facilities										
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets					1 151	1 151	1 151	1 151	1 151	1 151
Revenue Generating										
Non-revenue Generating										
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings										
Housing										
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
Servitudes										
Licences and Rights					9 957	9 957	9 957	9 957	9 957	9 957
Intangible Assets		-	-	-	9 957					
Computer Equipment		623	299	631	2 035	2 035	2 035	2 035	2 035	2 035
Furniture and Office Equipment		635	89	137	3 672	3 852	3 852	3 852	3 852	3 852
Machinery and Equipment		122	94	286	2 031	2 031	2 031	2 031	2 031	2 031
Transport Assets		2 343	-	2 295	22 022	22 022	22 022	22 022	22 022	22 022
Libraries										
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	2 222 058	2 580 815	2 938 577	3 436 247	3 486 427	3 486 427	3 486 427	3 480 981	3 756 280
EXPENDITURE OTHER ITEMS										
Depreciation	7	45 070	53 098	57 672	75 445	75 445	75 445	83 194	87 770	92 597
Repairs and Maintenance by Asset Class	3	41 115	29 009	19 018	40 445	38 284	38 284	36 203	38 089	40 184
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		34 428	22 280	13 013	28 682	28 682	28 682	29 903	31 548	33 283
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		34 428	22 280	13 013	28 682	28 682	28 682	29 903	31 548	33 283
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	3 800	1 639	1 639	100	-	-
Community Assets		-	-	-	3 800	1 639	1 639	100	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		1 845	593	206	1 088	1 088	1 088	2 500	2 638	2 783
Housing		-	-	-	-	-	-	-	-	-
Other Assets		1 845	593	206	1 088	1 088	1 088	2 500	2 638	2 783
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		64	6	37	13	13	13	100	106	111
Furniture and Office Equipment		17	50	78	113	113	113	600	633	668
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		4 763	6 079	5 684	6 750	6 750	6 750	3 000	3 165	3 339
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		86 185	82 106	76 690	115 890	113 729	113 729	119 398	125 859	132 781

Table A9 - Asset Management

Capital Infrastructure Programme

Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE

The infrastructure is funded solely by grants such as MIG, RBIG AND WISG, most portion is spent on water provision.

The municipality budget does include budget for repairs and maintenance, even though it is very limited, and there is nothing the municipality can do to fund the budget.

Municipality maintenance is not according to what is required by treasury, because of the very scarce resources the municipality facing, and the depreciation is also higher

Choose name from list - Table A10 Basic service delivery measurement

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets	1									
Water:										
Piped water inside dwelling		30 756	30 920	51 653	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		46 935	49 353	31 315	9 612	9 612	9 612	10 573	11 631	12 794
Using public tap (at least min.service level)	2	29 510	29 811	15 368	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		107 201	110 084	98 336	9 612	9 612	9 612	10 573	11 631	12 794
Using public tap (< min.service level)	3	107 201	125 452	15 720	-	-	-	-	-	-
Other water supply (< min.service level)	4	29 510	15 368	13 750	6 239	6 239	6 239	6 863	7 549	8 304
No water supply		34 215	32 566	32 566	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		170 926	173 386	62 036	6 239	6 239	6 239	6 863	7 549	8 304
Total number of households	5	278 127	283 470	160 372	15 851	15 851	15 851	17 436	19 180	21 098
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		30 265	30 920	30 000	-	-	-	-	-	-
Flush toilet (with septic tank)		1 364	866	866	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		80 205	89 830	89 830	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		111 834	121 616	120 696	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	5 500	5 500	5 500	6 050	6 655	7 321
No toilet provisions		46 027	36 150	36 150	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		46 027	36 150	36 150	5 500	5 500	5 500	6 050	6 655	7 321
Total number of households	5	157 861	157 766	156 846	5 500	5 500	5 500	6 050	6 655	7 321
Energy:										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Refuse:										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		101 295	141 416	-	11 600	11 600	11 600	12 760	14 036	15 440
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		848	891	636	0	0	0	4 425	4 867	5 354
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)										
Total cost of FBS provided		848	891	636	0	0	0	4 425	4 867	5 354
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA										
Water (in excess of 6 kilolitres per indigent household per month)										
Sanitation (in excess of free sanitation service to indigent households)										
Electricity/other energy (in excess of 50 kwh per indigent household per month)										
Refuse (in excess of one removal a week for indigent households)										
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		-	-	-	-	-	-	-	-	-

A10 Basic service delivery measurement

More details are provided in Table A10 Basic service delivery measurement.

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the municipality’s Indigent Policy.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

The information in the A10 is provided or taken from the municipality WSDP for 2018/2019. The Zululand district municipality is operating in the area that is dominated by rural areas, most households seems to be indigent as were are in the process of updating the register, the households that are getting billed are people from small urban areas, so the number of households with access to water will increase but not correlating with the increase in service charges.

There seems to be a huge difference between 2016-2017 financial year and 2018-2019 financial year, this result from the fact that the municipality have been putting the whole of the back lock in table A10, but now we have realised that we should put the next year's target.

There are figures available in table SA9 and they are rounded off, that make it seems as if there is no figures in A10.

12.6 OVERVIEW OF THE BUDGET PROCESS

Political oversight of the budget process

Section 53 (1) of the MFMA stipulates that the mayor of a municipality must provide general political guidance over the budget process and the priorities that guide the preparation of the budget.

Section 21(1) of the MFMA states that the Mayor of a municipality must coordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible.

Furthermore, this section also states that the Mayor must at least 10 months before the start of the budget year, table in municipal council, a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget.

This time schedule provides for political input from formal organizations such as portfolio Committees.

Schedule of Key Deadlines relating to budget and IDP process [MFMA 21(1) (b)]

After the Local Government Elections the newly elected council was appointed on the 1st of September 2016, The IDP and Budget time schedule of the 2018/2019 budget cycle was approved by Council on 24 August 2017.

The IDP and Budget Process Plan ensure that the role-players within the process are well prepared. All activities outlined within this document have been prepared in close inter-relation with the Framework that governs both the District and all local municipalities.

The following public budget and IDP meetings were held throughout Zululand and all members of the public were urged to attend.

Town/Sector
Pongola
Edumbe
Vryheid
Ulundi
Nongoma

12.7 OVERVIEW OF ANNUAL BUDGET WITH IDP

Integrated Development Plan Review Process

The Integrated Development Plan (IDP) Review Process is a vehicle through which Municipalities prepare strategic development plans called Integrated Development Plans for a five-year period. Because service delivery is progressive in nature, the IDP must be reviewed annually to keep up with the evolving nature of communities.

The Zululand District Municipality will embark on its IDP Review of the 5 Year cycle of IDPs which commenced from the 2016/17 - 2020/2021 financial years.

Legal Status

The IDP is a legislative requirement, has a legal status and therefore supersedes all other plans that guide development at local government level.

❖ Vision

We are the Zululand region and proud of our heritage. We are mindful of the needs of the poor and we seek to reflect the aspirations of our communities. We are committed to responsible and accountable actions, tolerance and concern for racial harmony, the protection of our environment, and the strengthening of the role of women and youth. We will strive to improve the quality of life in Zululand by providing sustainable infrastructure, promoting economic development and building capacity within our communities. " We serve our people."

❖ Mission

To create an affluent district by:

- Provision of optimal delivery of essential services;
- Supporting sustainable local economic development; and
- Community participation in service delivery

❖ Core Values

- Transparency
- Commitment
- Innovation
- Integrity
- Co-operation

The above vision strategic focus areas of the Zululand District Municipality are:

- To facilitate the delivery of sustainable infrastructure and services
- To promote economic development
- To promote social development

Zululand District Municipality (Key Performance Areas)

These focus areas are broken down to objectives and strategies, which is used to set KPIs for the measurement of the Municipality's performance, and progress with its service delivery mandate. It is important to note that the national KPAs as set that relate to:

- Basic Service Delivery
- Municipal Financial viability and management
- Local Economic Development
- Good Governance & Public Participation
- Municipal transformation and institutional development

12.8 MEASURABLE PERFORMANCE OBJECTIVES

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance.

1. KEY FINANCIAL INDICATORS AND RATIOS

Information regarding key financial indicators and ratios are provided on supporting table SA 8.

2. MEASURABLE PERFORMANCE OBJECTIVES

Information regarding revenue is provided as follows:

- **Revenue for each vote:** Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)
- **Revenue for each source:** Table A4 Budgeted Financial Performance (revenue and expenditure)

Provision of free basic services:

More details are provided in Table A10 Basic service delivery measurement.

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the municipality's Indigent Policy

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

12.9 OVERVIEW OF BUDGET RELATED POLICIES

The following budget policies were taken into account when preparing for budget documentation:

- i) Budget Policy
- ii). Virement Policy
- iii). Credit control policy
- iv). Debt write off-policy
- v). Banking and investment policy
- vi). Funding and Reserve policy
- vii). Supply Chain management policy
- viii). Asset Management Policy
- ix). Asset Loss control policy
- x). Indigent support policy
- xi). Insurance Policy
- xii). Tariff Policy
- xiii). Subsistence and Travelling Policy

CREDIT CONTROL AND TARIFF BYLAWS

The Municipal System Act requires Council to adopt a Tariff Policy. The general financialmanagement functions covered in section 62 of the MFMA includes the implementation of atariff policy. Specific legislation applicable to each service has been taken into considerationwhen determining this policy. This Policy has been formulated in terms of section 96 (b) and 98 of the Local Government: Municipal Systems Act, 2000 and the Credit Control and Debt Collection By-Law.

Tariff policy on Water and Tariff Policy on Sanitation are included in our approved Credit Control and Debt Collection Policy

BANKING AND INVESTMENT POLICY

The underlying cash is managed and invested in accordance with the Municipality's approved Cash Management and Investment Policy, which is aligned with National Treasury's municipal investment regulations dated 01 April 2005.

SUPPLY CHAIN MANAGEMENT POLICY

Section 111 of the MFMA requires each Municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act. The Municipality's Supply Chain Management Policy was approved by Council. The recommended adjustments to the policy is to align the policy with the new Preferential Procurement Regulations, and to streamline the policy to include best practices as advised by staff of the Provincial Government following their review of the policy

ASSET MANAGEMENT POLICY

The aim of the policy is to ensure that the assets of the municipality are properly managed and accounted for.

IT Policy

The installation of the municipality's information technology (IT) network represents a significant capital outlay, and the objective of this policy is therefore to ensure that this investment in modern technology is properly managed.

Risk Management Policy

The objective is to review the effectiveness of the municipality's financial risk management strategies, with specific reference to the effectiveness with which the municipality's financial and other policies are being implemented.

Review the effectiveness of the municipality's other operational risk management strategies, including environmental risks, risks relating to the safety and well-being of the municipality's employees and risks relating to inadequate training and functional capacitation of the municipality's employees.

Identify and assess the significance of any risks not covered by existing risk management strategies, and formulate means of addressing such risks.

Insurance policy

This insurance policy is aimed at ensuring that all assets, Councillors, employees and third parties are insured economically and adequately at all times.

Financial Plan

The purpose of the financial plan is to set out details of the financial issues that need to be addressed in a financial year. It is meant to be a tool to highlight any financial shortcomings

Indigent's policy and budget implementation and management policy are in progress, by the time of approval of the annual budget they were not on the final stage.

