



ZULULAND DISTRICT MUNICIPALITY IDP REVIEW



Integrated Development Plan Review 2019/2020

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MESSAGE FROM THE HONOURABLE MAYOR

As the financial year 2018/2019 has come to a close I wish to commend the efforts and dedication of our law makers the Honourable Councillors, Members of the Executive Committee. I also wish to applaud the dedication and commitment of ZDM Management and Staff during the financial year of 2018/2019.

The Integrated Development Plan serves as a strategic guide for the Municipality as well as other interdepartmental and sustained programmes of action of Council. This Municipality managed to develop and prioritise a revised programme of action in April 2019 that will be implemented until 2021/2022. The priorities set by Council have also found meaning through the 2019/2020 budget which I oversaw through the Budget Steering Committee.

We are under no illusions of the magnitude of challenges we face to deliver good quality water and sanitation to our Communities as mandated by the Constitution of the Republic of South Africa. Since we tabled the draft budget, communities were consulted.. It is clear that communities are expecting more from their representatives. Under the cloud of financial difficulties, we dare not fail to deliver. The 2019/20 budget is all about how we plan to deliver efficiently, and effectively. The administration of the Zululand DM is committed to clean governance and compliance with all applicable prescripts of the law with a budget premised on our determination to stabilise the municipality's finances and restoring optimal functionality of our water service, sanitation LED, Social Services and Municipal Health Services delivery mechanism.

To this effect I am pleased to announce that our 2019/2020 budget is now cash-backed. The poor and vulnerable communities of Zululand are the priority. New projects will be implemented while tariffs will be reduced for indigent households.

Hence the budget has been heavily adjusted towards ensuring that our water plants, water treatment works and reticulation networks are repaired and refurbished and restored to a more efficient level. We will also seek to establish a consistent provision of the water and sanitation service. Water tankers will be purchased as well as team vehicles to respond to water leakages. The emergency supply of water has also been prioritised for communities in dire shortage of water. As a Water Service Authority we will also strengthen our co-operation with all water service providers in the District such as Abaqulusi LM to ensure that communities get adequate water.

We have a duty to ensure social cohesion and programmes earmarked for gender imparity, youth development and poverty alleviation. As part of LED and food security, agricultural implements were purchased to support emerging farmers and communities to work their community gardens and thus enable food production.

To improve the Municipality's contribution towards Local Economic Development and Youth Development we endeavour to strengthen our relationship and interaction with traditional leadership, stakeholders and business, ensuring that everyone is able to make their contribution towards a positive outcome. We encourage our local entrepreneurs to be at the centre of the development initiatives, with employment generation as a key priority. The Sethembe Local Contractors Development Programme was initiated to promote labour intensive construction and participation of our local contractors in the water and sanitation programmes.

Council will closely monitor progress in the provision of services to the communities as per the strategy adopted.

We appreciate the contributions of our partners in government who assist us in different ways to provide services to the Zululand communities. Through Intergovernmental Relations we must continue to work closely together.

In conclusion, for the upcoming 2019/2020 financial year, a great deal of work lies ahead of us, that means we are all to work as team to achieve better living conditions for our communities and we must join efforts beyond the call of duty.

In line with the adopted vision of Zululand District Municipality which states “We the people of Zululand are proud communities that are committed to the development of Zululand through hard work , integrity and purpose” I undertake to consistently improve and add value to the people of Zululand through service delivery with integrity.

Such a vision cannot be achieved in solo hence I invite you to join me in noble pursuit.

Trust us to deliver.

Thank you.

HIS WORSHIP THE MAYOR

CLLR T.D. BUTHELEZI

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Annexure 2: Disaster Management Plan

Annexure 3: Service Delivery & Budget Implementation Plan 2019/2020

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 LEGISLATIVE AND POLICY FRAMEWORK

1.1.1 The Constitution

Section 152 Objects of local government:

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

1.1.2 The Municipal Structures Act

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

- a) A 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;
- b) 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;
- c) 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;
- d) 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
- e) The MEC for local government in a province must assist a district municipality to provide support services to a local municipality.

1.1.3 The Municipal Systems Act

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

system.

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

S2(4) requires that an SDF should:

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

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

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

a) Give effect to the development principles and applicable norms and standards set out in Chapter

2;

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

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

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

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

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

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

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

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

- establish priorities in terms of public sector development and investment; and
- identify spatial priorities and places where public-private partnerships are a possibility.

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

1.1.5 The Municipal Finance Management Act

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

Subdivision of Agricultural Land Act 70 of 1970

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

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

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

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

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

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

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

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

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

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

1.1.6 National Environmental Management Act No.107 Of 1998

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

- i. That the disturbance of ecosystems and loss of biological diversity are avoided, or, where they cannot be altogether avoided, are minimised and remedied;
 - ii. that pollution and degradation of the environment are avoided, or, where they cannot be altogether avoided, are minimised and remedied;
 - iii. that the disturbance of landscapes and sites that constitute the nation's cultural heritage is avoided, or where it cannot be altogether avoided, is minimised and remedied;
 - iv. that waste is avoided, or where it cannot be altogether avoided, minimised and reused or recycled where possible and otherwise disposed of in a responsible manner;
 - v. that the use and exploitation of non-renewable natural resources is responsible and equitable, and takes into account the consequences of the depletion of the resource;
 - vi. that the development, use and exploitation of renewable resources and the ecosystems of which they are part do not exceed the level beyond which their integrity is jeopardised;
 - vii. that a risk averse and cautious approach is applied, which takes into account the limits of current knowledge about the consequences of decisions and actions; and
 - viii. That negative impacts on the environment and on people's environmental rights be anticipated and prevented, and where they cannot be altogether prevented, are minimised and remedied.
- (d) Equitable access to environmental resources, benefits and services to meet basic human needs and ensure human wellbeing must be pursued and special measures may be taken to ensure access thereto by categories of persons disadvantaged by unfair discrimination.
- (f) The participation of all interested and affected parties in environmental governance must be promoted, and all people must have the opportunity to develop the understanding, skills and capacity necessary for achieving equitable and effective participation, and participation by vulnerable and disadvantaged persons must be ensured.
- (g) Decisions must take into account the interests, needs and values of all interested and affected parties, and this includes recognising all forms of knowledge, including traditional and ordinary knowledge.
- (h) Community wellbeing and empowerment must be promoted through environmental education, the raising of environmental awareness, the sharing of knowledge and experience and other appropriate means.
- (p) The costs of remedying pollution, environmental degradation and consequent adverse health effects and of preventing, controlling or minimising further pollution, environmental damage or adverse health effects must be paid for by those responsible for harming the environment.
- (q) The vital role of women and youth in environmental management and development must be recognised and their full participation therein must be promoted.
- (r) Sensitive, vulnerable, highly dynamic or stressed ecosystems, such as coastal shores, estuaries, wetlands, and similar systems require specific attention in management and planning procedures,

especially where they are subject to significant human resource usage and development pressure.

1.1.7 Provincial Growth And Development Strategy (PGDS 2035)

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

The Provincial Vision is indicated as:

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

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

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

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

The purpose of the 2016 KZN PGDS is to:

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

1.1.8 Zululand District Growth And Development Strategy

The objectives of the Zululand DGDP are:

1. To establish and outline long term vision and direction for development in the district (vision 2035);
2. To provide an overarching and coordinating framework for planning and development initiatives within each of the local municipalities and across municipal boundaries;
3. To provide a spatial context and justification for priority interventions;
4. To guide resource allocation of various spheres of government, service delivery agencies and private sector working within the district;
5. To develop institutional arrangement for an effective implementation of the Zululand DGDP and the PGDS;
6. To align and integrate departmental strategic plans at a district level;
7. To facilitate commitment of technical and financial resources towards the implementation of strategic objectives, catalytic initiatives and other district priorities.

1.1.9 LED Strategy

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

The ZDM LED strategy has the following overall objectives to be achieved.

Table 1: ZDM LED Strategy Objectives

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

Principles

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

Table 2: ZDM LED Strategy Principles

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

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

Strategies

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

Table 3: ZDM LED Strategy – Strategies

District Strategies	<ol style="list-style-type: none"> 1. Establishing LED institutions and processes 2. Changing attitudes 3. Addressing the fundamentals 4. Raising the profile of the region 5. Improving and Promoting Access 6. Visible Delivery
Business Strategies	<ol style="list-style-type: none"> 1. Institutional structuring for delivery 2. Capacity building and training 3. Establishing/building agri-industries 4. Establishing small scale mining 5. Municipal business strategies
Agriculture Strategies	<ol style="list-style-type: none"> 1. Institutional structuring for agricultural delivery 2. Sustainable land reform 3. Improved market access for agricultural produce 4. Visible delivery in agricultural sector 5. Municipal agricultural strategies
Tourism Strategies	<ol style="list-style-type: none"> 1. Institutional structuring for tourism

2. Tourist information inside the District
3. Tourist information outside the District
4. Making tourists feel safe and welcome
5. Community tourism
6. Visible tourism delivery
7. Municipal tourism strategies

Source: ZDM LED Strategy revised 2015

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

Figure 1: Integrated LED Strategy

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

Source: ZDM LED Strategy

1.1.10 WSDP Strategy

The Water Services Development Plan has an impact on the Spatial Development of the District, as physical development initiatives needs to be timed to link/coincide with the roll-out strategy of water & Sanitation projects. In addition to the roll-out plan and projects to be implemented, the WSDP does not contain specific strategies that will impact on the compilation of the Spatial Development Framework.

The WSDP contains strategies to manage water usage and conservation, which are listed below. As indicated above, this does not impact directly onto the compilation of the SDF but assist in managing water utilisation. These strategies are the following:

- Influencing the behaviour of consumers:
 - School and public educational and awareness programmes aimed at promoting effective usage of water (brochures, advertising, newsletters, demonstrations, exhibits, informative billing, etc);
 - Water services tariff that promotes efficient water usage;
 - Any other “win-win” initiatives that could influence consumers positively;
- Specific targeted projects like:
 - Repair plumbing leaks inside properties;
 - Installation of water flow control devices, etc;

The roll-out plan for the WSDP will be discussed in more detail in the status quo section, and will provide the timeframes for rollout of the SDF.

1.1.11 Framework For Managing Programme Performance Information

This Framework aims to:

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

1.2 WHO ARE WE?

The Zululand District is located on the northern regions of the KwaZulu-Natal Province and it covers an area of approximately **15 310 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. B.J Mncwango.

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	• Mlaba
• Mavuso	• Ndebele
• Msibi	• Nobamba

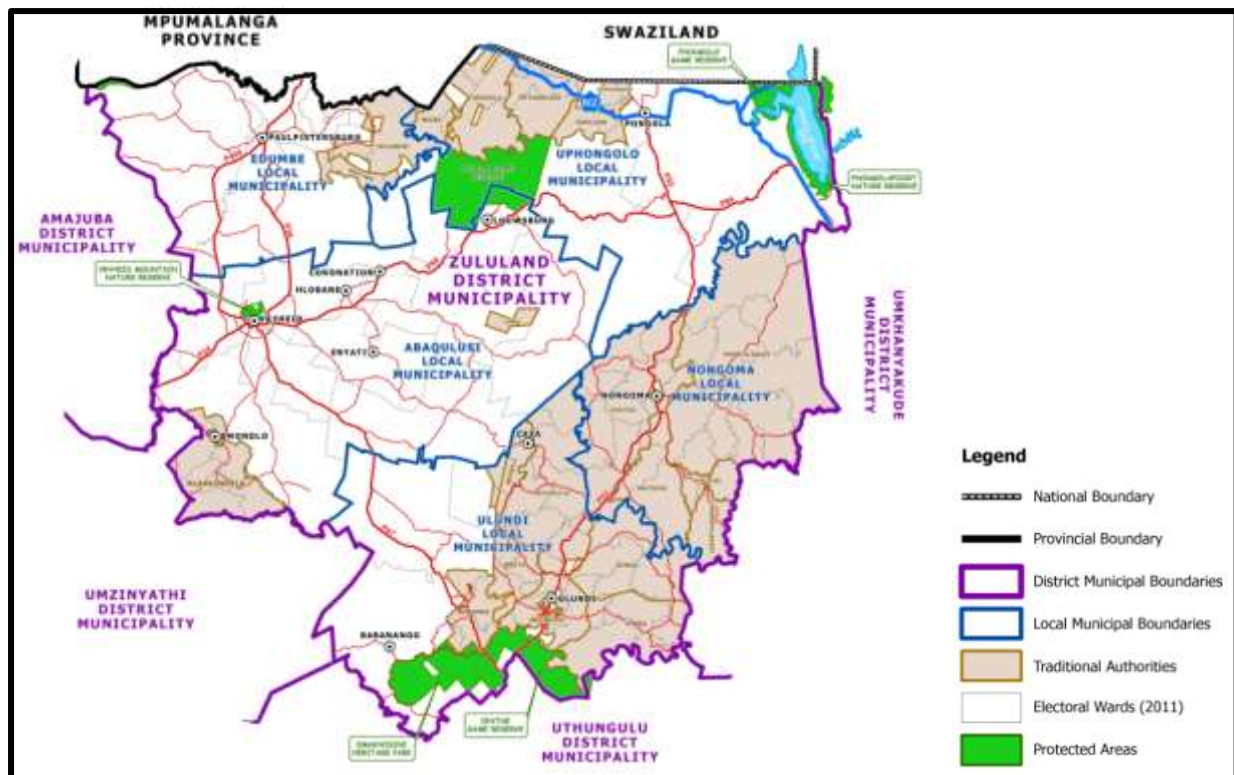
• Ndlangamandla	• Sibiya
• Ntshangase	• Ndlangamandla Ext
• Simelane	• Disputed Area
• Hlahlindlela	• Khambi
• Matheni	• Khambi Ext
• Usuthu	• Zungu
• Buthelezi	• Mbatha
• Mandlakazi	