12.9 OVERVIEW OF BUDGET ASSUMPTIONS

12.9.1 Expenditure

12.9.1.1 Salaries and Allowances

The assumption is based on the MFMA Budget circular together with the terms of the National Bargaining Council negotiations for salary increases. For the 2018/19 financial year a 7.3 % (CPI) increase is budgeted for qualifying employees. For Councillors allowances upper limits were considered for the 2018/19 financial year, and a 7.3% increase was budgeted.

12.9.1.2 General expenditure

It is assumed that costs for services will increase in line with the CPI. The current oil price is still a concern and it is expected that the fuel price hikes will have a substantial effect on expenditure. It is also assumed that the capital projects for 2018/2019 will be completed during the financial year as there were budgeted for, the depreciation of such projects as per general recognized accounting practice (GRAP) is also taken in to account.

The depreciation for 2018/2019 is projected, there are projects that will be capitalised to assets which are in progress, and this will accelerate the depreciation expense. The depreciation will be funded by our reserves.

12.9.1.3 Repairs and Maintenance

It is assumed that municipal infrastructure and assets will be maintained and there will be an increase on its spending. It is assumed that major breakages will take place during the financial year. Our repairs and maintenance is mainly contracted, therefore they do not include employee related. Major part of PPE net asset value constitutes of WIP that is not due for repairs and maintenance.

12.9.1.4 Finance costs

It is assumed that interest is not allocated for since we pay no interest during the financial year.

12.9.1.6 Bulk Purchases

It is assumed that electricity tariffs of Eskom will increase by 6.84 % as from 1 July 2018, as approved by NERSA.

12.9.1.7 Depreciation and Asset impairment

Budget for depreciation and asset impairment is based on 2017/18 year actual outcomes, the values of assets currently possessed by the municipality, and assets budgeted for to be purchased within concerned budget period.

12.9.1.8 Contracted services

Contracted services include all services that are contracted and also repairs and maintenance since our repairs and maintenance are provided externally. In terms of proper assignment of variable costs for vehicles allocated to rural schemes, certain portion of Operation of Rural Schemes budget has been allocated to correct votes.

12.9.1.9 Bank charges

Bank charges are classified in SA1 as general expenses.

12.9.2 Income

12.9.2.1 Collection rate for municipal services

The municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring all people lead government.

In accordance with relevant legislation and national directives, the estimated revenue recovery rates are based on realistic and sustainable trends but municipality has put forward the methods and strategies for the collection of current and previous debtors. For instance, the municipality is in the process of hiring the consultant specialising in debt collection.

12.9.2.2 Sale of water and sewerage fees

There will be a progressive tariff increase for the budget year. The budget is based on the realistic billing figures and the projection was made. These increases are recommended in order to cap water consumption. The comparison between the tariff increase and the budgeted billing might be a bit off since service charges budget is estimated based on the current actual billing for both water and sanitation.

12.9.2.3 Interest on investments

It is assumed that Interest Income will increase; the projection was made considering the 2017/2018 year to date actual. The investment rate will be based on the highest financial institution offerings.

12.9.2.4 Rental facilities

The Rental of facilities and equipment was based on signed contractual agreements.

12.9.2.5 Other revenue

Other revenue in the budget consist of the amount that will be collected during the year such as meter testing, tender fee, Indonsa hall hire, Indonsa deposit refundable etc. The other portion of revenue is a non-collectable revenue or reserves but the funds that will be used to cater for backlog depreciation and provision of doubtful debts.

12.9.2.6 Grants

It is assumed that the National and Provincial grants as per Division of Revenue Act (DORA) which has been included in the budget will be received during the 2018/2019 financial year.

12.9.3 FINANCIAL POSITION

Table A6 is consistent with international standards of good financial management practice, and improves understandability for councillors and management of the impact of the budget on the statement of financial position (balance sheet).

This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth.

2. Table SA3 is providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions

12.9.3.1 Property Plant and Equipment

It is assumed that looking at our current funding there will be an addition to PPE in 2018/2019. However, the carrying value will deteriorate from due to the fact that most of our assets are depreciating.

12.9.3.2 Long –term Receivables

It is assumed that taking in to account the current budget movement there will be an increase in 2018/2019 long term receivables. The movement will be informed by excessive expansion of plants which will subsequently increase demand of connection and require more deposits to Eskom.

12.9.3.3 Intangible Asset

It is assumed that the Intangible asset will increase taking into account the budget for intangible assets such as Software licences and upgrade to MSCOA compliant financial system.

12.9.3.4 Call Investment Deposits

For 2018/19 financial year it is assumed that there will be a slight increase on investment, cash will be available for investment because of extra revenue collection strategic mechanism that are currently in pipeline for implementation.

12.9.3.5 Inventory

The inventory level is assumed to decrease in the next financial year based on the current stock level .

12.9.3.6 Trade and other payables from exchange transactions

It is assumed based on the 2016-2017 and 2015-2014 Audited financial year that the payables will decrease. A decrease is also expected for the current budget year 2018/2019.

12.9.3.7 Consumer Debtors

It is assumed that, looking at our initiative of hiring a consultant assigned with a duty to strengthen collection of debts from consumers, there will be a decrease in consumer Debtors.

12.9.3.7 Consumer deposit

It is assumed that there will be no significant increase in Consumer deposits since most urban settlements already has service connections.

12.9.3.8 Transfers and grants – capital

The Division of Revenue Act has gazetted all capital grants to be received.

12.9.4 Cash flow

The budgeted cash flow statement is the first measurement in determining if the budget is funded.

The assumed collection rate based on the current collection level is expected to be 70% of billable revenue, taking into account that there are debtors paying for prior years.

The figure for other revenue is assumed based on the last financial year AFS and current collection.

All other activities are assumed based on the previous financial statements information and talking into account the current movements.

In terms circular 58 a municipality must show the anticipated reclaimed VAT under 'current assets' on its Budgeted Statement of Financial Position (Table A6), which would flow through to the Budgeted Cash Flow (Table A7) (i.e. the reclaimed VAT does not get recorded as 'own revenue' on the Budgeted Statement of Financial Performance, but as a cash receipt on the Budgeted Cash Flow);

12.9.5 Cash Backed Reserves/Accumulated Surplus Reconciliation

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

12.10 OVERVIEW OF BUDGET FUNDING

SUMMARY

The operating budget for 2018/2019 to 2020/2021 will be financed as follows:

	2018/2019	2019/2020	2020/2021
Provincial and National Operating Grants	R 431 674 000	R 464 968 000	R 506 608 000
Own revenue	R 98 959 448	R 150 939 683	R 143 167 325

Water and sewerage charges	R 24 835 938	R 26 198 008	R 27 634 991
Rental Income	R 118 604	R 125 127	R 132 009
Interest Earned	R 6 995 800	R 7 380 569	R 7 786 500
Interest on outstanding debtors	R 89 420	R 94 338	R 99 527
Total Operating Revenue excl. Capital Transfers	R 562 673 210	R 649 709 632	R 685 436 381

The capital budget for 2018/2019 to 2020/2021 will be financed as follows:

	2018/2019	2019/2020	2020/2021
Own Funds			
Grants - Capital	R408 113 417	415 574 000.00	444 387 000.00
- Operational	R61 510 583	2 504 000.00	2 649 000.00
Total Capital Budget	R469 624 000	R 418 078 000	R447 036 000

The SA10 is detailing the funding in terms of grants.

Sustainability of municipality

The way that the budget is funded will ensure that the municipality will be sustainable on the short term.

Impact on tariffs

The way that the budget is funded will ensure that a progressive increase on tariffs is sustainable. The municipality has no control over the increases of electricity tariffs and a 6.84% increase in electricity tariffs of Eskom; will be mitigated by the 5.3% increase catered for on the budget. Water, sewerage together with the sundry tariffs is listed in tariffs schedule.

Planned savings and efficiencies

The following areas were identified for possible savings after the efficiency of the usage of the assets/services has been evaluated:

- Telephone costs
- Overtime
- Non priority projects

Investments

Particulars of monetary investments that is projected for 2018/2019:

Investments Amount

Absa	R 13,293,000
TOTAL	R 13,293,000

Planned proceeds of sale of assets

No significant revenue is expected from the sale of redundant assets.

Planned use of previous year's cash backed accumulated surplus

The previous year's surplus is cash backed.

New borrowings

There are no new borrowings proposed.

12.11 EXPENDITURE ALLOCATIONS AND GRANT PROGRAMMES

Particulars of budgeted allocations and grants

Please refer to Supporting Table SA19: Expenditure on transfers and grant programme.

Choose name from list - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		305 590	333 756	352 708	389 581	389 581	389 581	431 674	464 968	506 608
Local Government Equitable Share		297 420	322 706	347 834	382 571	382 571	382 571	424 766	463 503	505 408
Finance Management		1 250	1 250	1 250	1 250	1 250	1 250	1 000	1 465	1 200
Municipal Systems Improvement		934								
Water Services Operating Subsidy		3 500	6 000							
EPWP Incentive		2 486	3 800	3 624	5 760	5 760	5 760	5 908		
Other transfers/grants [insert description]										
Provincial Government:		2 325	3 715	2 311	1 911	1 911	1 911	2 911	4 296	3 087
Shared services		250	400	400				300	400	400
Art centre Subsidies (Indonsa Grant)		1 729	1 815	1 911	1 911	1 911	1 911	1 911	1 911	1 911
Councilloe Training										
Gow th Development summit		346								
Tourism strategy spatial frame work								700	735	776
Other transfers/grants [insert description]			1 500					-	1 250	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants		307 915	337 471	355 019	391 492	391 492	391 492	434 585	469 264	509 695
Capital expenditure of Transfers and Grants										
National Government:		350 304	522 707	437 625	449 830	499 830	499 830	469 624	418 078	447 036
Municipal Infrastructure Grant (MIG)		241 622	221 359	218 314	229 725	229 725	229 725	220 762	225 574	238 887
Regional Bulk Infrastructure		62 866	187 699	108 011	110 000	160 000	160 000	131 498	90 000	100 000
Rural Roads Asset Managemnt Systems Grant		2 167	2 173	2 229	2 359	2 359	2 359	2 364	2 504	2 649
Municipal Water Infrastructure Grant		39 205	79 006							
Water services infrastructure Grant				109 071	107 746	107 746	107 746	115 000	100 000	105 500
Rural sanitation										
Massification										
Drought relief		4 444	32 471							
Rural Transport Services and Infrastructure										
Other capital transfers/grants [insert desc]										
Other capital transfers/grants [insert desc]										
Provincial Government:		1 017	-	-	-	-	-	-	-	-
Airport		1 017								
ACIP		1 017								
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		351 322	522 707	437 625	449 830	499 830	499 830	469 624	418 078	447 036
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		659 236	860 178	792 644	841 322	891 322	891 322	904 209	887 342	956 731

ALLOCATIONS OR GRANTS MADE BY THE MUNICIPALITY

Please refer to Supporting Table SA21 Transfers and grants made by the municipality.

Choose name from list - Supporting Table SA21 Transfers and grants made by the municipality

R thousand	Description	Ref	2014/15			2015/16			2016/17			Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21						
	Cash Transfers to other municipalities																	
	Total Cash Transfers To Municipalities:																	
	Cash Transfers to Entities/Other External Mechanisms																	
	DM KZN: ZULULAND - PLAN & DEV TOURISM	2	-	-	-	150	150	150	150	150	150	150	150	150	158	167		
	Total Cash Transfers To Entities/Ems'		-	-	-	150	150	150	150	150	150	150	150	158	167			
	Cash Transfers to other Organs of State																	
	Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Cash Transfers to Organisations																	
	Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Cash Transfers to Groups of Individuals																	
	Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL CASH TRANSFERS AND GRANTS	6	-	-	-	150	150	150	150	150	150	150	150	158	167			
	Non-Cash Transfers to other municipalities																	
	Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-Cash Transfers to Entities/Other External Mechanisms																	
	Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-Cash Transfers to other Organs of State																	
	Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-Cash Grants to Organisations																	
	Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Groups of Individuals																	
	HH SSP SOC ASS: POVERTY RELIEF	5	-	1 507	1 396	1 804	1 804	1 804	1 804	1 804	1 804	1 804	2 000	2 110	2 226			
	Total Non-Cash Grants To Groups Of Individuals:		-	1 507	1 396	1 804	1 804	1 804	1 804	1 804	1 804	1 804	2 000	2 110	2 226			
	TOTAL NON-CASH TRANSFERS AND GRANTS		-	1 507	1 396	1 804	1 804	1 804	1 804	1 804	1 804	1 804	2 000	2 110	2 226			
	TOTAL TRANSFERS AND GRANTS	6	-	1 507	1 396	1 954	1 954	1 954	1 954	1 954	1 954	1 954	2 150	2 268	2 393			

12.12 COUNCILLORS ALLOWANCES AND EMPLOYEE BENEFITS

Costs to Municipality:
Councillors

Choose name from list - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		532 044	-	186 211.75			718 255
Chief Whip								-
Executive Mayor			518 506	76 995	225 565.25			821 066
Deputy Executive Mayor			286 387	38 388	126 902.75			451 678
Executive Committee			1 967 566	29 765	705 496.00			2 702 826
Total for all other councillors			2 133 731	73 800	821 056.75			3 028 589
Total Councillors	8	-	5 438 234	218 949	2 065 233			7 722 415
Senior Managers of the Municipality	5							
Municipal Manager (MM)			2 082 289	160 377	1 475 943.41			3 718 609
Chief Finance Officer			995 728	79 734	711 728.87			1 787 191
HOD: Planning			886 825	78 546	635 133.56			1 600 505
HOD: Community			948 146	79 159	678 262.88			1 705 569
HOD: Technical			995 728	52 606	711 728.87			1 760 064
HOD: Corporate			995 728	79 734	711 728.87			1 787 191
<i>List of each official with packages >= senior manager</i>								
Total Senior Managers of the Municipality	8,10	-	6 904 445	530 157	4 924 526			12 359 129
A Heading for Each Entity	6,7							
List each member of board by designation								-
Total for municipal entities	8,10	-	-	-	-	-	-	-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	12 342 679	749 106	6 989 759			20 081 544

All other staff **R 169 890 803**

Number of Councillors **35**

Senior Managers **6**

Details of employee numbers can be obtained on Supporting Table SA24: Summary of personnel numbers.

12.13 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

The monthly targets for revenue and expenditure are provided in Supporting Table SA25 Budgeted monthly revenue and expenditure.

Choose name from list - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
Revenue By Source																	
Property rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		1 375	1 375	1 375	1 375	1 375	1 375	1 375	1 375	1 375	1 375	1 375	1 375	1 375	16 498	17 406	18 363
Service charges - sanitation revenue		689	689	689	689	689	689	689	689	689	689	689	689	689	8 267	8 721	9 201
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		10	10	10	10	10	10	10	10	10	10	10	10	10	119	125	132
Interest earned - external investments		583	583	583	583	583	583	583	583	583	583	583	583	583	6 996	7 381	7 787
Interest earned - outstanding debtors		7	7	7	7	7	7	7	7	7	7	7	7	7	89	94	100
Dividends received		-	0	0	0	0	0	0	0	0	0	0	0	(0)	-	-	-
Fines, penalties and forfeits		6	6	6	6	6	6	6	6	6	6	6	6	6	71	75	79
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		35 973	35 973	35 973	35 973	35 973	35 973	35 973	35 973	35 973	35 973	35 973	35 973	38 884	434 585	469 264	509 695
Other revenue		8 247	8 247	8 247	8 247	8 247	8 247	8 247	8 247	8 247	8 247	8 247	8 247	5 336	96 048	152 883	146 671
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		46 889	46 889	46 889	46 889	46 889	46 889	46 889	46 889	46 889	46 889	46 889	46 889	46 889	562 673	655 949	692 027
Expenditure By Type																	
Employee related costs		15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	182 250	192 274	202 849
Remuneration of councillors		644	644	644	644	644	644	644	644	644	644	644	644	644	7 722	8 147	8 595
Debt impairment		647	647	647	647	647	647	647	647	647	647	647	647	647	7 769	8 196	8 647
Depreciation & asset impairment		6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	83 194	87 770	92 597
Finance charges		-	0	0	0	0	0	0	0	0	0	0	0	(0)	-	-	-
Bulk purchases		6 953	6 953	6 953	6 953	6 953	6 953	6 953	6 953	6 953	6 953	6 953	6 953	6 953	83 431	88 020	92 861
Other materials		1 979	1 979	1 979	1 979	1 979	1 979	1 979	1 979	1 979	1 979	1 979	1 979	1 979	23 745	25 135	26 517
Contracted services		14 546	14 546	14 546	14 546	14 546	14 546	14 546	14 546	14 546	14 546	14 546	14 546	18 342	178 345	187 545	197 868
Transfers and subsidies		179	179	179	179	179	179	179	179	179	179	179	179	179	2 150	2 268	2 393
Other expenditure		3 986	3 986	3 986	3 986	3 986	3 986	3 986	3 986	3 986	3 986	3 986	3 986	11 731	55 577	59 098	62 348
Loss on disposal of PPE		-	0	0	0	0	0	0	0	0	0	0	0	(0)	-	-	-
Total Expenditure		51 054	51 054	51 054	51 054	51 054	51 054	51 054	51 054	51 054	51 054	51 054	51 054	62 595	624 184	658 453	694 676
Surplus/(Deficit)		(4 164)	(4 164)	(4 164)	(4 164)	(4 164)	(4 164)	(4 164)	(4 164)	(4 164)	(4 164)	(4 164)	(4 164)	(15 706)	(61 511)	(2 504)	(2 649)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		39 135	39 135	39 135	39 135	39 135	39 135	39 135	39 135	39 135	39 135	39 135	39 135	39 135	469 624	418 078	447 036
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)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		34 971	34 971	34 971	34 971	34 971	34 971	34 971	34 971	34 971	34 971	34 971	34 971	23 430	408 113	415 574	444 387
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	34 971	34 971	34 971	34 971	34 971	34 971	34 971	34 971	34 971	34 971	34 971	34 971	23 430	408 113	415 574	444 387

The monthly targets for cash flows are provided in Supporting Table SA30 Budgeted monthly cash flow.

Choose name from list - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand															
Cash Receipts By Source															
Property rates													1		
Service charges - electricity revenue															
Service charges - w water revenue	962	962	962	962	962	962	962	962	962	962	962	962	11 549	12 184	12 854
Service charges - sanitation revenue	482	482	482	482	482	482	482	482	482	482	482	482	5 787	6 105	6 441
Service charges - refuse revenue															
Service charges - other															
Rental of facilities and equipment	10	10	10	10	10	10	10	10	10	10	10	10	119	125	132
Interest earned - external investments	583	583	583	583	583	583	583	583	583	583	583	583	6 996	7 381	7 787
Interest earned - outstanding debtors	7	7	7	7	7	7	7	7	7	7	7	7	89	94	100
Dividends received															
Fines, penalties and forfeits	6	6	6	6	6	6	6	6	6	6	6	6	71	75	79
Licences and permits															
Agency services															
Transfer receipts - operational	144 862			144 862					144 862				434 585	469 264	509 695
Other revenue	5 146	5 146	5 146	5 146	5 146	5 146	5 146	5 146	5 146	5 146	5 146	5 146	61 753	104 402	110 144
Cash Receipts by Source	152 059	7 197	7 197	152 059	7 197	7 197	7 197	7 197	152 059	7 197	7 197	7 197	520 949	599 630	647 231
Other Cash Flows by Source															
Transfer receipts - capital	39 135	39 135	39 135	39 135	39 135	39 135	39 135	39 135	39 135	39 135	39 135	39 135	469 624	418 078	447 036
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)															
Proceeds on disposal of PPE															
Short term loans															
Borrowing long term/refinancing															
Increase (decrease) in consumer deposits															
Decrease (increase) in non-current debtors															
Decrease (increase) other non-current receivables															
Decrease (increase) in non-current investments															
Total Cash Receipts by Source	191 194	46 332	46 332	191 194	46 332	46 332	46 332	46 332	191 194	46 332	46 332	46 332	990 573	1 017 708	1 094 267
Cash Payments by Type															
Employee related costs	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	182 250	192 274	202 849
Remuneration of councillors	644	644	644	644	644	644	644	644	644	644	644	644	7 722	8 147	8 595
Finance charges															
Bulk purchases - Electricity	3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	36 899	38 928	41 069
Bulk purchases - Water & Sewer	3 878	3 878	3 878	3 878	3 878	3 878	3 878	3 878	3 878	3 878	3 878	3 878	46 533	49 092	51 792
Other materials	1 979	1 979	1 979	1 979	1 979	1 979	1 979	1 979	1 979	1 979	1 979	1 979	23 745	25 135	26 517
Contracted services	14 862	14 862	14 862	14 862	14 862	14 862	14 862	14 862	14 862	14 862	14 862	14 862	178 345	187 545	197 868
Transfers and grants - other municipalities															
Transfers and grants - other	179	179	179	179	179	179	179	179	179	179	179	179	2 150	2 268	2 393
Other expenditure	4 631	4 631	4 631	4 631	4 631	4 631	4 631	4 631	4 631	4 631	4 631	4 631	55 577	59 098	62 348
Cash Payments by Type	44 435	44 435	44 435	44 435	44 435	44 435	44 435	44 435	44 435	44 435	44 435	44 435	533 221	562 487	593 432
Other Cash Flows/Payments by Type															
Capital assets	34 009	34 009	34 009	34 009	34 009	34 009	34 009	34 009	34 009	34 009	34 009	34 009	408 113	415 574	444 387
Repayment of borrowing															
Other Cash Flows/Payments															
Total Cash Payments by Type	78 445	78 445	78 445	78 445	78 445	78 445	78 445	78 445	78 445	78 445	78 445	78 445	941 334	978 061	1 037 819
NET INCREASE/(DECREASE) IN CASH HELD	112 749	(32 112)	(32 112)	112 749	(32 112)	(32 112)	(32 112)	(32 112)	112 749	(32 112)	(32 112)	(32 112)	49 239	39 647	56 449
Cash/cash equivalents at the month/year begin:	761	113 511		49 286	162 036	129 923	97 811	65 699	33 587	146 336	114 224	82 112	761	50 000	89 647
Cash/cash equivalents at the month/year end:	113 511	81 398	49 286	162 036	129 923	97 811	65 699	33 587	146 336	114 224	82 112	50 000	50 000	89 647	146 096

12.13 CAPITAL SPENDING DETAIL

Information/detail regarding capital projects by vote is provided in Supporting Table SA36: Detailed Capital budget.