The district is predominantly rural with commercial farmland interspersed by protected areas, towns, and dense to scattered rural settlements within traditional authority areas. The majority of these rural settlements are small, making service delivery to these remote areas extremely costly. Settlements are located as follows:

Table 4: Settlement Location and Number of Settlements

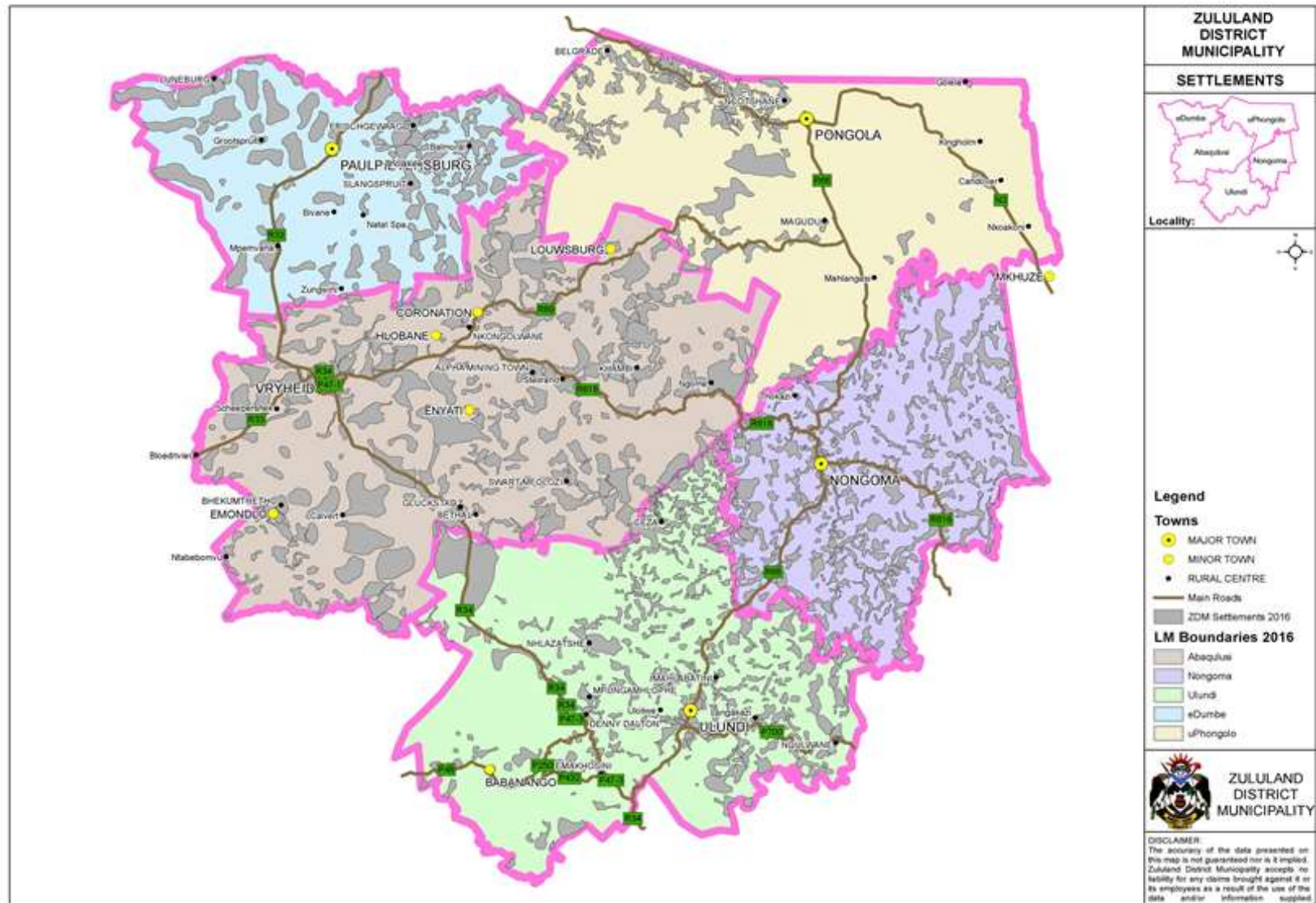
Settlement Location	Nr of Settlements
Urban Towns	27
Communal Property	27
Land Reform Areas	75
State-owned	26
Tribal Areas	857
Private Land	257
TOTAL	1 269

Map 2: Administrative Entities



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.

Map 3: Demographics of Zululand District Municipality.



1.3 POPULATION PROFILE

Zululand District has a population of **892,310** accounting for about 7.8% of the total KZN population after UMgungundlovu District [1,100,000] and King Cetshwayo District [980,000].

The population growth rate is similar to that of its neighbouring districts ranging between 1.4% and 1.6%. Between 2011 and 2016, the Zululand growth rate rose from 1.2% to 1.4% which is on par with its neighbouring districts.

The Zululand District Municipality contributes 22% to the provinces population.

The table below depicts a brief summary of the population dynamics.

Table 5: Population Dynamics per Municipality

INDICATOR	ZULULAND	ULUNDI	NONGOMA	UPHONGOLO	EDUMBE	ABAQULUSI
Area (km ²)	15 310	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)

Table 6: Distribution of population and annual growth between 2011 and 2016

District and local municipality	Total population		Growth rate
	2 011	2016	
DC26: Zululand	803 575	892 310	2,38
KZN261: eDumbe	82 053	89 614	2,00
KZN262: uPhongolo	123 584	141 247	3,03
KZN263: AbaQulusi	214 714	243 795	2,89
KZN265: Nongoma	194 908	211 892	1,90
KZN266: Ulundi	188 317	205 762	2,01

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.

NOTEWORTHY:

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

Table 7: Distribution of population by district, municipality and broad age groups, CS 2016

District and local municipality	0–14		15–59		60+		Total
	N	%	N	%	N	%	
DC26: Zululand	361 254	40,5	476 865	53,4	54 190	6,1	892 310
KZN261: eDumbe	36 992	41,3	47 044	53	5 578	6,2	89 614
KZN262: uPhongolo	57 286	40,6	76 276	54,0	7 685	5,4	141 247
KZN263: AbaQulusi	92 354	37,9	135 628	55,6	15 814	6,5	243 795
KZN265: Nongoma	90 062	42,5	108 673	51,3	13 157	6,2	211 892
KZN266: Ulundi	84 561	41,1	109 245	53,1	11 956	5,8	205 762

Source: Community Survey 2016 (StatsSA)

Table 8: ZDM and STATSSA Census 2011 household growth analysis (2005 - 2017)

	Actual Household Statistics (Captured from aerial photography over 4 consecutive periods) vs CENSUS Data												
Local Municipality	2006	2009 (AERIALS)	2010	2011 (CENSUS)	2012	2013 (AERIALS)	2014	2015	2016 (COMM SURVEY)	2016 (AERIALS)	Annual household growth rate	Average Population per household	Total Population (ZDM)
AbaQulusi	36 069	40 302				45 918				47 119	0.9%	4.90	230 883
eDumbe	15 011	16 880				16 671				17 641	1.9%	5.10	89 969
Nongoma	34 056	38 171				45 670				44 376	-0.9%	4.40	195 254
Ulundi	35 309	37 365				46 450				44 987	-1.1%	5.70	256 426
uPongolo	22 098	25 136				28 468				29 519	1.2%	5.40	159 403
Total	142 543	157 854		157 748		183 177			178 516	183 642	0.41%	5.10	931 935

Source: 2019 Draft WSDP

To summarise the above outcomes, the current household count for ZDM taken from the 2016 household count, is 183 642, with a total population count of 931 935 when STATSSA population per household is applied.

1.4 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.

Table 9: GVA Contribution (R000), Zululand, Local Municipalities, 2012-2015)

Municipality	2012	2013	2014	2015
eDumbe	1 254	1 244	1 313	1 310
uPhongolo	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

Source: Global Insight, 2017

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

The amount of GVA per municipality does not necessarily have to correspond to the economic growth rate in that local municipality. Often local economies growing off a smaller base will grow faster.

Table 10: GVA growth, Local Municipality, 2006-2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
eDumbe	2.9%	4.8%	2.3%	-0.7%	3.1%	1.5%	3.2%	-0.8%	5.5%	-0.2%
Phongola	3.2%	0.1%	3.3%	-1.8%	2.3%	1.8%	-0.5%	3.8%	5.2%	-0.6%
Abaqulusi	-0.3%	3.6%	-0.1%	-2.3%	0.1%	-1.6%	3.4%	1.2%	5.6%	0.1%
Nongoma	3.8%	4.6%	4.8%	-1.8%	0.2%	-0.6%	1.2%	3.3%	5.7%	-0.1%
Ulundi	2.1%	3.5%	0.6%	-3.2%	0.0%	0.0%	2.3%	2.2%	4.0%	-0.2%
Zululand	1.5%	3.5%	1.4%	-2.2%	0.6%	-0.4%	2.4%	1.8%	5.2%	-0.1%

Source: Global Insight, 2017

Table 3 above illustrates GVA growth rates across all local municipalities in the district. 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.

1.4.1 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 11: 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

Abaqulusi has the largest number of unemployed people in Zululand, with 11 938. However, the municipality has the smallest unemployment rate at 25.9% with uPhongolo second at 26.4%. Nongoma (38.5%) and Ulundi (38.3%) have the highest unemployment rate, higher than the district average (31.2%).

All the local municipalities have the labour force participation rate that is at below 50%. Abaqulusi has the highest labour force participation rate of 30.5% which is indicative of a higher level of job search activity than in the other municipalities while Nongoma has the lowest labour force participation rate of 17.6%. This points to a labour market in crisis in Nongoma and requires concerted job creation efforts in the municipality.

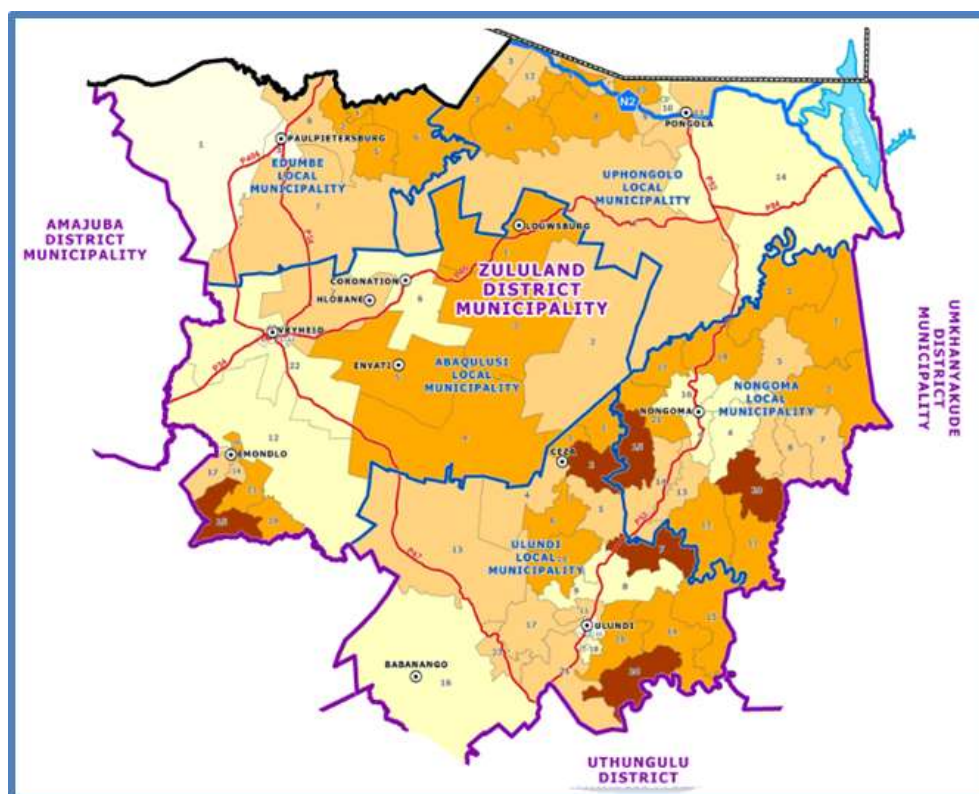
Unemployment in Zululand is unsustainably high and is having the negatively impact of discouraging people from spending the time and money to actively search for jobs.

1.4.2 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 4: People Living Below the Poverty Line



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

Table 12: Percentage of People Living Below the Poverty Line per Municipality

Year	eDumbe	uPhongolo	AbaQulusi	Nongoma	Ulundi	Zululand
2006	53%	47%	48%	57%	50%	51%
2007	54%	47%	49%	57%	50%	52%
2008	58%	52%	53%	61%	54%	55%
2009	60%	53%	54%	62%	56%	57%
2010	50%	44%	45%	52%	46%	48%
2011	43%	37%	38%	45%	39%	41%
2012	43%	38%	39%	44%	40%	41%
2013	43%	37%	39%	43%	39%	40%
2014	41%	36%	38%	42%	39%	39%
2015	40%	34%	38%	41%	38%	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.

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 13: 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																NDP Target					
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.

The web-based WSDP allows for a DM to perform a self-assessment on each topic discussed. Topics are rated in terms of 90% reliable services by 2035 according to the KZN PGDS, and associated KPI's track progress on each topic. Mitigation measures are put in place with each annual review should a KPI not reach its desired progress.