Choose name from list - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2018/19 Medium Term Revenue & Expenditure Framework			Project Information	
										Audited Outcome 2016/17	Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Ward location	New or renewal
Parent municipality:																
List all capital projects grouped by Municipal Vote																
Sanitation		Rural sanitation			Yes	Infrastructure - Sanitation	sanitation	all over zululand	218 314	44 823	47 018	46 018	42 018			New
Rudimentary		RUDIMENTARY SCHEMES			Yes	Infrastructure - Water	Infrastructure - Water	all over zululand		32 508	32 508	32 508	36 508			New
Nsofeni RWSS (incl Okhuku)		WATER DISTRIBUTION			Yes	Infrastructure - Water	Infrastructure - Water	31° 14' 43.30" E 29° 14' 4.87" S		11 099	11 099	12 099	13 099			New
Usuthu RWSS (incl Okhuku)		WATER DISTRIBUTION			Yes	Infrastructure - Water	Infrastructure - Water	31° 35' 13.15" E 27° 59' 48.972" S		56 338	56 338	56 338	58 338			New
Mandlakhazi RWSS PH 3		WATER SANITATION			Yes	Infrastructure - Water	Infrastructure - Water	31° 51' 24.068" E 27° 48' 59.276" S		20 482	20 810	22 482	27 482			New
Gambi Emergency (Mhuzal/Candover)		WATER DISTRIBUTION			Yes	Infrastructure - Water	Infrastructure - Water	31° 52' 34.165" E 27° 29' 3.471" S								New
Sind East		WATER DISTRIBUTION			Yes	Infrastructure - Water	Infrastructure - Water	31° 31' 21.977" E 27° 21' 23.165" S		3 668	3 668	3 708	4 120			New
Sind Central		WATER DISTRIBUTION			Yes	Infrastructure - Water	Infrastructure - Water	31° 15' 39.119" E 27° 22' 5.781" S		3 930	3 930	4 930	3 930			New
Sind West		WATER DISTRIBUTION			Yes	Infrastructure - Water	Infrastructure - Water	30° 59' 55.011" E 27° 25' 34.117" S		19 624	19 624	19 624	21 624			New
Khambi		WATER DISTRIBUTION			Yes	Infrastructure - Water	Infrastructure - Water	31° 18' 53.924" E 27° 47' 2.463" S		1 672	1 672	1 672	5 672			New
Coronation (Eryathi)		WATER DISTRIBUTION			Yes	Infrastructure - Water	Infrastructure - Water	31° 4' 20.41" E 27° 50' 47.165" S		8 229	8 229	9 229	8 229			New
Immediate stand alone scheme		WATER DISTRIBUTION			Yes	Infrastructure - Water	Infrastructure - Water	31° 37' 30.644" E 28° 15' 23.641" S		8 500	8 500	9 500	8 500			New
oMondo		WATER DISTRIBUTION			Yes	Infrastructure - Water	Infrastructure - Water	30° 42' 49.749" E 27° 59' 1.024" S		7 466	7 466	7 466	9 466			New
Municipal Water Infrastructure Grant		INFRASTRUCTURE: WATER			Yes	Infrastructure - Water	Infrastructure - Water			109 071	107 746	131 498	90 000	100 000		New
Water services Infrastructure Grant		INFRASTRUCTURE: WATER			Yes	Infrastructure - Water	Infrastructure - Water									New
PROJECT MANAGEMENT UNIT					Yes						11 485					New
MANDLAKAZI		REGIONAL BULK WATER SCHEMES			Yes	Infrastructure - Water	Infrastructure - Water	31° 51' 24.068" E 27° 48' 59.276" S	218 314	60 000	110 000	160 000	160 000			New
USUTHU		REGIONAL BULK WATER SCHEMES			Yes	Infrastructure - Water	Infrastructure - Water	31° 35' 13.15" E 27° 59' 48.972" S		70 000						New
Parent Capital expenditure	1											462 260	475 574	498 887		

12.14 LEGISLATION COMPLIANCE STATUS

Zululand District Municipality complies in general with legislation applicable to municipalities.

• **MSCOA Regulations**

The Municipality will be fully compliant with the MSCOA regulation as from 01 July 2018.

• **In year reporting**

Reporting to National Treasury in electronic format is fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) is also complied with.

• **Internship programme**

The Municipality is participating in the Municipal Financial Management Internship programme and is in the process of recruiting three individuals that will undergo training in various divisions of the Financial Services Department.

• **Budget and Treasury Office**

The Budget and Treasury Office has been established in accordance with the MFMA.

• **Audit Committee**

The Audit Committee has met three times already this financial year compared to four times per financial year as legislated.

• **Annual Report**

The Final annual report was adopted and approved at the end of January 2018 and is 100% Complete.

12.15 CONTRACTS HAVING BUDGETARY IMPLICATIONS

Choose name from list - Supporting Table SA36 Detailed capital budget																
Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2018/19 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4			2	6	3	3	5		Audited Outcome 2016/17	Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Ward location	New or renewal
Parent municipality:																
<i>List all capital projects grouped by Municipal Vote</i>																
Sanitation		Rural sanitation			Yes	Infrastructure - Sanitation	sanitation	all over zululand	218 314	44 823	47 018	46 018	42 018			New
Rudimentary		RUDIMENTARY SCHEMES			Yes	Infrastructure - Water	Reliculation	all over zululand		32 508	32 508	32 508	36 508			New
Nkongeni RWSS (incl Okhukhu)		WATER DISTRIBUTION			Yes	Infrastructure - Water	Reliculation	31° 14' 43.30" E 28° 14' 4 877" S		11 099	11 099	12 099	13 099			New
Ugathu RWSS (incl Okhukhu)		WATER DISTRIBUTION			Yes	Infrastructure - Water	Reliculation	31° 35' 13.15" E 27° 59' 48.972" S		56 338	56 338	56 338	59 338			New
Mandakhazi RWSS PH 3		WATER SANITATION			Yes	Infrastructure - Water	Reliculation	31° 51' 24.088" E 27° 48' 59.276" S		20 482	20 810	22 482	27 482			New
Gumbi Emergency (Mkhuzi/Candover)		WATER DISTRIBUTION			Yes	Infrastructure - Water	Reliculation	31° 55' 34.166" E 27° 28' 3.471" S		3 668	3 668	3 708	4 120			New
Sind East		WATER DISTRIBUTION			Yes	Infrastructure - Water	Reliculation	31° 31' 21.977" E 27° 51' 23.165" S		3 930	3 930	4 930	3 930			New
Sind Central		WATER DISTRIBUTION			Yes	Infrastructure - Water	Reliculation	31° 15' 39.119" E 27° 22' 5.781" S		19 624	19 624	19 624	21 624			New
Sind West		WATER DISTRIBUTION			Yes	Infrastructure - Water	Reliculation	31° 15' 53.924" E 27° 47' 2.463" S		1 572	1 572	1 572	1 572			New
Khambi		WATER DISTRIBUTION			Yes	Infrastructure - Water	Reliculation	31° 4' 20.41" E 27° 50' 47.165" S		8 229	8 229	9 229	8 229			New
Coronation (Enyathi)		WATER DISTRIBUTION			Yes	Infrastructure - Water	Reliculation	31° 37' 50.504" E 28° 10' 23.541" S		8 500	8 500	9 500	8 500			New
Immediate stand alone scheme		WATER DISTRIBUTION			Yes	Infrastructure - Water	Reliculation	30° 42' 49.749" E 27° 55' 1.024" S		7 466	7 466	7 466	9 466			New
Mondo		WATER DISTRIBUTION			Yes	Infrastructure - Water	Reliculation									New
Municipal Water Infrastructure Grant		INFRASTRUCTURE - WATER			Yes	Infrastructure - Water	Infrastructure - Water		109 071	107 746	131 498	90 000	100 000			New
Water services infrastructure Grant		INFRASTRUCTURE - WATER			Yes	Infrastructure - Water	Reliculation									New
PROJECT MANAGEMENT UNIT					Yes					11 486						New
MANDLAKAZI		REGIONAL BULK WATER SCHEMES			Yes	Infrastructure - Water	Infrastructure - Water	31° 51' 24.088" E 27° 48' 59.276" S	218 314	60 000	110 000	160 000	160 000			New
USUTHU		REGIONAL BULK WATER SCHEMES			Yes	Infrastructure - Water	Infrastructure - Water	31° 35' 13.15" E 27° 59' 48.972" S		70 000						New
Parent Capital expenditure	1											462 266	475 574	498 887		

In terms of Zululand District Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid evaluation and adjudication committees must obtain formal financial comments from the financial Management Division of the Treasury Department.

CHAPTER 13: SECTORAL ALIGNMENT

Government through all its three spheres of National, Provincial and Local Government is duty bound to serve the citizens of the Republic. This responsibility is extended to State Owned Entities (SoEs) who also carry the responsibility of improving the general quality of life for all citizens. In order to achieve this, the various facades of government need to align their programmes in order to ensure an effective and efficient use of limited resources. As such, the District Municipality played a crucial role of facilitating engagements with various government departments and SoEs in order to align the various programmes which need to be considered by Municipalities during the compilation of this Integrated Development Plan.

KZNCOGTA plays a crucial role of facilitating and coordinating central engagements with departments and SoEs however; the attendance of these meetings by stakeholders remains a huge challenge.

This IDP includes a MTEF in Annexure 5 which is a Capital Investment Framework (CIF) from the sector departments that submitted their programmes of action for the Financial Years 2018/19-2020/2021.