Table 14: Existing backlogs against funding allocations 2016

YEAR	BACKLOGS (Households)		ALLOCATIONS		Household count
	Water	Sanitation	Water	Sanitation	
2013-2014	56 559	56 757	R 288 499 750	R 65 386 250	2010 household count
2014-2015	50 653	46 027	R 300 616 500	R 55 405 500	
2015-2016	47 934	37 650	R 440 019 250	R 55 339 750	
2016-2017	45 545	31 071	R 281 021 250	R 61 973 750	
2017-2018	57 358	38 007	R 172 855 075	R 45 120 650	2013 Households
2018-2019	50 882	34 973	R 456 344 175	R 51 310 825	
2019-2020	42 711	25 977	TBA	TBA	2016 Households

Source: Draft 2019 WSDP

The outcome for the 2019 self-assessment can be reviewed in the next two graphs. KPI's can be reviewed in the next table to track progress on each topic in the above graph. Topic 1 and Topic 3

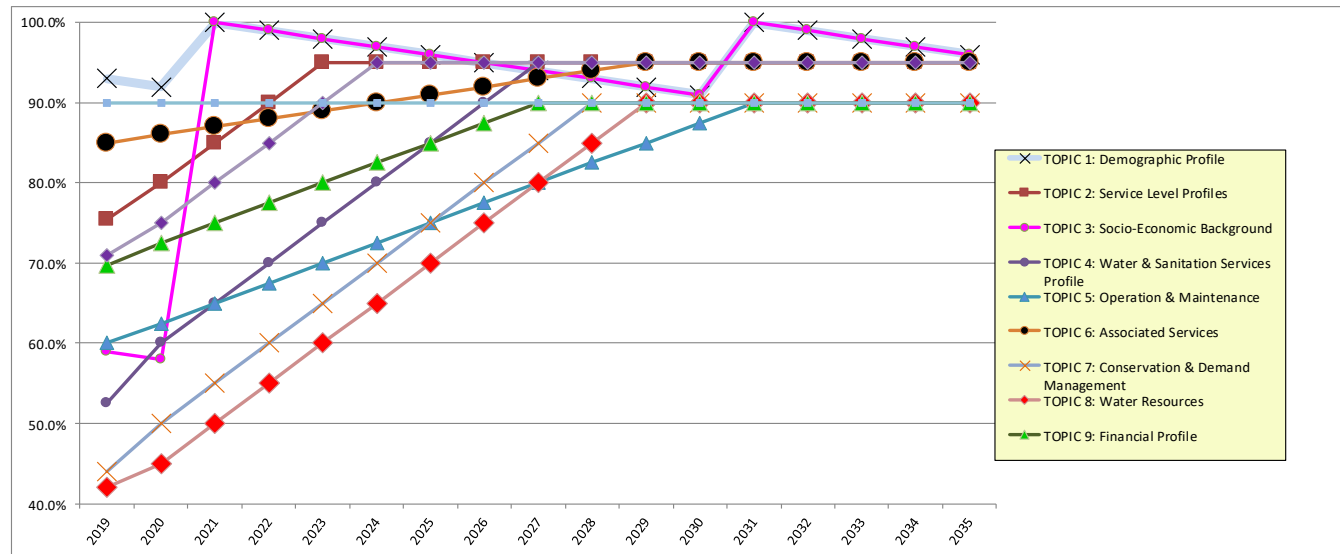
are reliant on Census data and will be updated with every new Census done (2021 & 2031) after which data becomes progressively outdated.

The source for these tables is the Draft 2019 WSDP.

Table 15: Self-assessment improvement scores for 2019

						KPI Targets															
TOPIC	Assessment Quality	Assessment Quantity	Future Planning Assessment	Strategy Assessment	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
TOPIC 1: Demographic Profile	93%	93%	0%	0%	93.0%	92.0%	100.0%	99.0%	98.0%	97.0%	96.0%	95.0%	94.0%	93.0%	92.0%	91.0%	100.0%	99.0%	98.0%	97.0%	96.0%
TOPIC 2: Service Level Profiles	77%	77%	77%	71%	75.5%	80.0%	85.0%	90.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
TOPIC 3: Socio-Economic Background	59%	59%	0%	0%	59.0%	58.0%	100.0%	99.0%	98.0%	97.0%	96.0%	95.0%	94.0%	93.0%	92.0%	91.0%	100.0%	99.0%	98.0%	97.0%	96.0%
TOPIC 4: Water & Sanitation Services Profile	51%	51%	53%	55%	52.5%	60.0%	65.0%	70.0%	75.0%	80.0%	85.0%	90.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
TOPIC 5: Operation & Maintenance	59%	59%	61%	61%	60.0%	62.5%	65.0%	67.5%	70.0%	72.5%	75.0%	77.5%	80.0%	82.5%	85.0%	87.5%	90.0%	90.0%	90.0%	90.0%	90.0%
TOPIC 6: Associated Services	90%	90%	80%	80%	85.0%	86.0%	87.0%	88.0%	89.0%	90.0%	91.0%	92.0%	93.0%	94.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
TOPIC 7: Conservation & Demand Management	43%	43%	45%	45%	44.0%	50.0%	55.0%	60.0%	65.0%	70.0%	75.0%	80.0%	85.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
TOPIC 8: Water Resources	44%	44%	40%	40%	42.0%	45.0%	50.0%	55.0%	60.0%	65.0%	70.0%	75.0%	80.0%	85.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
TOPIC 9: Financial Profile	74%	74%	65%	66%	69.8%	72.5%	75.0%	77.5%	80.0%	82.5%	85.0%	87.5%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
TOPIC 10: Institutional Profile	90%	90%	52%	52%	71.0%	75.0%	80.0%	85.0%	90.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
TOPIC 11: Customer Services	90%	90%	90%	90%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%

Table 16: Self-assessment improvement goals for 2035



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.D. Buthelezi with Councilor M.M. Kunene as Deputy Mayor. The Council is chaired by the Honourable Speaker, Cllr. B.J. Mncwango.

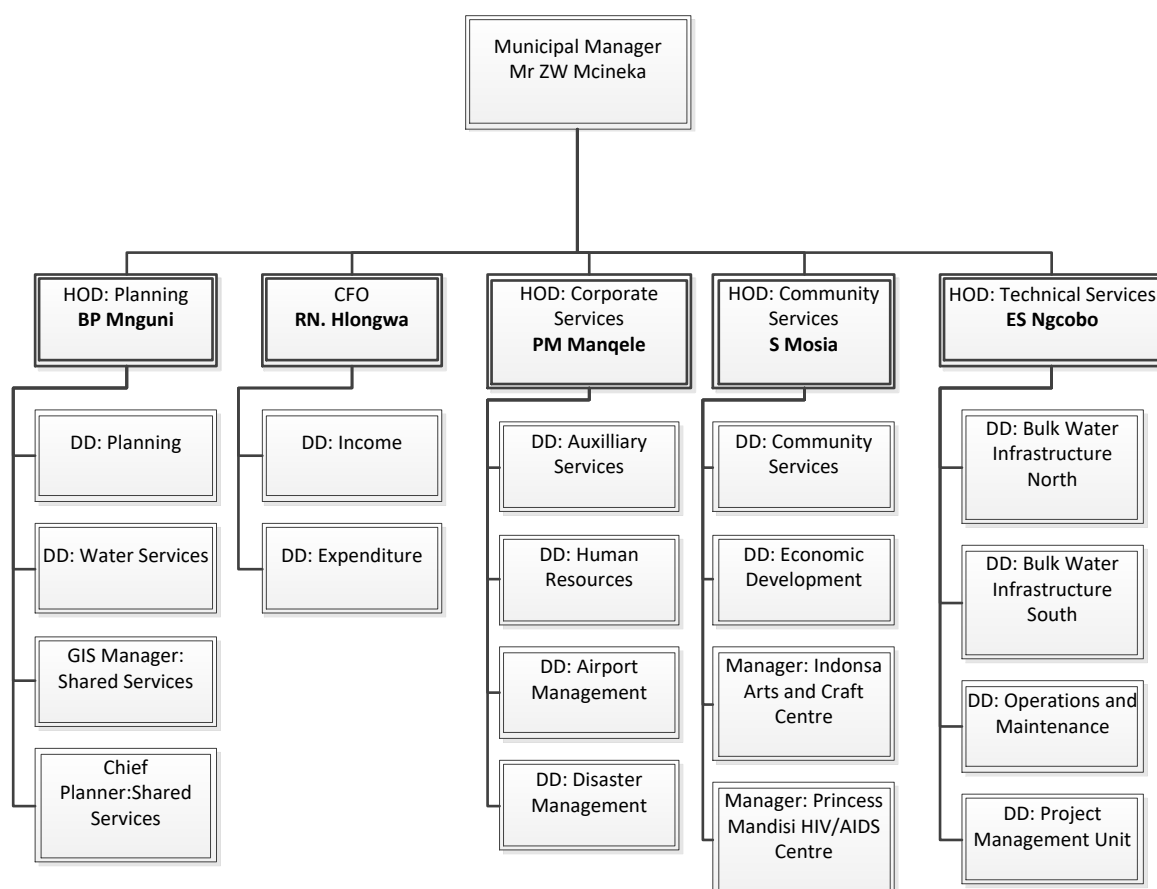
Amakhosi are invited and attend all Council Meetings.

The municipality consists of five (5) departments:

- Planning Department: HOD: Mr BP Mnguni
- Budget & Treasury Office: CFO: Mr RN Hlongwa
- Corporate Services Department: HOD: Mr PM Manqe
- Community Services Department: HOD: Mr S Mosia
- Technical Services: HOD: Mr ES Ngcobo

The municipality's high level organogram is indicated hereunder:

Figure 2: ZDM High Level Organogram



1.6.1 Employment And Vacancies

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

Table 17: Number of posts and vacancies per Department

Number of posts and vacancies per department						
Department	2016/17		2017/18		2018/19	
	No. of Posts	No. of Vacancies	No. of Posts	No. of Vacancies	No. of Posts	No. of Vacancies
Finance	53	0	52	6	57	1
Technical	368	5	366	8	374	21
Planning	21	3	18	3	21	0
Community	58	0	56	2	58	1
Corporate	64	0	65	4	65	3

1.6.2 Status Of Critical Posts

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

1.6.3 Organizational Structure

The draft organizational structure was approved by Council in March 2019 in line with the IDP. It is anticipated that the final structure will be adopted in July 2019.

1.6.4 Current Policies And Status

Table 18: Current Policies and Status

	Name of Policy	Date adopted	Next Review
1	Affirmative Action	28 May 2017	NA
2	Attraction and Retention	28 May 2017	NA
3	Code of Conduct for employees	28 May 2017	NA
4	Delegations, Authorisation & Responsibility	28 May 2017	NA
5	Disciplinary Code and Procedures	28 May 2017	NA
6	Essential Services	28 May 2017	NA
7	Employee Assistance / Wellness	28 May 2017	NA
8	Employment Equity	28 May 2017	NA
9	Exit Management	28 May 2017	NA

	Name of Policy	Date adopted	Next Review
10	Grievance Procedures	28 May 2017	NA
11	HIV/Aids	28 May 2017	NA
12	Human Resource and Development	NA	NA
13	Information Communications Technology	28 May 2017	NA
14	Job Evaluation	Guided by SALGA	NA
15	Leave	28 May 2017	NA
16	Occupational Health and Safety	28 May 2017	NA
17	Official Housing	28 May 2017	NA
18	Official Journeys	28 May 2017	NA
19	Official transport to attend Funerals	28 May 2017	NA
20	Official Working Hours and Overtime	28 May 2017	NA
21	Organisational Rights	28 May 2017	NA
22	Payroll Deductions	28 May 2017	NA
23	Performance Management and Development	28 May 2017	NA
24	Recruitment, Selection and Appointments	28 May 2017	NA
25	Remuneration Scales and Allowances	28 May 2017	NA
26	Resettlement	28 May 2017	NA
27	Sexual Harassment	28 May 2017	NA
28	Skills Development	28 May 2017	NA
29	Smoking	28 May 2017	NA
30	Special Skills	28 May 2017	NA
31	Uniforms and Protective Clothing	28 May 2017	NA
32	Water Use Policy	28 May 2017	NA
33	Workplace Skills Plan	30 May 2018	30 August 2019
34	Retention Strategy	28 May 2017	NA

It is anticipated that many of the policies indicated above will be reviewed during the 2019/2020 financial year in line with the revised strategic plan of the municipality.

1.6.5 Performance Management

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

Performance Management is located in the Planning Department.

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

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

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

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

As at 30 June 2018, performance evaluation applies to section 54 and 56 managers and does not cascade to other levels of employees.

1.6.6 Auditing And Oversight

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

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

There are 3 categories of audit outcomes. These include clean audit, Unqualified Audit, Disclaimer.

For the 2015/2016 financial year the ZDM received a clean audit. In 2016/2017 the municipality received an unqualified audit with matters of emphasis. The regress was due to lax in monitoring controls as well as irregular expenditure as a result of non-compliance with legislation.

In the 2017/2018 financial year the municipality received a **Qualified Audit Opinion**. Two factors that led to the qualified opinion include:

- ***Revenue from exchange transactions***
 - insufficient and appropriate audit evidence that management had properly accounted for all revenue from service charges, receivables and related impairments due to inadequate internal control in the billing process
- ***Water Losses***
 - insufficient appropriate audit evidence for the disclosed water losses stated at R7,21 million in the note 59 to the financial statements

With regards to auditing there are 3 structures namely:

- Internal Audit
- Audit and Performance Management Committee

- Council

1.6.7 Internal Audit

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

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

1.6.8 Audit And Performance Management Committee

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

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

Table 19: Members of the Audit and Performance Committee

Member	Designation	Qualifications	Attended
Mr P Mntambo (Chairperson)	External	Bcompt, Project Management, Forensic, Investigation & MBA	6/6
Mr MC Ndwandwe	External	Bcom	6/6
Mr MS Ngcobo	Internal	NDIP Town & Regional Planning	6/6

The Audit Committee has met more than 4 times for the financial year under review as displayed in the table below.