CHAPTER 14: ORGANISATIONAL PERFORMANCE

14.1 ORGANISATIONAL & INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

The Municipal Systems Act, enacted in November 2000, requires all municipalities to:

- Develop a performance management system
- Set targets, monitor and review performance based on indicators linked to their integrated development plan (IDP)
- Publish an annual report on performance for the councilors, staff, the public and other spheres of government
- Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government
- Conduct an internal audit on performance before tabling the report
- Have their annual performance report audited by the Auditor-General
- Involve the community in setting indicators and targets and reviewing municipal performance

14.2 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:

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

The Zululand District 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 Zululand District Municipality Performance framework has the following steps:

Table 71; STEPS IN PREPARING THE ZDM 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 ZDM 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
	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 developed 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	MM to submit copy of IDP to the MEC for local Govt within 10 days of its adoption by Council	MM

RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
the IDP	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
	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
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 known 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	Dev Planning

2. DEVELOPMENT OF A FRAMEWORK FOR THE PMS		
RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
	and Improvement will be conducted, organized and managed	
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 of the Key Performance Indicators	Confirmation that the PMS prescribes an annual performance review process for the review of KPIS	Planning; 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 targets	Proof that targets were set for each of the KPIS	Planning; Depts
	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	Proof required that the framework has clarified breakdown of performance targets at all levels of the organization	HOD's

5. TRACK PERFORMANCE OF STAFF AND SERVICE PROVIDERS		
RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
performance of the municipality's staff and service providers	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(IES) RESP. 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 ongoing 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

6. DEVELOPMENT OF A MONITORING FRAMEWORK		
RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
	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	Proof that the Audit Committee performs continuous audits assessing : 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	Depts
	Ensure that Performance Audit Committee has at least 3 members	Depts
	Ensure majority of Committee members are not involved as councilor 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

14.3 ZDM SDBIP AND ORGANISATIONAL SCORECARD

14.3.1 ZDM SDBIP

Table 72; IMPLEMENTATION PLAN (ZDM SDBIP 2018/19)

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2018/2019	KPI responsibility	Portfolio of Evidence	KPI Applicable to Municipal Manager
								Target	Target	Target	Target	Annual Target			
Infrastructure and Services	Review and facilitate the District WSDP	Final 2019/2020 WSDP submitted to Council for approval by specified date	1	Input			Final 2018/2019 WSDP was submitted to Council for approval by 30 May 2018	To be measured in the 3rd & 4th quarter	To be measured in the 3rd & 4th quarter	Draft 2019/2020 WSDP submitted to Council for approval by 30 March 2019	Final 2019/2020 WSDP submitted to Council for approval by 30 June 2018	Final 2019/2020 WSDP submitted to Council for approval by 30 June 2019	Planning	Certified council resolution	ü
	Ensuring universal access to water & sanitation	% of households with access to basic level of water (Reticulation-new household connection)	2	Output	Y	WSA std: 25kl per day or 6kl per household per month, within 200m, Minimum flow rate of	0,74	0,17	0,16	0,24	0,17	0,76	Technical	Design report, interim report and or Engineers certificate of completion	ü

	ons)				10l/minute										
Ensuring universal access to water & sanitation	% of households earning less than R1600 pm with access to free water (Note: Rudimentary)	3	Output	Y	ZDM Rudimentary Water Supply standard minimum of 5 l/person/day within 800 m of the household, flow rate of 3.3 l/min	0,29	0,06	0,06	0,08	0,09	0,29	Technical	Design report, interim report and or Engineers certificate of completion	ü	
Ensuring universal access to water & sanitation	% of households with access to basic level of sanitation as per WSDP	4	Output	Y	toilet which is safe, reliable, environmentally sound, easy to keep clean, provides privacy and protection	0,95	0,31	0,44	0,76	0,95	2,47	Technical	Design report, interim report and or Engineers certificate of completion		

	Ensuring universal access to water & sanitation	% of households earning less than R1600 pm with access to free basic sanitation	5	Output	Y		0,95	0,31	0,44	0,76	0,95	2,47	Technical	Design report, interim report and or Engineers certificate of completion	
	Improve water quality	Number of water quality tests conducted as per the approved strategy	6	Output		SABS Water quality standards for domestic water appl	1773	459 water quality tests conducted as per the approved strategy	459 water quality tests conducted as per the approved strategy	459 water quality tests conducted as per the approved strategy	459 water quality tests conducted as per the approved strategy	1836 water quality tests conducted as per the approved strategy	Technical	Sample test results as certified by the lab	
	To develop business plans to secure capital to implement refurbishment and rehabilitation of airport infrastructure	Business plan to secure capital to implement refurbishment and rehabilitation of airport infrastructure submitted to MM by 30	7	Input			Draft concept plan	Cost concept & table to portfolio committee	Draft Business Plan submitted to MM by 30 Mar 2019	Business Plan submitted to MM by 30 Jun 2019	1 Business Plans submitted to MM by 30 Jun 2019	Corporate	Bussiness Plan / Acknowledgement of receipt by MM's office		

	Jun 2019													
To make the airport functional and viable	Advertise for expression of interest towards making the airport functional by 30/03/2019	8	Process				Draft concept plan	Draft concept plan tabled to portfolio committee by 30 Nov 2018	Advertise for Expression of Interest by 30/03/2019	Not measured in this quarter	Advertise for Expression of Interest by 30/03/2019	Corporate	Advert	
Review Disaster Management Plan	Final 2019/2020 Disaster Management Plan submitted to Council for approval by 30 Jun 2019	9	Input	Disaster Management Act 2002	Final Disaster Management Plan submitted to Council for approval by 30 May 2018	Identify key areas to review & table to portfolio committee	Conduct Situational Analysis and Strategies	Draft 2019/2020 Disaster Management Plan submitted to Council for approval by 30 Mar 2019	Final 2019/2020 Disaster Management Plan submitted to Council for approval by 30 Jun 2019	Final 2019/2020 Disaster Management Plan submitted to Council for approval by 30 Jun 2019	Corporate	Certified council resolution		

To ensure education, training & public awareness of Disaster Management	20 Disaster Management Awareness campaigns held by 30 Jun 2019	10	Output				5 Disaster Management Awareness campaigns held in the quarter	5 Disaster Management Awareness campaigns held in the quarter	5 Disaster Management Awareness campaigns held in the quarter	5 Disaster Management Awareness campaigns held in the quarter	20 Disaster Management Awareness campaigns held by 30 Jun 2019	Corporate	Minutes confirming reports tabled and feedback reports	
To ensure education, training & public awareness of Disaster Management	No of Disaster Management Workshop held by 30 Jun 2019	11	Output				To be measured in the second quarter	1 Disaster Management Workshop held	2 Disaster Management Workshop held	3 Disaster Management Workshop held	6 Disaster Management Workshop held by 30 Jun 2019	Corporate	attendance register/ Approved Minutes, agenda	
To ensure education, training & public awareness of Disaster Management	4 Disaster Management Forums held by 30/06/2019	12	Output				1 Disaster Management Forum held	4 Disaster Management Forums held by 30 Jun 2019	Corporate	attendance register/ Approved Minutes, agenda				

	To maximise the implementation of IDP identified projects	Percentage of a municipality's budget actually spent on identified projects for a particular financial year in terms of the municipality's IDP	13		Y		100% of municipality's budget spent on identified projects	20% of municipality's budget spent on identified projects by 30 Sept 2018	30% of municipality's budget spent on identified projects by 15 Dec 2018	70% of municipality's budget spent on identified projects by 30 Mar 2019	100% of municipality's budget spent on identified projects by 30 Jun 2019	100% of municipality's budget spent on identified projects by 30 Jun 2019	ALL	Certified Ledger expenditure	ü
	To develop a Municipal Environmental Health Strategy	Develop Municipal Health Strategy by 30 June 2019	14	Process			To be measured in the third quarter	To be measured in the third quarter	Draft Municipal Health Strategy submitted to Council by 30 March 2019	Final Municipal Health Strategy submitted to Council by 30 June 2019	Final Municipal Health Strategy submitted to Council by 30 June 2019	Community	Certified Council resolution		
	Implement food production compliance	Number of food production site inspection reports produced per quarter	15	Process			25 production site inspection reports on file by 30 Sept	25 production site inspection reports on file by 30 Dec	25 production site inspection reports on file by 30 Mar	20 production site inspection reports on file by 30 Jun	95 production site inspection reports on file by 30 Jun	Community	Approved inspection reports		

	Enhance mortuary compliance	Number of mortuary inspection reports produced per quarter	16	Process			51 mortuary inspection reports	12 mortuary inspection reports on file by 30 Sept	12 mortuary inspection reports on file by 30 Dec	12 mortuary inspection reports on file by 30 Mar	12 mortuary inspection reports on file by 30 Jun	44 mortuary inspection reports on file by 30 Jun	Community	Approved inspection reports	
KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2018/2019	KPI responsibility	Portfolio of Evidence	KPI Applicable to Municipal Manager
								Target	Target	Target	Target	Annual Target			
Economic, Agriculture & Tourism	Co-Ordinate and Integrated Regional Economic Development	Final 2019/2020 LED Strategy submitted to Council by specified date	17	Input				To be measured in the third quarter	To be measured in the third quarter	Draft LED Strategy submitted to Council by 30 March 2019	Final LED Strategy submitted to Council by 30 June 2019	Final LED Strategy submitted to Council by 30 June 2019	Community	Certified Council resolution	
	Co-Ordinate and Integrated Regional Economic Development	Number of tourism awareness and training workshops held per year	18	Process			7 tourism awareness and training workshops held	2 tourism awareness and training workshops held in the quarter	2 tourism awareness and training workshops held in the quarter	2 tourism awareness and training workshops held in the quarter	2 tourism awareness and training workshops held in the quarter	8 tourism awareness and training workshops in total held during the financial year	Community	Tourism portfolio committee approved minutes and awareness and training reports	

	Co-Ordinate and Integrated Regional Economic Development	Number of Tourism forums held per quarter	19	Output				1 Tourism forums held during the quarter	4 Tourism forums held by 30 Jun	Community	Minutes / Agenda of Meeting				
	Effectively co-ordinate LED in the District	Number of LED ward projects implemented	20	Output			200 LED ward projects implemented	To be measured in the fourth quarter	To be measured in the fourth quarter	To be measured in the fourth quarter	200 LED ward projects implemented by 30 Jun	200 LED ward projects implemented by 30 Jun	Community	Annual Awarded list, Annual expenditure report	ü
	Effectively co-ordinate LED in the District	Number of jobs created through LED initiatives and capital projects	21	Process	Y		200 jobs created through LED initiatives and capital projects	50 jobs created through LED initiatives and capital projects by 30 Sep 2018	50 jobs created through LED initiatives and capital projects by 30 Dec 2018	50 jobs created through LED initiatives and capital projects by 30 Mar 2019	50 jobs created through LED initiatives and capital projects by 30 June 2019	200 jobs created through LED initiatives and capital projects by 30 June 2019	Technical	Monthly progress reports and minutes to meetings, request from community and endorsement from ZDM	
KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2018/2019	KPI responsibility	Portfolio of Evidence	KPI Applicable to Municipal Manager
								Target	Target	Target	Target	Annual Target			

Social Development	Plan and implement institutional measures that would reduce the impact of HIV/AIDs	HIV/ADS Strategy 2019/2020 submitted to Council by 30 June 2019	22	Input				To be measured in the third quarter	To be measured in the third quarter	Draft HIV/AIDS Strategy submitted to Council by 30 March 2019	Final HIV/AIDS Strategy 2019/2020 submitted to Council by 30 June 2019	Final HIV/AIDS Strategy 2019/2020 submitted to Council by 30 June 2019	Community	Approved strategy and minutes to the meeting/ Council resolution
	Enhance Schools and Creches compliance	Number of Schools/ Early Childhood development centres(ECDs) inspected per quarter	23	Process				25 Schools /Early Childhood development centres (ECDs) inspected by 30 Sept	25 Schools /Early Childhood development centres (ECDs) inspected by 15 Dec	25 Schools/ Early Childhood development centres(ECDs) inspected by 30 Mar	25 Schools/ Early Childhood development centres(ECDs) inspected by 30 Jun	100 Schools/ Early Childhood development centres(ECDs) inspected by 30 Jun	Community	Schools/Early Childhood development centres(EC Ds) inspection reports
	Build the Capacity of the people	Number of District Youth Council Meetings held per quarter	24	Output				1 district youth council meeting held by 30 Sept	1 district youth council meeting held by 15 Dec	1 district youth council meeting held by 30 Mar	1 district youth council meeting held by 30 Jun	4 district youth council meetings held by 30 Jun	Community	Minutes of meetings / Attendance Register
	Enable participation and create awareness of	Number of quality of life Council Meeting	25					1 quality of life council meeting held	1 quality of life council meeting held	1 quality of life council meeting held by 30 Mar	1 quality of life council meeting held by 30 Jun	4 quality of life council meetings held by 30 Jun	Community	Minutes of meetings / Attendance Register