Table 20: Number of Meetings held by the Audit Committee

Number of Meetings Held		
2015/16	2016/17	2017/18
6	4	23/08/2017
		30/11/2017
		01/02/2018
		19/04/2018

Number of Meetings Held		
2015/16	2016/17	2017/18
		31/05/2018

1.6.9 Oversight Committee

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

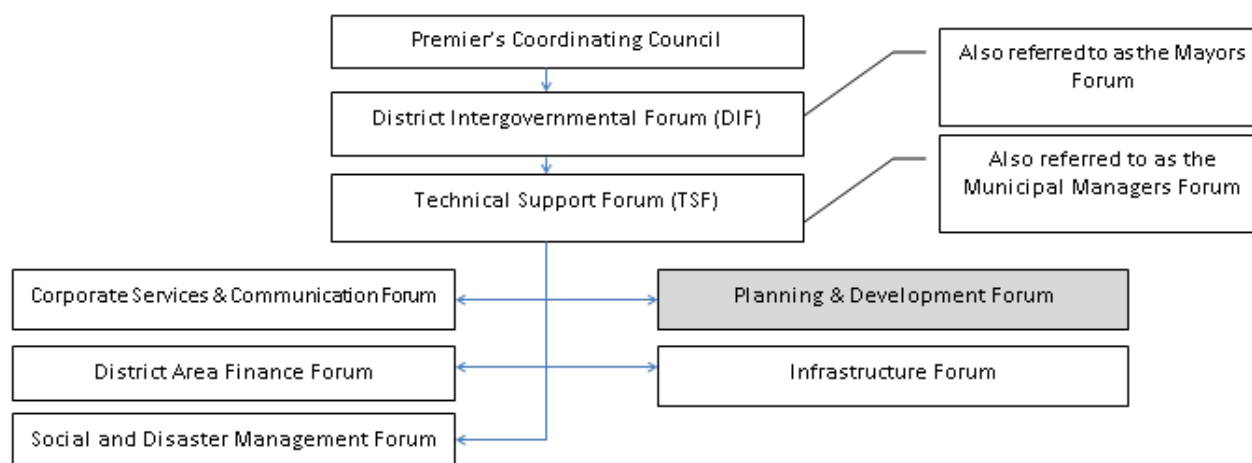
Table 21: Number of Meetings held by the Oversight Committee

Oversight Committee			
2015/16	2016/17	2017/18	2019/2020
4	5	26/07/2017	27/03/2019
		30/11/2017	
		25/01/2018	
		14/02/2018	
		19/04/2018	
		07/06/2018	

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 3: Intergovernmental Relations



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.

The table below demonstrates the number of times that the different segments of IGR met during the financial year under review:

Table 22: Number of Meetings by different sections of IGR

Name of Forum	No. of Meetings (2017/2018)	No. of Meetings (2018/2019)	No. of Meetings (2019/2020)
Mayors Forum	01	00	00
MMs Forum	01	02	03
CFOs Forum	01	00	00
Corporate Services Forum	01	00	01
Technical Services Forum	01	00	00
Planning & Development Forum	00	00	00

The state of IGR in the municipality has not been desirable. However the sitting of the Municipal Managers Forum twice during the month of March and April 2019 put in motion a series of activities to resuscitate IGR. It is anticipated that during the 2019/2020 financial year, IGR functionality will be restored.

Public Participation

The IDP, LED, Budget and Disaster Roadshows were held as follows:

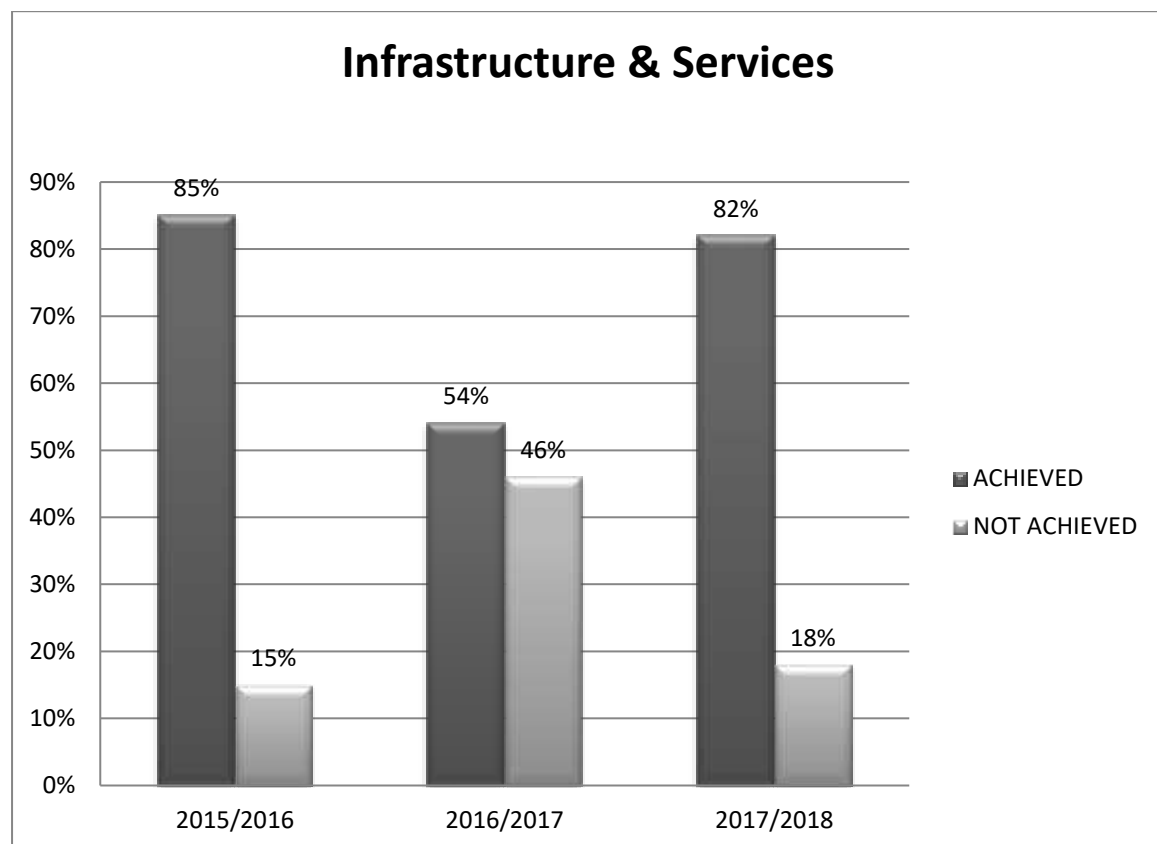
Table 23: IDP, LED , Budget and Disaster Roadshows

DATE	WARD	MUNICIPALITY
16 April 2019 Tuesday	Bilanyoni Sports Ground	eDumbe Municipality
25 April 2019 Thursday	OKhukho KwaDladla Community Hall	Ulundi Municipality
26 April 2019 Friday	Nongoma Multi-Purpose Hall	Nongoma Municipality
29 April 2019 Monday	Sithambi Community Hall (KwaLubisi)	Phongolo Municipality
30 April 2019 Tuesday	KwaHlahlindlela Community Hall	AbaQulusi Municipality

1.8 PERFORMANCE ANALYSIS

1.8.1 Infrastructure And Services

Figure 4: Infrastructure and Services



This KPA covers the following key focus areas (powers&functions): Water&sanitation, Municipal District Roads, Municipal Health Services, Disaster Management, Municipal District Airports and District Solid Waste Management.

In 2015/16 the Zululand District Municipality achieved 85% for Infrastructure, 54% in 2016/17 and 82% in 2017/18. One of the core functions of the municipality is to provide bulk water and sanitation. The significant decline in 2016/17 came as a result of the protracted drought experienced due to climate change across the country. It can be observed from the graph above that the common service delivery trend however returned to normal in the 2017/2018 financial year. Despite the massive funding shortfall in relation to the capital investment framework for water&sanitation infrastructure, service delivery continued at a reasonably high rate to communities around Zululand.

All targets were met in respect of disaster management.

With regards to municipal district roads, the allocation and gazetting of roads belonging to the district is still in process and cannot therefore perform this function.

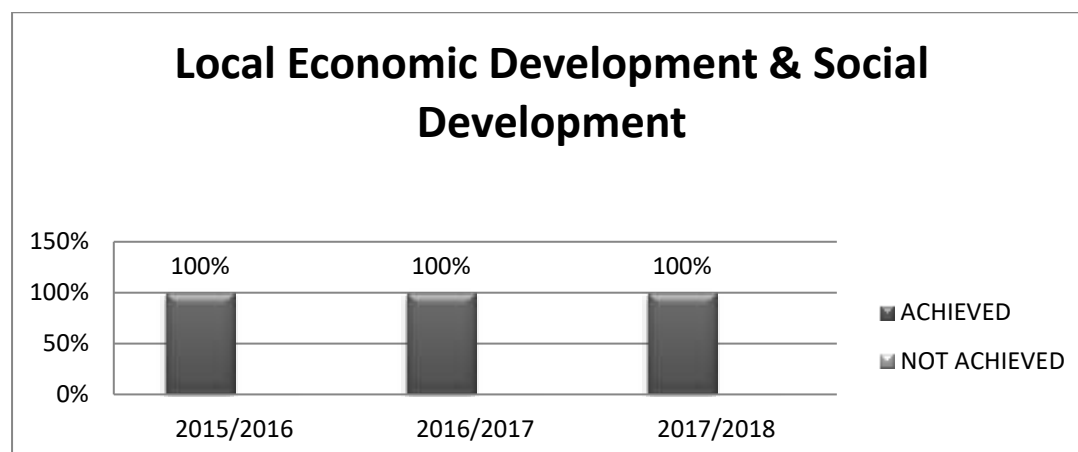
There are no regional solid waste sites.

There is one municipal district airport based in Ulundi operated and maintained by the municipality. There are no significant issues impacting on performance during this period.

1.8.2 Social Development & Local Economic Development

This KPA contains the following focus areas: social development and LED.

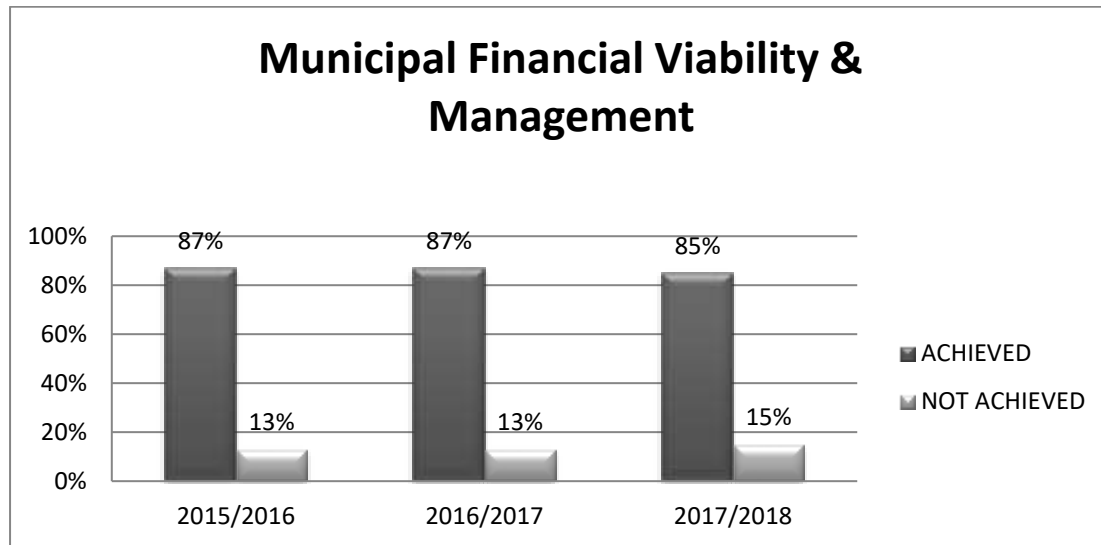
Figure 5: LED and Social Development



All targets were achieved in this KPA which includes indicators the measure policy development, job creation, creating community awareness, quality of life and inspections. No challenges are recorded.