Councils Youth and Gender Programmes	s held per quarter						by 30 Sept	by 15 Dec						
Create HIV/AIDS awareness and education	Number of HIV/AIDS awareness campaigns held per quarter	26	Process				2 HIV/AIDS awareness campaigns held by 30 Sept	2 HIV/AIDS awareness campaigns held by 15 Dec	2 HIV/AIDS awareness campaigns held by 30 Mar	2 HIV/AIDS awareness campaigns held by 30 Jun	8 HIV/AIDS awareness campaigns held by 30 Jun	Community	Awareness campaigns report	
Strategically plan development and empowerment initiatives for youth and gender	Reviewed Social development strategy submitted to MM by 30 June 2018	27	Input				To be measured in the third quarter	To be measured in the third quarter	Draft Social development strategy submitted to MM by 30 March 2019	Final Social development strategy submitted to MM by 30 June 2019	Social development strategy submitted to MM by 30 June 2019	Community	Social development strategy and Acknowledgement of receipt by MM	
Reduce poverty by implementing Community Development Projects	Number of people participating in ZDM Community Capacity Building Programmes by 30 Jun	28	Output				35 people participating in ZDM Community Capacity Building Programme by 30 Sept	Measured in the first and third quarter	30 people participating in ZDM Community Capacity Building Programme by 30 Mar	Measured in the first and third quarter	65 people participating in ZDM Community Capacity Building Programme by 30 Jun	Community	signed attendance registers and reports	

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2018/2019	KPI responsibility	Portfolio of Evidence	KPI Applicable to Municipal Manager
								Target	Target	Target	Target	Annual Target			
Institutional Development & Transformation	To ensure recruitment of skilled personell	8 vacant posts filled by 30 June	29	Process				to be measured in 4th Quarter	to be measured in 4th Quarter	to be measured in 4th Quarter	8 vacant posts filled by 30 Jun	8 vacant posts filled by 30 Jun	Corporate	Appointment letter/s	ü
	To train & build capacity of employees	Number of Municipal Employees trained as per Workplace Skills Plan by 30 Jun	30	Process				to be measured in 4th Quarter	to be measured in 4th Quarter	to be measured in 4th Quarter	120 Municipal Employees trained as per Workplace Skills Plan	120 Municipal Employees trained as per Workplace Skills Plan by 30 Jun	Corporate	Training Reports	ü
	Maintain an updated employment equity plan	Employment Equity Report submitted to MM for approval by 30 Jun 2019	31	Output				Measured in the third quarter	Measured in the third quarter	Final Employment Equity Report submitted to MM by 30 Mar 2019	Measured in the third quarter	Final Employment Equity Report submitted to MM by 30 Mar 2019	Corporate	Acknowledgement of receipt by MM	

	Implement and Manage Employee Equity	Number of people from employment equity target groups employed in three highest levels of Management in compliance with a municipality's employment equity plan	32	Output	Y			3 people from employment equity target groups employed by 30 Sept 2018	3 people from employment equity target groups employed by 30 Dec 2018	3 people from employment equity target groups employed by 30 Mar 2019	3 people from employment equity target groups employed by 30 June 2019	3 people from employment equity target groups employed in three highest levels of Management in compliance with a municipality's employment equity plan	Corporate	EE report	ü
	Encourage participation in IDP process, ensure alignment with Local Municipalities	Number of stakeholder alignment meetings held by end of the financial year	33	Output				2 stakeholder meetings held by 30 Sept	2 stakeholder meetings held by 15 Dec	2 stakeholder meetings held by 30 Mar	2 stakeholder meetings held by 30 Jun	8 stakeholder meetings held by 30 Jun	Planning	Minutes of meetings / Attendance Register	

Encourage participation in IDP process, ensure alignment with Local Municipalities	Date of submission of 2019/2020 IDP Framework Plan to Council for adoption	34	Output				30-Sep-18	Measured in the first quarter	Measured in the first quarter	Measured in the first quarter	IDP Framework Plan submitted to Council for adoption by 30 Sept 18	Planning	Council resolution	
Encourage participation in IDP process, ensure alignment with Local Municipalities	Integrated Development plan 2019/2020 submitted to Council for adoption by specified date	35	Input			Final Integrated Development Plan submitted to Council for approval by 30 May 2018	To be measured in the third quarter	To be measured in the third quarter	Draft Integrated Development Plan submitted to Council for approval by 30 Mar 2019	Final Integrated Development Plan submitted to Council for approval by 30 June 2019	Final Integrated Development Plan submitted to Council for approval by 30 June 2019	Planning	Council resolution	ü
Constantly monitor & introduce methods to increase productivity of employees	8 Staff Induction Workshops held by 30 Jun	36	Output				Table Proposal to Exco	4 Staff Induction Workshops held by 15 Dec 2018	2 Staff Induction Workshops held by 30 Dec 2018	2 Staff Induction Workshops held by 30 Jun 2019	8 Staff Induction Workshops held by 30 Jun 2019	Corporate	Minutes of Induction/ Attendance register	

	Maintain Institutional capacity to render municipal services	Percentage of municipality's skills budget allocated actually spent on implementing its workplace skills plan	37	Output	Y		95.10% of municipality's skills budget allocated actually spent on implementing its workplace skills plan	20% of municipality's skills budget allocated actually spent on implementing its workplace skills plan	40% of municipality's skills budget allocated actually spent on implementing its workplace skills plan	70% of municipality's skills budget allocated actually spent on implementing its workplace skills plan	100% of municipality's skills budget allocated actually spent on implementing its workplace skills plan	100% of municipality's skills budget allocated actually spent on implementing its workplace skills plan	Corporate	Ledger certified by CFO or Financial Statements	
KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2018/2019	KPI responsibility	Portfolio of Evidence	KPI Applicable to Municipal Manager
								Target	Target	Target	Target	Annual Target			
Financial Viability	Improve revenue collection	Outstanding service debtors recovery rate to revenue per quarter	38	output			0,68	0,25	0,25	0,25	0,25	0,25	CFO	BS902 Billing Report	
	Improve supply chain application	Number of successful appeals	39	output			0	0	0	0	0	0	CFO	Supply chain management report /	

	per quarter												Memo from CFO to MM	
Process payments in time	Processing time of invoices per quarter	40	output			30days	100% of creditors paid within 30 days by end of the quarter	100% of creditors paid within 30 days by end of the quarter	100% of creditors paid within 30 days by end of the quarter	100% of creditors paid within 30 days by end of the quarter	100% of creditors paid within 30 days by end of the quarter	CFO	Creditors report	
Complete and submit accurate annual financial statements	Reviewed Financial Statements submitted by 31 Aug 18	41	Process			Reviewed Financial Statements submitted by 31 Aug 17	Reviewed Financial Statements submitted by 31 Aug 18	Measured in the first quarter	Measured in the first quarter	Measured in the first quarter	Reviewed Financial Statements submitted by 31 Aug 18	CFO	AG receipt	ü
To consistently achieve a clean audit outcome	Maintain unqualified audit opinion from the Auditor General	42	outcome			Unqualified audit opinion obtained	Measured in the second quarter	Achieve a unqualified audit outcome	Measured in the second quarter	Measured in the second quarter	Achieve a unqualified audit outcome	CFO	AG audit report	ü
To plan for and implement budget process	Final 2019/2020 budget submitted to Council for approval by 30 Jun 2019	43	Process			Final 2018/2019 budget submitted to Council for approval by 30 May 2018	Measured in the third quarter	Measured in the third quarter	Draft 2019/2020 Budget tabled to Council by 30 Mar 2019	Final 2019/2020 Budget tabled to Council by 30 June 2019	Final 2019/2020 Budget tabled to Council by 30 June 2019	CFO	Council resolution	ü

Maintain a functional Auditing Structure	Number of Audit committee meetings held per quarter	44	output			14 Audit committee meetings held	1 Audit committee meetings held by 30 Sept	1 Audit committee meetings held by 15 Dec	1 Audit committee meetings held by 30 Mar	1 Audit committee meetings held by 30 Jun	4 Audit committee meetings held by 30 Jun	CFO	attendance register/ Approved Minutes to meetings	
Report timely and accurately	Quarterly SDBIP reports for 2018/2019 submitted to Mayor by the end of each quarter	45	Process			Quarterly SDBIP reports for 2017/2018 submitted to Mayor by 14 July 2018	Quarterly SDBIP report submitted to Mayor by 19-Oct-18	Quarterly SDBIP report submitted to Mayor by 19-Jan-19	Quarterly SDBIP report submitted to Mayor by 19 April 2019	Quarterly SDBIP report submitted to Mayor by 19 July 2019	Quarterly SDBIP report submitted to Mayor by 19 July 2019	CFO	Acknowledgement of receipt by Mayors office	ü
To maintain an effective Auditing Function	Percentage of audit queries addressed from the AG report by end of the financial year	46	output			70% audit queries addressed from the AG	Not measured in this quarter	5% audit queries addressed from the AG by 15 Dec	45% audit queries addressed from the AG by 30 Mar	100% audit queries addressed from the AG by 30 Jun	100% audit queries addressed from the AG by 30 Jun	CFO	Audit Action Plan Report	
Maintain positive cost coverage ratio	Cost Coverage ratio achieved per quarter	47	outcome	Y		1,25	3	3	3	3	3	CFO	Expenditure report and bank statements	
Maintain positive	Debt Coverage	48	outcome	Y		0	3	3	3	3	3	CFO	GS560 report &	

	debt coverage ratio	e Ratio achieved per quarter												MoA	
	Report timely and accurately	Annual report 2017/2018 submitted to Council by 30 Jan 2019	49	Process				To be measured in the third quarter	To be measured in the third quarter	Annual Report submitted to Council by 30 Jan 2019	measured in the third quarter	Annual Report submitted to Council by 30 Jan 2019	CFO/Corporate	Council resolution	ü
	Maintain consistency in producing accurate statements	Percentage of accounts adjustments effected per quarter	50	output			0,27%	3%	3%	3%	3%	3%	CFO	Financial report	
	To prepare and submit budget inputs	Budget inputs for adjustment budget submitted to CFO by 15 Dec 2018	51	input				Measured in the second quarter	Budget inputs for adjustment budget 2018/19 submitted to CFO by 15 Dec	Measured in the second quarter	Measured in the second quarter	Budget inputs for adjustment budget 2018/19 submitted to CFO by 15 Dec 2018	ALL	Memo	
KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2018/2019	KPI responsibility	Portfolio of Evidence	KPI Applicable to Municipal Mana
								Target	Target	Target	Target	Annual Target			

																ger
Democracy & Governance	To review and improve public participation mechanisms	Public Participation Strategy submitted to Council by 30 Jun 2019	52	Input				Identify key areas to review	Conduct Situational Analysis and Strategies	Draft Participation Strategy submitted to Council by 30 Mar 2019	Final Participation Strategy submitted to Council by 30 Jun 2019	Final Participation Strategy submitted to Council by 30 Jun 2019	Corporate	Council Resolution	ü	
	To ensure continuous feedback to communities on development programmes	10 annual events held by 30 Jun 2019	53	Output				Measured in the second and fourth quarter	5 annual events held by 30 Dec 2018	Measured in the second and fourth quarter	5 annual events held by 30 Jun 2019	10 annual events held by 30 Jun 2019	Corporate	Events Report	ü	
	Development and maintenance of an updated communication strategy	Communication Strategy tabled to Council for approval by 30 Jun 2019	54	Input				Identify key areas to review & table to portfolio committee	Conduct Situational Analysis and Strategies	Draft Communication Strategy tabled to Council for approval by 30 Mar 2019	Final Communication Strategy tabled to Council for approval by 30 June 2019	Final Communication Strategy tabled to Council for approval by 30 Jun 2019	Corporate	Council Resolution	ü	
	Manage performance effectively	Number of Senior Manager Performance agreements	55	Output			6 Senior Manager performance	6 Senior Manager performance	Measured in 1st Quarter	Measured in 1st Quarter	Measured in 1st Quarter	6 Senior Manager performance agreements	Planning	Performance Agreement	ü	

		nts signed within 60 days after appoint ment					agreements signed	agreements signed				signed		
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14.3.2 ORGANIZATIONAL SCORECARD

Table 73; Organisational Scorecard

KEY PERFORM ANCE AREA	Strategic Objective	Indicator	Indicator No.	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2018/2019	KPI responsibility
					Target	Target	Target	Target	Annual Target	
Infrastructure and Services	Review and facilitate the District WSDP	Final 2019/2020 WSDP submitted to Council for approval by specified date	1	Final 2018/2019 WSDP was submitted to Council for approval by 30 May 2018	To be measured in the 3rd & 4th quarter	To be measured in the 3rd & 4th quarter	Draft 2019/2020 WSDP submitted to Council for approval by 30 March 2019	Final 2019/2020 WSDP submitted to Council for approval by 30 June 2018	Final 2019/2020 WSDP submitted to Council for approval by 30 June 2019	Planning
	Ensuring universal access to water & sanitation	% of households with access to basic level of water (Reticulation-new household connections)	2	0,74	0,17	0,16	0,24	0,17	0,76	Technical

Ensuring universal access to water & sanitation	% of households earning less than R1600 pm with access to free water (Note: Rudimentary)	3	0,29	0,06	0,06	0,08	0,09	0,29	Technical
Ensuring universal access to water & sanitation	% of households with access to basic level of sanitation as per WSDP	4	0,95	0,31	0,44	0,76	0,95	2,47	Technical
Ensuring universal access to water & sanitation	% of households earning less than R1600 pm with access to free basic sanitation	5	0,95	0,31	0,44	0,76	0,95	2,47	Technical
Improve water quality	Number of water quality tests conducted as per the approved strategy	6	1773	459 water quality tests conducted as per the approved strategy	459 water quality tests conducted as per the approved strategy	459 water quality tests conducted as per the approved strategy	459 water quality tests conducted as per the approved strategy	1836 water quality tests conducted as per the approved strategy	Technical

To develop business plans to secure capital to implement refurbishment and rehabilitation of airport infrastructure	Business plan to secure capital to implement refurbishment and rehabilitation of airport infrastructure submitted to MM by 30 Jun 2019	7		Draft concept plan	Cost concept & table to portfolio committee	Draft Business Plan submitted to MM by 30 Mar 2019	Business Plan submitted to MM by 30 Jun 2019	1 Business Plans submitted to MM by 30 Jun 2019	Corporate
To make the airport functional and viable	Advertise for expression of interest towards making the airport functional by 30/03/2019	8		Draft concept plan	Draft concept plan tabled to portfolio committee by 30 Nov 2018	Advertise for Expression of Interest by 30/03/2019	Not measured in this quarter	Advertise for Expression of Interest by 30/03/2019	Corporate
Review Disaster Management Plan	Final 2019/2020 Disaster Management Plan submitted to Council for approval by 30 Jun 2019	9	Final Disaster Management Plan submitted to Council for approval by 30 May 2018	Identify key areas to review & table to portfolio committee	Conduct Situational Analysis and Strategies	Draft 2019/2020 Disaster Management Plan submitted to Council for approval by 30 Mar 2019	Final 2019/2020 Disaster Management Plan submitted to Council for approval by 30 Jun 2019	Final 2019/2020 Disaster Management Plan submitted to Council for approval by 30 Jun 2019	Corporate
To ensure education, training & public awareness of Disaster Management	20 Disaster Management Awareness campaigns held by 30 Jun 2019	10		5 Disaster Management Awareness campaigns held in the quarter	5 Disaster Management Awareness campaigns held in the quarter	5 Disaster Management Awareness campaigns held in the quarter	5 Disaster Management Awareness campaigns held in the quarter	20 Disaster Management Awareness campaigns held by 30 Jun 2019	Corporate

To ensure education, training & public awareness of Disaster Management	No of Disaster Management Workshop held by 30 Jun 2019	11		To be measured in the second quarter	1 Disaster Management Workshop held	2 Disaster Management Workshop held	3 Disaster Management Workshop held	6 Disaster Management Workshop held by 30 Jun 2019	Corporate
To ensure education, training & public awareness of Disaster Management	4 Disaster Management Forums held by 30/06/2019	12		1 Disaster Management Forum held	1 Disaster Management Forum held	1 Disaster Management Forum held	1 Disaster Management Forum held	4 Disaster Management Forums held by 30 Jun 2019	Corporate
To maximise the implementation of IDP identified projects	Percentage of a municipality's budget actually spent on identified projects for a particular financial year in terms of the municipality's IDP	13	100% of municipality's budget spent on identified projects	20% of municipality's budget spent on identified projects by 30 Sept 2018	30% of municipality's budget spent on identified projects by 15 Dec 2018	70% of municipality's budget spent on identified projects by 30 Mar 2019	100% of municipality's budget spent on identified projects by 30 Jun 2019	100% of municipality's budget spent on identified projects by 30 Jun 2019	ALL
To develop a Municipal Environmental Health Strategy	Develop Municipal Health Strategy by 30 June 2019	14		To be measured in the third quarter	To be measured in the third quarter	Draft Municipal Health Strategy submitted to Council by 30 March 2019	Final Municipal Health Strategy submitted to Council by 30 June 2019	Final Municipal Health Strategy submitted to Council by 30 June 2019	Community
Implement food production compliance	Number of food production site inspection reports produced per quarter	15		25 production site inspection reports on file by 30 Sept	25 production site inspection reports on file by 30 Dec	25 production site inspection reports on file by 30 Mar	20 production site inspection reports on file by 30 Jun	95 production site inspection reports on file by 30 Jun	Community

	Enhance mortuary compliance	Number of mortuary inspection reports produced per quarter	16	51 mortuary inspection reports	12 mortuary inspection reports on file by 30 Sept	12 mortuary inspection reports on file by 30 Dec	12 mortuary inspection reports on file by 30 Mar	12 mortuary inspection reports on file by 30 Jun	44 mortuary inspection reports on file by 30 Jun	Community
KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2018/2019	KPI responsibility
					Target	Target	Target	Target	Annual Target	
Economic, Agriculture & Tourism	Co-Ordinated and Integrated Regional Economic Development	Final 2019/2020 LED Strategy submitted to Council by specified date	17		To be measured in the third quarter	To be measured in the third quarter	Draft LED Strategy submitted to Council by 30 March 2019	Final LED Strategy submitted to Council by 30 June 2019	Final LED Strategy submitted to Council by 30 June 2019	Community
	Co-Ordinated and Integrated Regional Economic Development	Number of tourism awareness and training workshops held per year	18	7 tourism awareness and training workshops held	2 tourism awareness and training workshops held in the quarter	2 tourism awareness and training workshops held in the quarter	2 tourism awareness and training workshops held in the quarter	2 tourism awareness and training workshops held in the quarter	8 tourism awareness and training workshops in total held during the financial year	Community
	Co-Ordinated and Integrated Regional Economic Development	Number of Tourism forums held per quarter	19		1 Tourism forums held during the quarter	4 Tourism forums held by 30 Jun	Community			
	Effectively co-ordinate LED in the District	Number of LED ward projects implemented	20	200 LED ward projects implemente	To be measured in the fourth quarter	To be measured in the fourth quarter	To be measured in the fourth quarter	200 LED ward projects implemented by 30 Jun	200 LED ward projects implemented by 30 Jun	Community

	Effectively co-ordinate LED in the District	Number of jobs created through LED initiatives and capital projects	21	200 jobs created through LED initiatives and capital projects	50 jobs created through LED initiatives and capital projects by 30 Sep 2018	50 jobs created through LED initiatives and capital projects by 30 Dec 2018	50 jobs created through LED initiatives and capital projects by 30 Mar 2019	50 jobs created through LED initiatives and capital projects by 30 June 2019	200 jobs created through LED initiatives and capital projects by 30 June 2019	Technical
KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2018/2019	KPI responsibility
					Target	Target	Target	Target	Annual Target	
Social Development	Plan and implement institutional measures that would reduce the impact of HIV/AIDs	HIV/ADS Strategy 2019/2020 submitted to Council by 30 June 2019	22		To be measured in the third quarter	To be measured in the third quarter	Draft HIV/AIDS Strategy submitted to Council by 30 March 2019	Final HIV/AIDS Strategy 2019/2020 submitted to Council by 30 June 2019	Final HIV/AIDS Strategy 2019/2020 submitted to Council by 30 June 2019	Community
	Enhance Schools and Creches compliance	Number of Schools/Early Childhood development centres(ECDs) inspected per quarter	23		25 Schools/Early Childhood development centres(ECDs) inspected by 30 Sept	25 Schools/Early Childhood development centres(ECDs) inspected by 15 Dec	25 Schools/Early Childhood development centres(ECDs) inspected by 30 Mar	25 Schools/Early Childhood development centres(ECDs) inspected by 30 Jun	100 Schools/Early Childhood development centres(ECDs) inspected by 30 Jun	Community
	Build the Capacity of the people	Number of District Youth Council Meetings held per quarter	24		1 district youth council meeting held by 30 Sept	1 district youth council meeting held by 15 Dec	1 district youth council meeting held by 30 Mar	1 district youth council meeting held by 30 Jun	4 district youth council meetings held by 30 Jun	Community
	Enable participation and create awareness of Councils Youth and Gender	Number of quality of life Council Meetings held per quarter	25		1 quality of life council meeting held by 30 Sept	1 quality of life council meeting held by 15 Dec	1 quality of life council meeting held by 30 Mar	1 quality of life council meeting held by 30 Jun	4 quality of life council meeting held by 30 Jun	Community