1.8.3 Municipal Financial Viability And Management

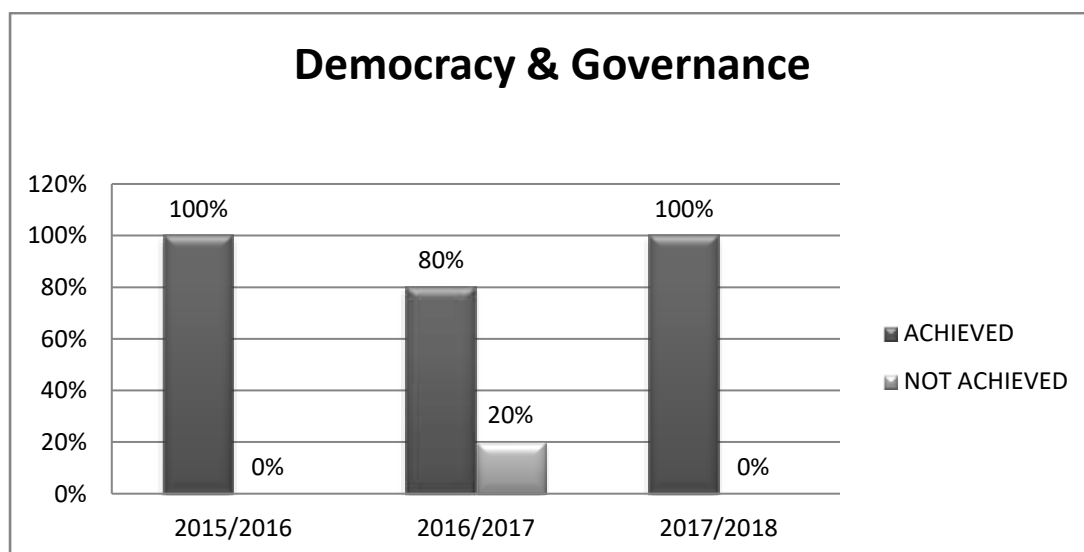
Figure 6: Municipal Financial Viability and Management



Performance in term of this KPA has been consistent over the past 3 financial years. Key challenges include clearing of audit queries, debtor management and supply chain procurement appeals. In order to rectify the latter, the municipality has made provision for senior Procurement Personnel to beef up the SCM unit in the 2018 financial year. Debt recovery services have been procured to assist the municipality to recover debt from the community and stakeholders. Controls have been strengthened to limit the number of recurrent issues in audit assessments. A legal person has also been appointed by the municipality in the current financial year to assist with legal advice.

1.8.4 Democracy & Good Governance

Figure 7: Democracy and Governance

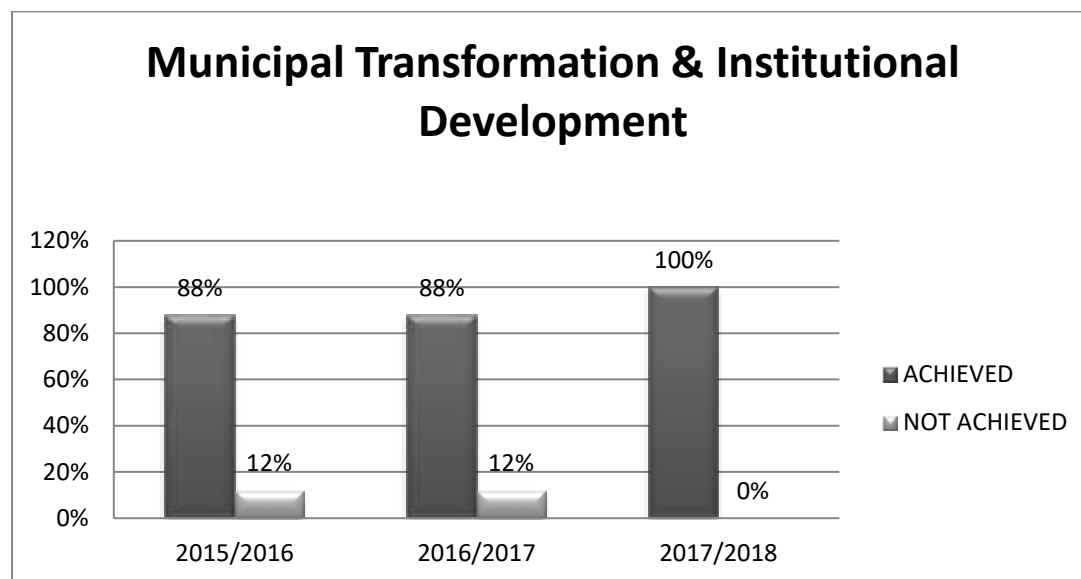


The slump in performance registered in the 2016/17 financial year was as a result of the vacancies experienced after the third quarter when senior manager contracts were not renewed. The risk management plan was also not submitted to the Municipal Manager as per target. In the 2017/18 financial year second quarter, all senior manager posts were filled.

1.8.5 Municipal Transformation And Institutional Development

In 2015/16 and 2016/17, the municipality did not perform well in terms of utilising the budget allocated for skills development due to oversight. In 2017/18 the target was achieved.

Figure 8: Municipal Transformation & Institutional Development



1.8.6 Performance Of Service Providers

The performance of service provider is monitored via Service Level Agreements signed between the municipality and service providers. The end user department in the municipality provides monthly reports to the SCM unit. Service providers who fail to perform are reported to SCM and the necessary action is taken including the termination of the contract or cancellation of an order when all remedial measures fail.

Performance in the 2015/16 financial year was mostly satisfactory and good. Performance of service providers directly affects the municipality's performance therefore where remedial measures failed, the service provider services were terminated.

In 2016/17 controls were applied more effectively and service provider performance improved. There were lesser satisfactory performances although terminations increased.

In the year under review, service providers performed better followed by satisfactory performance and closed by poor performance.

Controls will continue to be applied and monitoring closely to ensure that service delivery to communities is not disadvantaged.

1.8.7 Financial Analysis

The Financial Analysis was extracted from the Annual Report for 2017/2018.

Income

Zululand District Municipality's (ZDM) operating revenues grew-up by 1.18% from R890 million in 2017 to R901 million in 2018. The increase was mainly resulting from increase in our revenue from exchange transaction (service charges).

Revenue from service charges (water and sewer services) has increased by 33.50% from R20 million in 2017 to R27 million in 2018 whereas revenue from investments has increased by 55.41% from R6 million in 2017 to R9 million in 2018.

Own revenue remains as 4.22% of the total operating revenue. This indicates that Council is more dependent on grant funding from National and Provincial Government.

Table 24: Operating revenue over a period of three (3) years

Financial Year	2017-18	2016-17	2015-16
Amount	R 901 291 074	R 890 766 173	R 896 439 449

Schedule of Conditional Grants Received

Table 25: Schedule of Conditional grants received

Description	Name of organ of state	Total
Financial Management Grant	National Treasury	R 1 250 000
Expanded Public Works Programme	Department of Public Works	R 5 760 000
Indonsa Grant	Department of Arts & Culture	R 1 911 000
Regional Bulk Infrastructure Grant (Schedule 5B)	Department of Water and Sanitation	R 130 000 000
Water Services Infrastructure Grant (Schedule 5B)	Department of Water and Sanitation	R 107 746 000
Rural Road Assets Management Systems Grant	Department of Co-operative Governance and Traditional Affairs	R 2 359 000
Growth Development Summit	Department of Co-operative Governance and Traditional Affairs	R 300 000
Total		R 249 326 000

Cash Balance

The cash and cash equivalents of the municipality as at 30 June 2018 amounts to **R13 201 448** and unspent conditional grants amounts to R552 951. This represents an increase of 77.53% as compared to the previous year's (30 June 2017) cash and cash equivalent balance of R7 436 356.

Cash Coverage

The municipality does not have long term borrowings/loan as a result the Council is not expected to service any interest costs in the future. Cash and cash equivalent amount as at the year-end represents cash available i.e. petty cash and cash at the bank.

Expenditure

Overall increase in total expenditure of 20.25% was realised in 2018 as compared to a decrease of 1.25% in 2017.

Table 26: Operating expenditure over a period of three (3) years

Financial Year	2017-18	2016-17	2015-16
Amount	R 650 793 855	R 541 213 742	R 548 077 765

- **Employees and councillors related costs.** This is attributable to a combination of the salary increases year on year and the filling of vacancies during the financial year. This type of expenditure contributes 28.42% to the current total expenditure. Employees and councillors remuneration costs has increased by 4.74% during the current financial year whilst the increase was 9.99% in 2017.
- **Contracted services costs.** Included in contracted services costs are repairs and maintenance of property, plant and equipment items. This expenditure costs contribute 26.78% to the current total expenditure. The expenditure costs attributed to repairs and maintenance was R63 million (2018) and R21 million (2017-restated) respectively. An increase of 22.87% was realised during the current financial year whilst a decrease of 14.06% was realised in 2017.
- **Bulk purchases costs.** The purchase of bulk electricity and water contributes 20.19% to the current total expenditure. An increase of 53.71% was realised during the current financial year whilst an increase of 9.16% was realised in 2017.

Spending of operational grants

Council had an operational budget of R573 million in 2018 and R480 million in 2017 respectively. The total grant spending for the year amounted to R537 million (**99.90%**) in 2018 and R478 million (**99.69%**) in 2017 respectively.

Spending of capital grants

The capital budget is committed largely on new infrastructure projects and the renewal of existing capital assets. The Council had an approved capital budget of R465 million in 2018 and R473 million in 2017. The municipality had spent all capital grant funding (100% spent) in both 2018 and 2017 financial years.

Fruitless and wasteful expenditure

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

Table 27: Fruitless and wasteful expenditure incurred over the period of three years

Financial Year	2017-18	2016-17	2015-16
Amount	R 420 411	R 381 729	R 90 017

Liquidity Management

The municipality has made self-assessment on liquidity management. The municipality uses current ratio and cash/cost coverage ratio to assess its ability to settle current obligations and meet its monthly fixed operating commitments.

Current Ratio

The municipality used current ratio to assess its ability to pay its short term liabilities within its short-term assets. The determination of this ratio takes into account the possibility that the council can cede its receivables and inventories to settle its short-term liabilities. The norm of this ratio ranges from **1.5 to 2: 1**.

Table 28: Current ratios over the period of three years (restated)

Financial Year	2017-18	2016-17	2015-16
Current ratio	0.33:1	1.37:1	0.43:1

The above assessment indicates current ratios below the norm for the period over three years. Our current liabilities exceed current assets. Furthermore, the trend is depleting over the period as from 2016 to 2018. This suggests that the municipality would be unable to pay current and short-term obligations should they become due. The municipality is facing a serious financial challenge of liquidity problem.

Cash/Cost Coverage Ratio

The municipality had a cost coverage ratio of 0.33 in 2018 and 0.37 in 2017. This assessment results to ratios that are below the norm range of 1 month to 2 months and this imposes a high risk of financial and its ability to meet obligations should they become due at any specific point in time.

Current Debtors Collection Rate

The municipality had a debt collection period of 160 days in 2018 as compared to 44 days in 2017. The result of this assessment is concerning. This is an indication that revenue collection requires urgent attention.

Asset Management

The assets management system was effectively implemented during the year. Council had approved Asset Management Policy for implementation. The Fixed

Assets Register is in place and is balanced on a monthly basis. Despite the inadequate funding to maintain assets, the assets are in a functional condition.

Cashflow Management And Investments

The cash flow position has improved as compared to the previous year. The municipality had a positive cash flow balances for both 2018 and 2017 financial years. Cash flow is being monitored on a regular basis to ensure budget savings. Budget and Finance Committee comprising all HODs is in place to meet every week to monitor the projected cash-flow against actual cash flows.

MSCOA

The Municipality adopted mSCOA in 2016/2017 financial year using Venus system. The budget was submitted successfully. On a monthly basis the submission is successful. The integration with other subsystems was done for most of the required business processes. We still have to ensure integration with the asset register and GIS. We are upgrading the Venus system to Solar that will cater for all fifteen standard business processes.

Assessment By The Accounting Officer On Arears On Municipal Taxes And Service Charges

Table 29: Total debtors balance as at 30 June 2018

Description	Gross debtors	Provision for impairment	Net debtors
Current receivables from exchange transactions.	R94 716 238	R80 891 523	R13 824 715
Current receivables from non-exchange transactions.	R8 055 298	-	R8 055 298
Current receivables from exchange transactions.	R1 595 713		R1 595 713
Non-current receivables from exchange transactions.	R 12 438 779		R12 438 779
Current receivables from exchange transactions - VAT Receivables.	R 20 029 280		R20 029 280
Total	R136 835 308	R80 891 523	R55 943 785

The total net debtors amount to R55 943 785 as at 30 June 2018 representing a 15% increase as compared to net debtors amount of R48 515 523 as at 30 June 2017.

The increase in net debtors balance of approximately R7.43 million over the reporting period is attributable to the following factors:

- Eskom increased deposit paid on all active accounts over the reporting period based on their assessment of risk relating to having an account. This results to an increase in deposit paid to Eskom.
- Change in consumers' behaviour towards payment of water services. The negative behaviour was caused by draught experience by the municipality over the period of time.
- The current economic recession climate.

The increase in the level of debt did not negatively impact upon service delivery. However, the Council is concerned about sufficient cash reserves in order to meet financial obligations as this was highlighted during assessment of cost coverage ratio. Council will maintain efficient debtors collection and credit control systems and procedures to improve current revenue collection rate that is concerning as well.

Long Term Contracts And Public Private Partnerships

There were no public private partnerships during 2017-18 financial year.

The municipality has signed multi-year contracts with various service providers for construction of infrastructure works including other related management services.

The Schedule of Long Term Contracts is attached as an Annexure.

Revenue Collection Performance By Vote And By Source

Chapter 2 section 4C(ii) of the Municipal Systems Act allows a municipality to impose surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties.