	Programmes									
	Create HIV/AIDS awareness and education	Number of HIV/AIDS awareness campaigns held per quarter	26		2 HIV/AIDS awareness campaigns held by 30 Sept	2 HIV/AIDS awareness campaigns held by 15 Dec	2 HIV/AIDS awareness campaigns held by 30 Mar	2 HIV/AIDS awareness campaigns held by 30 Jun	8 HIV/AIDS awareness campaigns held by 30 Jun	Community
	Strategically plan development and empowerment initiatives for youth and gender	Reviewed Social development strategy submitted to MM by 30 June 2018	27		To be measured in the third quarter	To be measured in the third quarter	Draft Social development strategy submitted to MM by 30 March 2019	Final Social development strategy submitted to MM by 30 June 2019	Social development strategy submitted to MM by 30 June 2019	Community
	Reduce poverty by implementing Community Development Projects	Number of people participating in ZDM Community Capacity Building Programmes by 30 Jun	28		35 people participating in ZDM Community Capacity Building Programme by 30 Sept	Measured in the first and third quarter	30 people participating in ZDM Community Capacity Building Programme by 30 Mar	Measured in the first and third quarter	65 people participating in ZDM Community Capacity Building Programme by 30 Jun	Community
KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2018/2019	KPI responsibility
					Target	Target	Target	Target	Annual Target	
Development & Transformation	To ensure recruitment of skilled personell	8 vacant posts filled by 30 June	29		to be measured in 4th Quarter	to be measured in 4th Quarter	to be measured in 4th Quarter	8 vacant posts filled by 30 Jun	8 vacant posts filled by 30 Jun	Corporate

To train & build capacity of employees	Number of Municipal Employees trained as per Workplace Skills Plan by 30 Jun	30		to be measured in 4th Quarter	to be measured in 4th Quarter	to be measured in 4th Quarter	120 Municipal Employees trained as per Workplace Skills Plan	120 Municipal Employees trained as per Workplace Skills Plan by 30 Jun	Corporate
Maintain an updated employment equity plan	Employment Equity Report submitted to MM for approval by 30 Jun 2019	31		Measured in the third quarter	Measured in the third quarter	Final Employment Equity Report submitted to MM by 30 Mar 2019	Measured in the third quarter	Final Employment Equity Report submitted to MM by 30 Mar 2019	Corporate
Implement and Manage Employee Equity	Number of people from employment equity target groups employed in three highest levels of Management in compliance with a municipality's employment equity plan	32		3 people from employment equity target groups employed by 30 Sept 2018	3 people from employment equity target groups employed by 30 Dec 2018	3 people from employment equity target groups employed by 30 Mar 2019	3 people from employment equity target groups employed by 30 June 2019	3 people from employment equity target groups employed in three highest levels of Management in compliance with a municipality's employment equity plan	Corporate
Encourage participation in IDP process, ensure alignment with Local Municipalities	Number of stakeholder alignment meetings held by end of the financial year	33		2 stakeholder meetings held by 30 Sept	2 stakeholder meetings held by 15 Dec	2 stakeholder meetings held by 30 Mar	2 stakeholder meetings held by 30 Jun	8 stakeholder meetings held by 30 Jun	Planning
Encourage participation in IDP process, ensure alignment with Local	Date of submission of 2019/2020 IDP Framework Plan to	34		30-Sep-18	Measured in the first quarter	Measured in the first quarter	Measured in the first quarter	IDP Framework Plan submitted to Council for adoption by 30 Sept 18	Planning

	Municipalities	Council for adoption								
	Encourage participation in IDP process, ensure alignment with Local Municipalities	Integrated Development plan 2019/2020 submitted to Council for adoption by specified date	35	Final Integrated Development Plan submitted to Council for approval by 30 May 2018	To be measured in the third quarter	To be measured in the third quarter	Draft Integrated Development Plan submitted to Council for approval by 30 Mar 2019	Final Integrated Development Plan submitted to Council for approval by 30 June 2019	Final Integrated Development Plan submitted to Council for approval by 30 June 2019	Planning
	Constantly monitor & introduce methods to increase productivity of employees	8 Staff Induction Workshops held by 30 Jun	36		Table Proposal to Exco	4 Staff Induction Workshops held by 15 Dec 2018	2 Staff Induction Workshops held by 30 Dec 2018	2 Staff Induction Workshops held by 30 Jun 2019	8 Staff Induction Workshops held by 30 Jun 2019	Corporate
	Maintain Institutional capacity to render municipal services	Percentage of municipality's skills budget allocated actually spent on implementing its workplace skills plan	37	95.10% of municipality's skills budget allocated actually spent on implementing its workplace skills plan	20% of municipality's skills budget allocated actually spent on implementing its workplace skills plan	40% of municipality's skills budget allocated actually spent on implementing its workplace skills plan	70% of municipality's skills budget allocated actually spent on implementing its workplace skills plan	100% of municipality's skills budget allocated actually spent on implementing its workplace skills plan	100% of municipality's skills budget allocated actually spent on implementing its workplace skills plan	Corporate
KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2018/2019	KPI responsibility
					Target	Target	Target	Target	Annual Target	

Financial Viability	Improve revenue collection	Outstanding service debtors recovery rate to revenue per quarter	38	0,68	0,25	0,25	0,25	0,25	0,25	CFO
	Improve supply chain application	Number of successful appeals per quarter	39	0	0	0	0	0	0	CFO
	Process payments in time	Processing time of invoices per quarter	40	30days	100% of creditors paid within 30 days by end of the quarter	100% of creditors paid within 30 days by end of the quarter	100% of creditors paid within 30 days by end of the quarter	100% of creditors paid within 30 days by end of the quarter	100% of creditors paid within 30 days by end of the quarter	CFO
	Complete and submit accurate annual financial statements	Reviewed Financial Statements submitted by 31 Aug 18	41	Reviewed Financial Statements submitted by 31 Aug 17	Reviewed Financial Statements submitted by 31 Aug 18	Measured in the first quarter	Measured in the first quarter	Measured in the first quarter	Reviewed Financial Statements submitted by 31 Aug 18	CFO
	To consistently achieve a clean audit outcome	Maintain unqualified audit opinion from the Auditor General	42	Unqualified audit opinion obtained	Measured in the second quarter	Achieve a unqualified audit outcome	Measured in the second quarter	Measured in the second quarter	Achieve a unqualified audit outcome	CFO
	To plan for and implement budget process	Final 2019/2020 budget submitted to Council for approval by 30 Jun 2019	43	Final 2018/2019 budget submitted to Council for approval by 30 May 2018	Measured in the third quarter	Measured in the third quarter	Draft 2019/2020 Budget tabled to Council by 30 Mar 2019	Final 2019/2020 Budget tabled to Council by 30 June 2019	Final 2019/2020 Budget tabled to Council by 30 June 2019	CFO
	Maintain a functional Auditing Structure	Number of Audit committee meetings held per quarter	44	14 Audit committee meetings held	1 Audit committee meetings held by 30 Sept	1 Audit committee meetings held by 15 Dec	1 Audit committee meetings held by 30 Mar	1 Audit committee meetings held by 30 Jun	4 Audit committee meetings held by 30 Jun	CFO

Report timely and accurately	Quarterly SDBIP reports for 2018/2019 submitted to Mayor by the end of each quarter	45	Quarterly SDBIP reports for 2017/2018 submitted to Mayor by 14 July 2018	Quarterly SDBIP report submitted to Mayor by 19-Oct-18	Quarterly SDBIP report submitted to Mayor by 19-Jan-19	Quarterly SDBIP report submitted to Mayor by 19 April 2019	Quarterly SDBIP report submitted to Mayor by 19 July 2019	Quarterly SDBIP report submitted to Mayor by 19 July 2019	CFO
To maintain an effective Auditing Function	Percentage of audit queries addressed from the AG report by end of the financial year	46	70% audit queries addressed from the AG	Not measured in this quarter	5% audit queries addressed from the AG by 15 Dec	45% audit queries addressed from the AG by 30 Mar	100% audit queries addressed from the AG by 30 Jun	100% audit queries addressed from the AG by 30 Jun	CFO
Maintain positive cost coverage ratio	Cost Coverage ratio achieved per quarter	47	1,25	3	3	3	3	3	CFO
Maintain positive debt coverage ratio	Debt Coverage Ratio achieved per quarter	48	0	3	3	3	3	3	CFO
Report timely and accurately	Annual report 2017/2018 submitted to Council by 30 Jan 2019	49		To be measured in the third quarter	To be measured in the third quarter	Annual Report submitted to Council by 30 Jan 2019	measured in the third quarter	Annual Report submitted to Council by 30 Jan 2019	CFO/Corporate
Maintain consistency in producing accurate statements	Percentage of accounts adjustments effected per quarter	50	0,27%	3%	3%	3%	3%	3%	CFO
To prepare and submit budget inputs	Budget inputs for adjustment budget submitted to CFO by 15 Dec 2018	51		Measured in the second quarter	Budget inputs for adjustment budget 2018/19 submitted to CFO by 15 Dec	Measured in the second quarter	Measured in the second quarter	Budget inputs for adjustment budget 2018/19 submitted to CFO by 15 Dec 2018	ALL

KEY PERFORM ANCE AREA	Strategic Objective	Indicator	Indicator No.	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2018/2019	KPI responsibility
					Target	Target	Target	Target	Annual Target	
Democracy & Governance	To review and improve public participation mechanisms	Public Participation Strategy submitted to Council by 30 Jun 2019	52		Identify key areas to review	Conduct Situational Analysis and Strategies	Draft Participation Strategy submitted to Council by 30 Mar 2019	Final Participation Strategy submitted to Council by 30 Jun 2019	Final Participation Strategy submitted to Council by 30 Jun 2019	Corporate
	To ensure continuous feedback to communities on development programmes	10 annual events held by 30 Jun 2019	53		Measured in the second and fourth quarter	5 annual events held by 30 Dec 2018	Measured in the second and fourth quarter	5 annual events held by 30 Jun 2019	10 annual events held by 30 Jun 2019	Corporate
	Development and maintenance of an updated communication strategy	Communication Strategy tabled to Council for approval by 30 Jun 2019	54		Identify key areas to review & table to portfolio committee	Conduct Situational Analysis and Strategies	Draft Communication Strategy tabled to Council for approval by 30 Mar 2019	Final Communication Strategy tabled to Council for approval by 30 June 2019	Final Communication Strategy tabled to Council for approval by 30 Jun 2019	Corporate
	Manage performance effectively	Number of Senior Manager Performance agreements signed within 60 days after appointment	55	6 Senior Manager performance agreements signed	6 Senior Manager performance agreements signed	Measured in 1st Quarter	Measured in 1st Quarter	Measured in 1st Quarter	6 Senior Manager performance agreements signed	Planning

CONCLUSION

The preparation of the Zululand Integrated Development Plan has been done in line with the provisions of the Constitution of the Republic of South Africa of 1996, the Municipal Systems Act No. 32 of 2000 (MSA, 2000) and the Municipal Finance Management Act No. 56 of 2003 (MFMA, 2003). Consideration has been given to the KZNCOGTA Guidelines for the preparation of Municipal Integrated Development Plans.

ANNEXURE 1: DETAILED MUNICIPAL BUDGET



ANNEXURE 2: SPATIAL DEVELOPMENT FRAMEWORK