As a result the municipality collects revenue for provision of water and sanitation services to its consumers. Revenue performance is as follows:

Table 30: Revenue collection performance by Vote

Vote Description	Revenue Collection Performance by Vote				R'000	
	2016-2017	Current year:2017-2018			Year variance:	
					2017-2018	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - COUNCIL	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES	-	-	-	-	-	-
Vote 3 - FINANCE	R6 095.00	R6 848	R6 848	R9 472	R28	R28
Vote 4 - COMMUNITY DEVELOPMENT	-	-	-	-	-	-
Vote 5 - PLANNING & WSA	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES	R505 927.00	R449 830	R469 830	R470 130	R4	R0
Vote 7 - WATER	-	-	-	-	-	-

Vote Description	Revenue Collection Performance by Vote					R'000
	2016-2017	Current year:2017-2018			Year variance: 2017-2018	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
PURIFICATION						
Vote 8 - WATER DISTRIBUTION	R7 731.00	R15 683	R20 683	R9761	R61	R112
Vote 9 - WASTE WATER	R3 561.00	R8 208	R8 208	R4674	R76	R76
Total Revenue by Vote	R523 314.00	R480 569	R505 569	R494 037.00	R168	R215

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

Revenue Collection Performance By Source

Table 31: Revenue collection performance by Source

Description	Year -1				Year 0 Variance	R'000
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-
Service Charges - electricity revenue	-	-	-	-	-	-
Service Charges - water revenue	R 7 731.00	R15 683.00	R20 683.00	R9761	R60.67	R111.89
Service Charges - sanitation revenue	R3 561.00	R8 208.00	R 8 208.00	R4674	R75.61	R75.61
Service Charges - refuse revenue	-	-	-	-	-	-
Service Charges - other	-	-	-	-	-	-
Rentals of facilities and equipment	R135.00	R113.00	R113.00	R145	R22.07	R22.07
Interest earned - external investments	R6 095.00	R 6 650.00	R6 650.00	R9 345	R28.84	R28.84
Interest earned - outstanding debtors	-	R85.00	R85.00	R127	R33.07	R33.07
Dividends received	-	-	-	-	-	-
Fines	-	-	-	-	-	-

Description	Year -1				Year 0 Variance	R'000
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Licences and permits	-	-	-	-	-	-
Agency services	-	-	-	-	-	-
Transfers recognised operational	R 356 848.00	R391 492.00	R 391 492.00	R392 439	R0.24	R0.24
Other revenue	R 1 335.00	-	R 1 300.00	R1 853	R100.00	R29.84
Gains on disposal of PPE	-	-	-	-	-	-
Enviromental Protection	-	-	-	-	-	-
Total Revenue (excluding capital contributions)	R375 705.00	R422 231.00	R 428 531.00	R418 344.00	R320.50	R301.57

1.9 KEY CHALLENGES

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

1.9.1 Water And Sanitation

- **36,4%** of households (63 279) have no access to water. **19%** of households have no access to sanitation
- A capital investment of **R4,1 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**.
- The biggest concentration of backlogs for water and sanitation services is located in the Ulundi (36,8%), Nongoma (58,4%) and Uphongolo(30,2%) Local Municipalities.
- Sparsely populated and dispersed settlements, topography and poor quality of ground water increasing the cost of service delivery.
- Unsustainable and increasing demand on the existing water infrastructure network
- More than **40%** of the population is indigent.
- Consumers in the rural areas are content with the 6KL/PPPD free basic water provided daily and barely exceeds this amount. Hence no revenue is collected in the rural areas
- Spending less than 2% of property plant and equipment on operations maintenance
- Inadequate resources for efficient operations and maintenance

1.9.2 Disaster Management

- Lack of disaster management centre
- Lack of adequate personnel to perform the disaster function
- Lack of adequate and properly equipped vehicles to respond to disasters

- Lack of adequate funding for operational management of the disaster unit
- Limited training of personnel due to budget constraints

1.9.3 District Airports

- Airport will not be self-sustainable in the near future
- Existing infrastructure is world class but maintenance costs are high and deteriorating
- Limited flights operating
- No economic benefit to local and regional community

1.9.4 District Roads

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

1.9.5 Social Development

- **40%** of the population is between the age group **0-14 years [infants]**
- 39% of the population is between the age group 15-34 years [youth]
- 18% of the population is between the age group 35-65+ years [adult]
- 47% of households in ZDM are indigent (earn below R1,600)
- 32% of the population has a disability (see, hear, walk, communicate, remember, self-care)
- 42% of the population lives in extreme poverty
- 54% of households are headed by females
- 8,3% of households are headed by children
- 11% of households earn R0 income
- 19% of the Zululand district population is employed
- 16% of the population forms part of the labour force in the Zululand district
- Labour force participation rate is 32.9%
- 33% of the working age population is employed or actively seeking work
- Unemployment is 31.4%. Provincial average is 26%. Abaqulusi, uPhongolo, Nongoma and Ulundi have the highest unemployment rates.
- Employment rate grew by 11,847 between 2006 and 2015. Population grew by 40,000 during the same period.

1.9.6 Economic Development

- The district's economy is mostly dominated by government services, wholesale retail and trade which are generally non-tradable and poor manufacturing
- Agricultural sector performance is in decline in terms of production, imports and exports

- Out of 11 districts, Zululand is number 7 in terms of its contribution to the provincial GVA
- GVA growth is in decline in the district

1.9.7 Financial Administration

- 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
- 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
- The percentage of new revenue collected stands at 60.87%. The norm is 95% or more.
- Municipality is grant dependent [government transfers for capital and operating expenses]

1.9.8 Key Challenges Faced By Local Municipalities Within ZDM

- **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.
- Illegal development: Illegal development of agricultural land between Vryheid and Louwsburg as well as on the R34 corridor creates colossal challenges to the municipality when the people who illegally settled on agricultural land start demanding services from the municipality for which no planning or budgeting has been done. This leads to conflict between residents of the legally established urban areas and the illegal occupiers of land in the battle for scarce resources required to provide infrastructure. It thus happens the municipality is forced to substantially deviate from its medium to long term strategic- and capital investment plans to make provision for these illegal occupiers to the detriment of all the municipality's citizens.
- 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.

- **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.

- **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.

1.10 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’

1.11 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

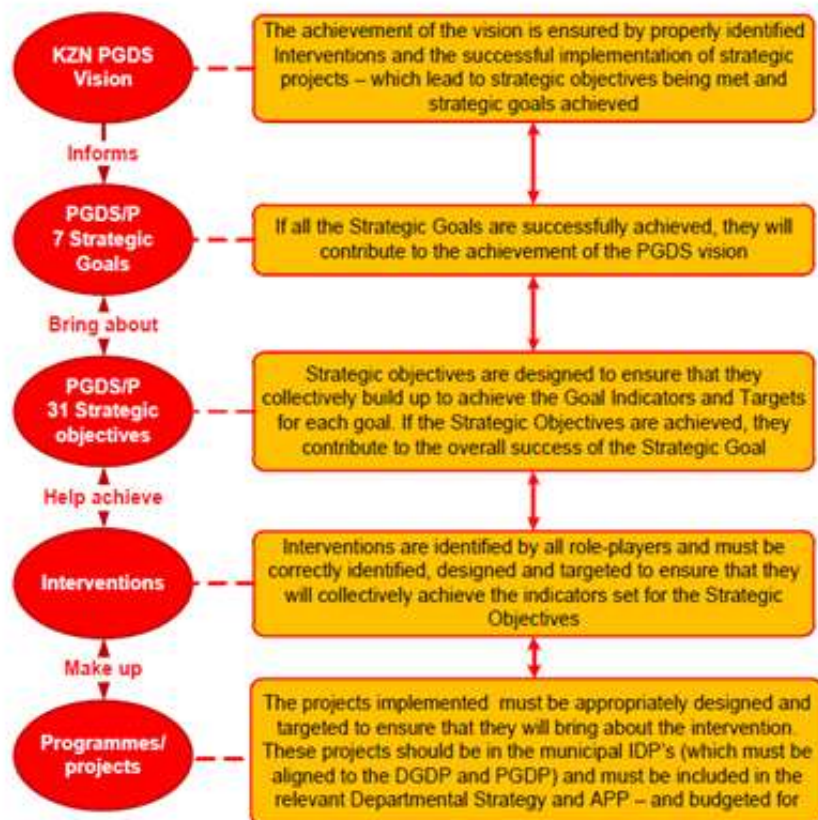
9. Building safer communities
10. Building a capable state
11. Promoting accountability and fighting corruption
12. Transforming society and uniting the country

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. An overview of the KZN PGDS framework with associated goals and objectives for water and sanitation services can be reviewed in the next figure.

Figure 9: KZN PGDS Framework



The 2016 Revised PGDS Strategic Framework

Figure 10: PGDS Strategic Framework

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

Table 32: 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 • 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

1.11.1 Good Governance

Table 33: ZDM and STATSSA Census 2011 household growth analysis (2005 - 2017)

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. 	<p>To promote good governance, accountability & transparency</p> <p>To manage risk to the Municipality effectively and efficiently</p>	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. 	<p>To promote good governance, accountability & transparency</p> <p>To manage risk to the Municipality effectively and efficiently</p>	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.

1.11.2 Public Participation: Putting People First

Table 34: Alignment of ZDM IDP to the Back to Basics Programme (Public Participation: Putting People First)2016

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 Councilors must meet and report back to their constituencies quarterly. 	NA	NA
<ul style="list-style-type: none"> Utilise the CDWs, Ward Committees and Ward Councilors 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.

1.11.3 Basic Services: Creating Conditions For Decent Living

Table 35: Alignment of ZDM IDP to the Back to Basics Programme (Basics Services: Creating Conditions For Living) 2016

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 Councilors must meet and report back to their constituencies quarterly. 	NA	NA
<ul style="list-style-type: none"> Utilise the CDWs, Ward Committees and Ward Councilors 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

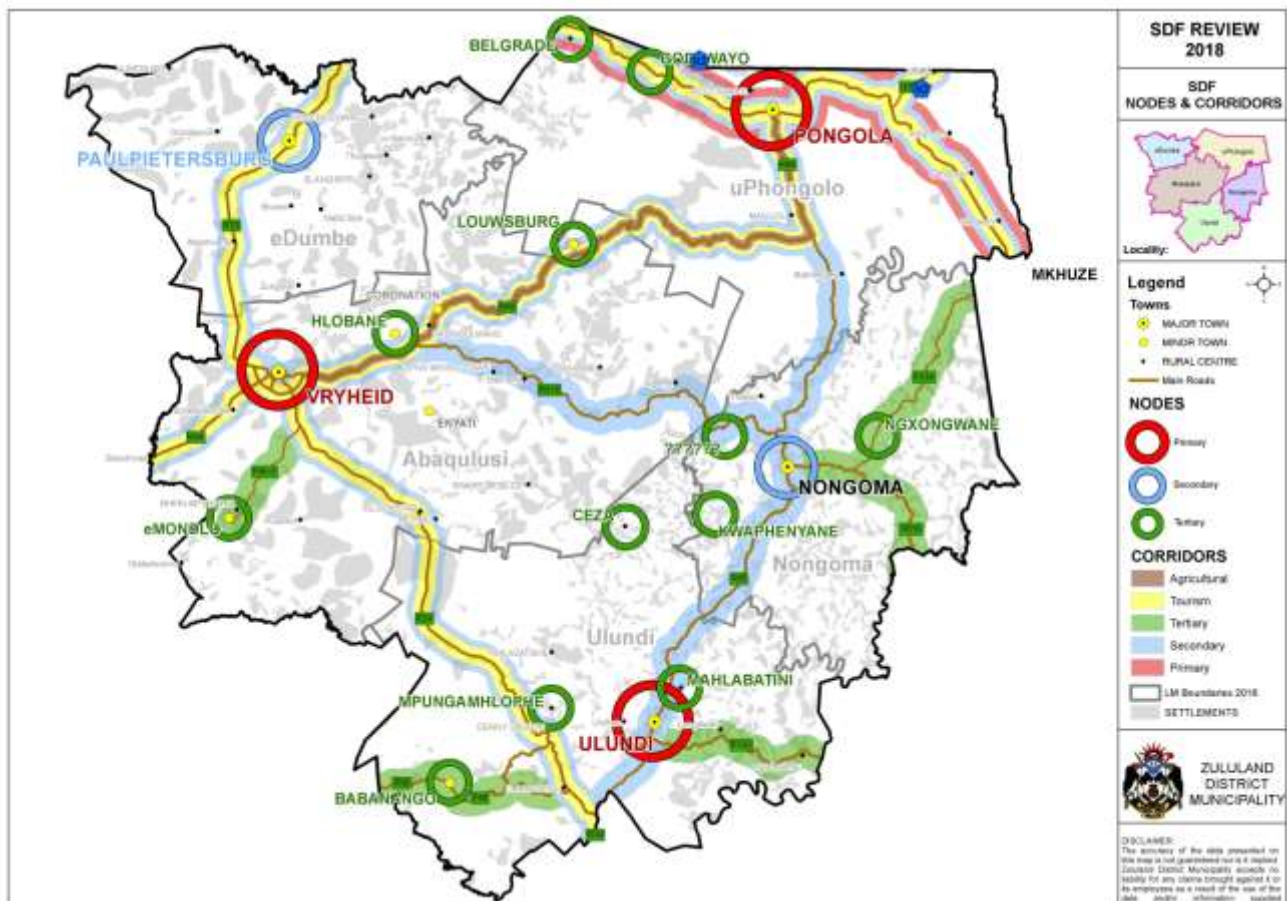
- All municipalities enforce competency standards for managers and appoint persons with the requisite skills, expertise and qualifications.
- All staff to sign performance agreements.
- Implement and manage performance management systems.
- Municipal management to conduct regular engagements with labour.

1.12 SUMMARY OF MUNICIPAL STRATEGIES 2018 – 2022

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

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

Map 5: ZDM Spatial Development Framework



1.13 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 36: Stages in the preparation of 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 adopted IDP	Submit draft IDP to Council for adoption	Planning
	Community given 21 days to comment on draft prior to plan being submitted to Council for adoption	Planning; Depts

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

2. DEVELOPMENT OF A FRAMEWORK FOR THE PMS		
RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
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 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 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

5. TRACK PERFORMANCE OF STAFF AND SERVICE PROVIDERS

RESPONSIBILITY	KEY ACTIONS	PARTY/IES RESP. FOR ACTIONING
	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
	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

1.14 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 2018
Development Strategies	30 Nov 2018
Projects	15 Dec 2018
Integration	15 Dec 2018
Draft Approval	28 Feb 2019
Final Approval	30 May 2019

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.

1.14.1 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-19	uPhongolo
04-May-19	Abaqulusi
09-May-19	eDumbe
11-May-19	Ulundi
26-May-19	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 2019.

1.14.2 The 2019/2020 Budget

The 2019/2020 draft budget is prepared in accordance with the Local Government MFMA 2003 together with the Municipal budget and reporting regulations 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 2020/2021 and 2021/2022 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.

National Policy Key Imperatives

After the State of the Nation Address by the President and the Budget speech by the Minister of finance key priorities were noted and became our policy imperative. National treasury subsequently issued MFMA Circular no. 94 to give guidance on these imperatives.

There are key factors that have been taken into consideration in the compilation of the 2019/20 MTREF:

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

Table 1: Macroeconomic performance and projections, 2018-2022

Fiscal Year	2018/19 Estimates	2019/20	2020/21 forecast	2021/22 Forecast
CPI Inflation	4.7%	5.2%	5.4%	5.4%
Real GDP Growth	0.7%	1.5%	1.7%	2.1%

- (ii) Division of Revenue Act

- (iii) Act

GRANT	2018/2019	2019/2020	2020/2021	2021/2022
EQUITABLE SHARE	424 766 000	464 560 000	502 754 000	545 500 000
FMG	1 000 000	1 465 000	1 200 000	1 200 000
EPWP	5 908 000	8 818 000		
SHARED SERVICES	300 000	550 000	550 000	600 000
SPATIAL DEVELOPMENT FRAMEWORK SUPPORT	0	1 250 000	0	0
ECONOMIC DEVELOPMENT(MAJOMELA MANUFACTURING CENTRE)		4 250 000	4 463 000	4 708 000
TOURISM (THOKAZI ROYAL LODGE)		5 000 000	5 290 000	5 581 000
TOURISM STRATEGY	700 000		735 000	776 000
OPERATING COSTS OF ART CETRES	1 911 000	1 911 000	1 911 000	1 911 000
MIG	220 762 000	225 574 000	238 887 000	258 040 000
RBIG	131 498 000	163 774 000	133 774 000	200 000 000
WSIG	115 000 000	100 000 000	105 000 000	110 000 000
RRAMS	2 364 000	2 504 000	2 648 000	2 794 000
TOTAL	904 209 000	979 656 000	997 212 000	1 129 910 000

- (iv) The revenue budget

An increase of **6 %** is proposed to be effected on Tariffs.

The assumed collection rate based on the current collection level is expected to be **85%** of billable revenue, taking into account that there are debtors paying for prior years and the revised revenue enhancement strategy.

(v) Employee related Costs

The South African Local Government Council last year entered into a three-year salary and wage collective agreement. A propose increase of **7.1%** as per the Salary wage agreement will be effected on employee related costs.

(vi) Cost containment measures

Cost containment measures continue as our resolution. Hence the budget is largely informed by this. We continue to make it our practice a call by the State President to eliminate expenditures on the following:

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

(vii) 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:

Table 37: Policies

Name of policy	Description	Last review	Next review
Supply Chain Management Policy	To provide a policy framework within which the Accounting Officer & CFO can institute supply chain management system of highest possible ethical standard.	May 2008	NA
Occupational Health & Safety Policy	To ensure that health and safety of all ZDM Employees and its community is prioritised.	May 2008	NA
Policy on the use of & Application of Information Technology	The ancillary objective of this policy is to provide guidance to all current and future users of the computerised network.	May 2008	NA
Draft Banking & Investment Policy	The investment policy of the municipality is aimed at gaining the optimal return on investments, without incurring undue risks, during those periods when cash revenues are not needed for	May 2017	NA

Name of policy	Description	Last review	Next review
	capital or operational purposes.		
Fixed Asset Management Policy	To guide and manage the movable or immovable assets that are owned by or under the control of the municipality	May 2017	NA
Cash Management Fund & Reserves	This policy aims to set standards and guidelines towards ensuring financial viability over both the short and long term and includes funding as well as reserves requirements. It also ensures the operating and capital budgets of Council are appropriately funded and reserves are maintained at the required levels.	May 2017	NA
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.	May 2017	NA
ICT Policy	The policy provides guidelines for introducing and maintaining ICT in a controlled and informed manner, while addressing the key elements of control and security.	May 2017	NA
Management & Disposal of Asset Policy	The purpose of the Asset Disposal Policy is to provide a framework for the disposal of the municipality's assets that are not needed to provide the minimum level of basic municipal services and that are surplus to the municipality's requirements.	May 2017	NA
Risk Management Policy	The policy intends to guide the municipality in identifying, outsourcing, mitigating or managing strategic or operational risk in its mandated functions.	May 2017	NA

Name of policy	Description	Last review	Next review
Subsistence & Travelling Allowance Policy	This policy sets basis for payment of subsistence and travel allowance for such official travelling.	May 2017	NA
Supply Chain Management Policy	The supply chain management policy provides for an effective system of strategic and operational procurement of goods and services according to law and standards.	NA	NA
Credit Control Policy	This policy serves to document the key elements of Credit Control and Debt Collection to be applied and monitored.	May 2017	NA
Indigent Policy	The Indigent Policy is intended to guide the national initiative to improve the lives of indigents and to improve access to Free Basic services. It provides a high level framework to guide the national initiative to improve the lives of the indigent.	May 2017	NA

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

Attached are the annual budget document for 2019/20& MTREF, Schedule of Tariffs and Budget Related Policies for 2019/20 financial year. As per the adopted Key deadline schedule. The Council is expected to approve the draft annual budget for 2019/20& MTREF before 31 March 2019.

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

MAIN BUDGET SUMMARY

	2018/19	2019/20	2020/21	2021/22
Revenue	1 055 655 105.00	1 046 040 191.00	1 076 924 175.00	1 215 423 062.00
Expenditure	605 726 202.00	607 724 951.00	550 841 449.00	592 464 863.00
Contribution to Capital	449 928 903.00	438 315 240.00	526 082 726.00	622 958 199.00
Contribution to Capital	449 928 903.00	438 315 240.00	526 082 726.00	568 712 104.00
Capital Expenditure (Grants)	449 323 903.00	435 210 240.00	525 445 056.00	568 040 000.00
Internally funded asseysts	605 000.00	3 105 000.00	637 670.00	672 104.00
Total Budget Revenue	1 055 655 105.00	1 046 040 191.00	1 076 924 175.00	1 215 423 062.00
Total Budget Expenditure	1 055 655 105.00	1 046 040 191.00	1 076 924 175.00	1 215 423 062.00
	-	-	-	-

The total movement in budget is 1%

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 highlighted sections. Firstly, the operating budget will be reviewed. Thereafter, the Capital budget will be subjected to review.

CHAPTER 2: LEGISLATIVE AND POLICY FRAMEWORK

2.1 THE CONSTITUTION

Section 152 Objects of local government:

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

2.2 THE MUNICIPAL STRUCTURES ACT

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

- f) 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;
- g) 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;
- h) 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;
- i) 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
- j) 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

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

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

S2(4) requires that an SDF should:

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

2.4 THE SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (ACT NO.16 OF 2013)

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

(19) stipulates that the Regional Spatial Development Framework must cover the following minimum issues:

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

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

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

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

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

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

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

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

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

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

2.5 THE MUNICIPAL FINANCE MANAGEMENT ACT

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

Subdivision of Agricultural Land Act 70 of 1970

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

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

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

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

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

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

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

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

(ii) no right to such portion shall be sold or granted for a period of more than 10 years or for the natural life of any person or to the same person for periods aggregating more than 10 years, or

advertised for sale or with a view to any such granting, except for the purposes of a mine as defined in section 1 of the Mines and Works Act, 1956;

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

2.6 NATIONAL ENVIRONMENTAL MANAGEMENT ACT NO.107 OF 1998

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

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

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

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

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

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

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

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

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

2.7 PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY (PGDS 2035)

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

The Provincial Vision is indicated as:

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

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

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

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

The purpose of the 2016 KZN PGDS is to:

- Be the primary strategy for KwaZulu-Natal that drives growth and development in the Province to 2035;

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

2.8 ZULULAND DISTRICT GROWTH AND DEVELOPMENT STRATEGY

The objectives of the Zululand DGDP are:

8. To establish and outline long term vision and direction for development in the district (vision 2035);
9. To provide an overarching and coordinating framework for planning and development initiatives within each of the local municipalities and across municipal boundaries;
10. To provide a spatial context and justification for priority interventions;
11. To guide resource allocation of various spheres of government, service delivery agencies and private sector working within the district;
12. To develop institutional arrangement for an effective implementation of the Zululand DGDP and the PGDS;
13. To align and integrate departmental strategic plans at a district level;
14. To facilitate commitment of technical and financial resources towards the implementation of strategic objectives, catalytic initiatives and other district priorities.

2.9 LED STRATEGY

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

The ZDM LED strategy has the following overall objectives to be achieved.

Table 38: ZDM LED Strategy Objectives

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

support mechanisms.

Principles

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

Table 39: ZDM LED Strategy Principles

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

Strategies

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

Table 40: ZDM LED Strategy – Strategies

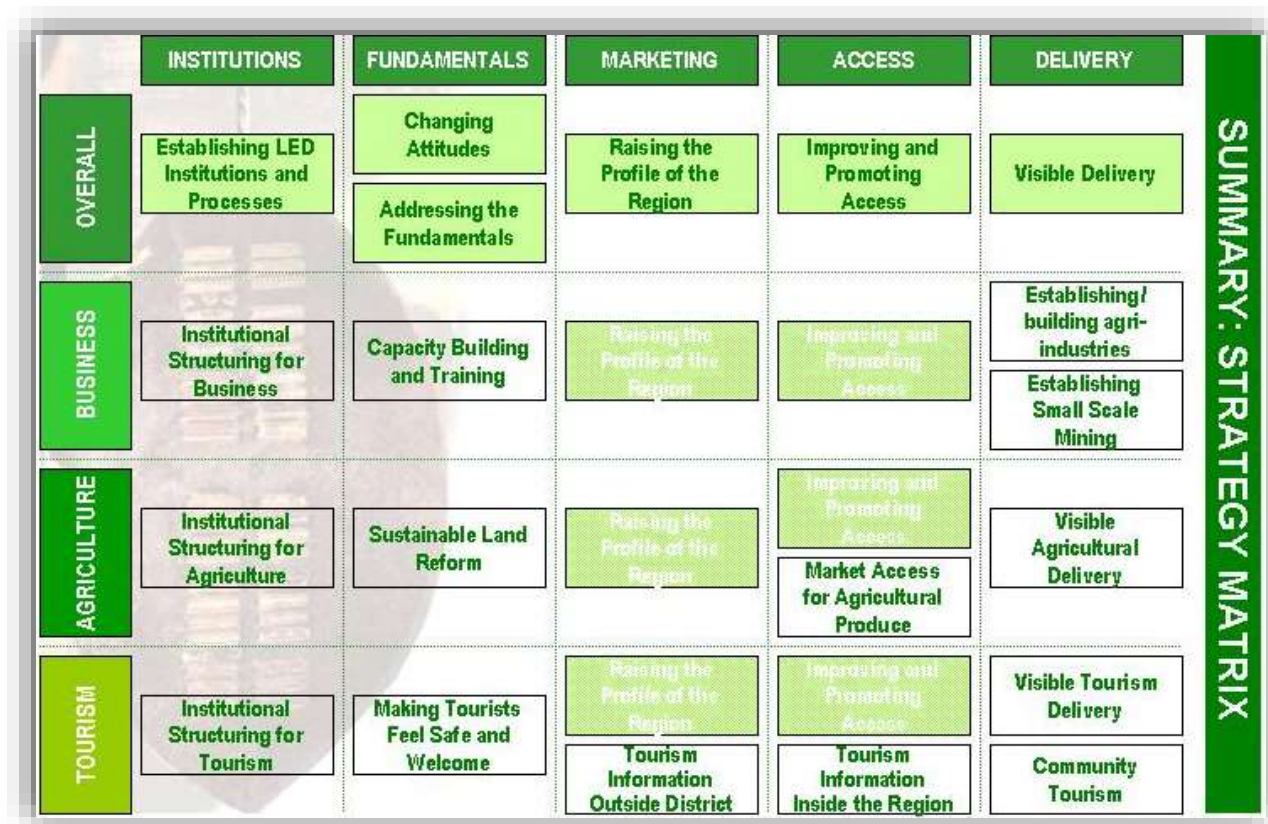
District Strategies	<ul style="list-style-type: none"> 7. Establishing LED institutions and processes 8. Changing attitudes 9. Addressing the fundamentals 10. Raising the profile of the region 11. Improving and Promoting Access 12. Visible Delivery
Business Strategies	<ul style="list-style-type: none"> 6. Institutional structuring for delivery

	<ul style="list-style-type: none"> 7. Capacity building and training 8. Establishing/building agri-industries 9. Establishing small scale mining 10. Municipal business strategies
Agriculture Strategies	<ul style="list-style-type: none"> 6. Institutional structuring for agricultural delivery 7. Sustainable land reform 8. Improved market access for agricultural produce 9. Visible delivery in agricultural sector 10. Municipal agricultural strategies
Tourism Strategies	<ul style="list-style-type: none"> 8. Institutional structuring for tourism 9. Tourist information inside the District 10. Tourist information outside the District 11. Making tourists feel safe and welcome 12. Community tourism 13. Visible tourism delivery 14. Municipal tourism strategies

Source: ZDM LED Strategy revised 2015

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

Figure 10: Integrated LED Strategy



Source: ZDM LED Strategy

2.10 WSDP STRATEGY

The Water Services Development Plan has an impact on the Spatial Development of the District, as physical development initiatives needs to be timed to link/coincide with the roll-out strategy of water & Sanitation projects. In addition to the roll-out plan and projects to be implemented, the WSDP does not contain specific strategies that will impact on the compilation of the Spatial Development Framework.

The WSDP contains strategies to manage water usage and conservation, which are listed below. As indicated above, this does not impact directly onto the compilation of the SDF but assist in managing water utilisation. These strategies are the following:

- Influencing the behaviour of consumers:
 - School and public educational and awareness programmes aimed at promoting effective usage of water (brochures, advertising, newsletters, demonstrations, exhibits, informative billing, etc);
 - Water services tariff that promotes efficient water usage;

- Any other “win-win” initiatives that could influence consumers positively;
- Specific targeted projects like:
 - Repair plumbing leaks inside properties;
 - Installation of water flow control devices, etc;

The roll-out plan for the WSDP will be discussed in more detail in the status quo section, and will provide the timeframes for rollout of the SDF.

2.11 FRAMEWORK FOR MANAGING PROGRAMME PERFORMANCE INFORMATION

This Framework aims to:

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

CHAPTER 3: SITUATIONAL ANALYSIS

3.1 DEMOGRAPHIC CHARACTERISTICS

3.1.1 Population Profile

Zululand District has a population of **892,310** accounting for about 7.8% of the total KZN population after UMgungundlovu District [1,100,000] and King Cetshwayo District [980,000].

The population growth rate is similar to that of its neighbouring districts ranging between 1.4% and 1.6%. Between 2011 and 2016, the Zululand growth rate rose from 1.2% to 1.4% which is on par with its neighbouring districts.

The Zululand District Municipality contributes 22% to the provinces population.

The table below depicts a brief summary of the population dynamics.

Table 41: Population Dynamics per Municipality

INDICATOR	ZULULAND	ULUNDI	NONGOMA	UPHONGOLO	EDUMBE	ABAQULUSI
Area (km ²)	15 310	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)

Table 42: Distribution of population and annual growth between 2011 and 2016

District and local municipality	Total population		Growth rate
	2 011	2016	
DC26: Zululand	803 575	892 310	2,38
KZN261: eDumbe	82 053	89 614	2,00
KZN262: uPhongolo	123 584	141 247	3,03
KZN263: AbaQulusi	214 714	243 795	2,89
KZN265: Nongoma	194 908	211 892	1,90
KZN266: Ulundi	188 317	205 762	2,01

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.

NOTEWORTHY:

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

Table 43: Distribution of population by district, municipality and broad age groups, CS 2016

District and local municipality	0–14		15–59		60+		Total
	N	%	N	%	N	%	
DC26: Zululand	361 254	40,5	476 865	53,4	54 190	6,1	892 310
KZN261: eDumbe	36 992	41,3	47 044	53	5 578	6,2	89 614
KZN262: uPhongolo	57 286	40,6	76 276	54,0	7 685	5,4	141 247
KZN263: Abaqulusi	92 354	37,9	135 628	55,6	15 814	6,5	243 795
KZN265: Nongoma	90 062	42,5	108 673	51,3	13 157	6,2	211 892
KZN266: Ulundi	84 561	41,1	109 245	53,1	11 956	5,8	205 762

Source: Community Survey 2016 (StatsSA)

Map 6: Demographics of Zululand District Municipality.

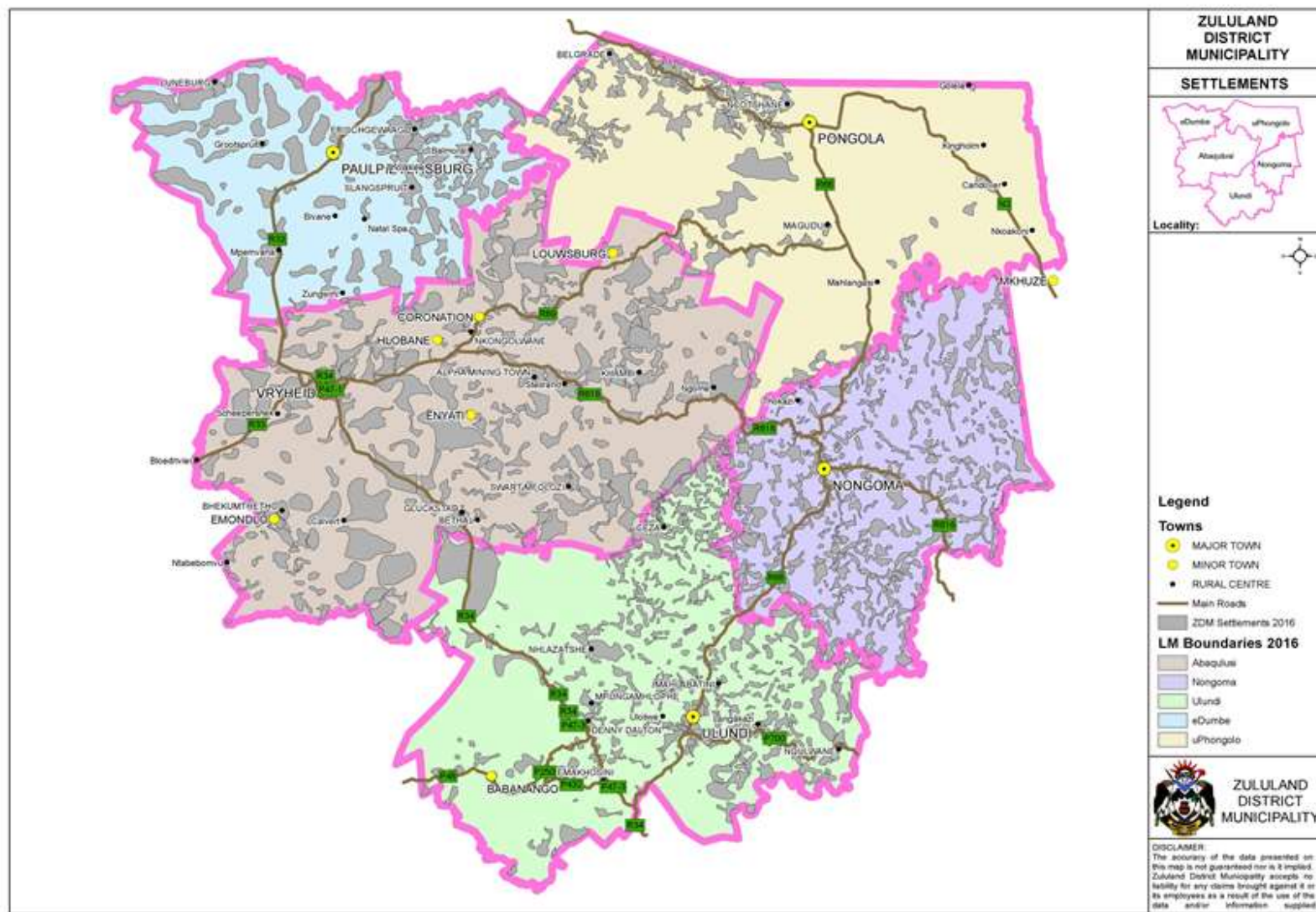


Table 44: ZDM and STATSSA Census 2011 household growth analysis (2005 - 2017)

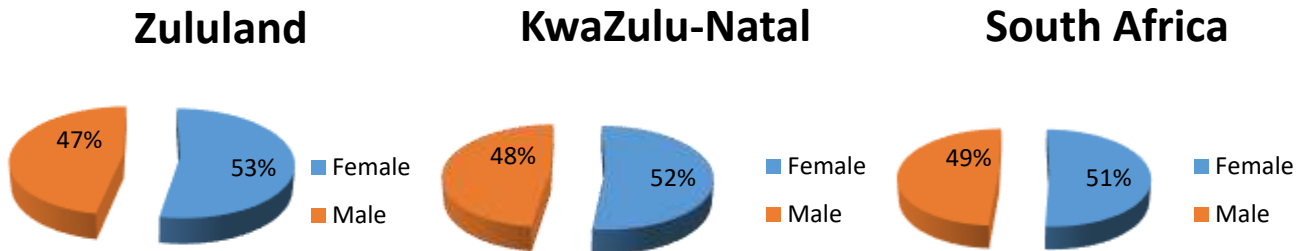
	Actual Household Statistics (Captured from aerial photography over 4 consecutive periods) vs CENSUS Data												
Local Municipality	2006	2009 (AERIALS)	2010	2011 (CENSUS)	2012	2013 (AERIALS)	2014	2015	2016 (COMM SURVEY)	2016 (AERIALS)	Annual household growth rate	Average Population per household	Total Population (ZDM)
AbaQulusi	36 069	40 302				45 918				47 119	0.9%	4.90	230 883
eDumbe	15 011	16 880				16 671				17 641	1.9%	5.10	89 969
Nongoma	34 056	38 171				45 670				44 376	-0.9%	4.40	195 254
Ulundi	35 309	37 365				46 450				44 987	-1.1%	5.70	256 426
uPongolo	22 098	25 136				28 468				29 519	1.2%	5.40	159 403
Total	142 543	157 854		157 748		183 177			178 516	183 642	0.41%	5.10	931 935

Source: 2019 Draft WSDP

To summarise the above outcomes, the current household count for ZDM taken from the 2016 household count, is 183 642, with a total population count of 931 935 when STATSSA population per household is applied.

3.1.2 Population by Gender

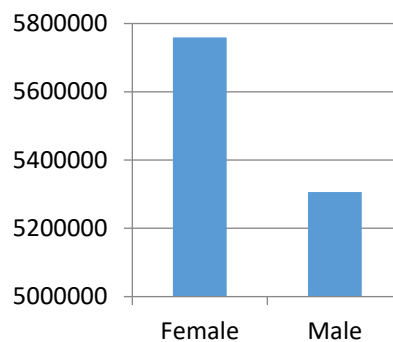
Figure 11: Population by Gender



Source: StatsSA (Community Survey 2016)

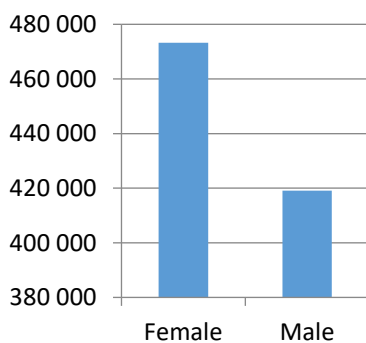
The District has a slightly higher proportion of female citizens than the male citizens, which is also reflected in the province and the national statistics. KwaZulu-Natal has a slightly higher proportion of females to males, than the

KwaZulu-Natal

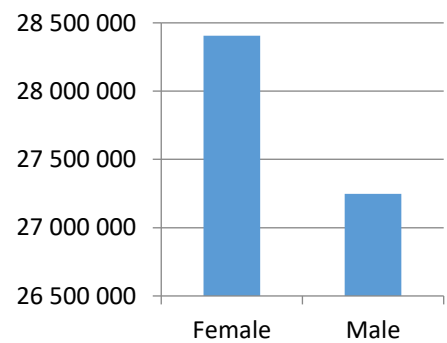


higher proportion of female citizens, when compared to the national statistics. The province has a marginally higher proportion of female citizens than the national ratio.

Zululand

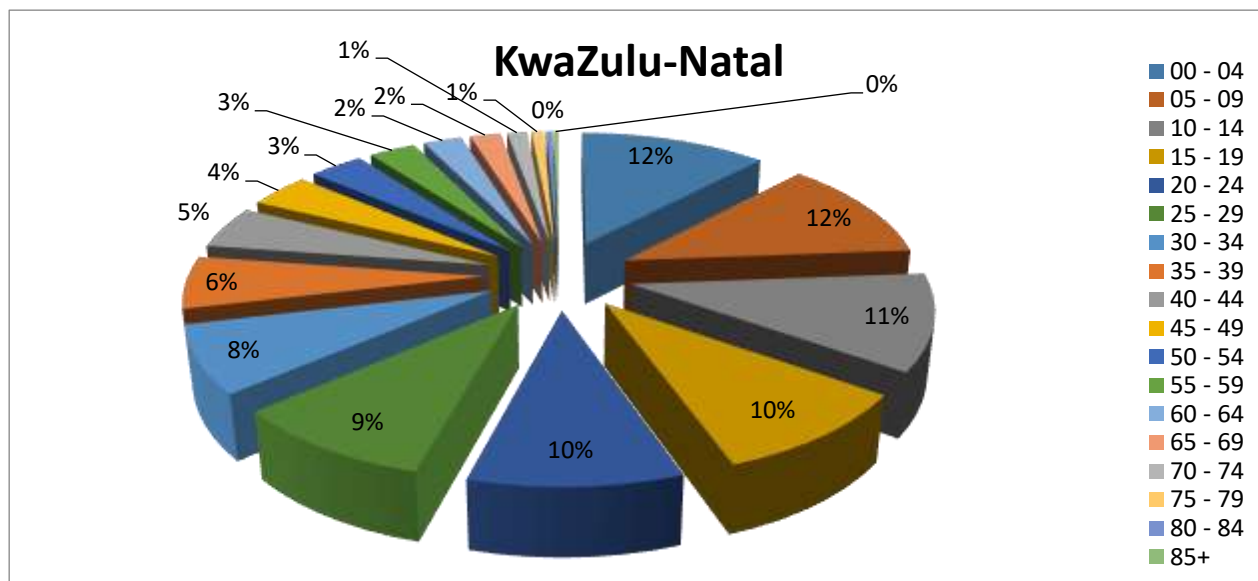
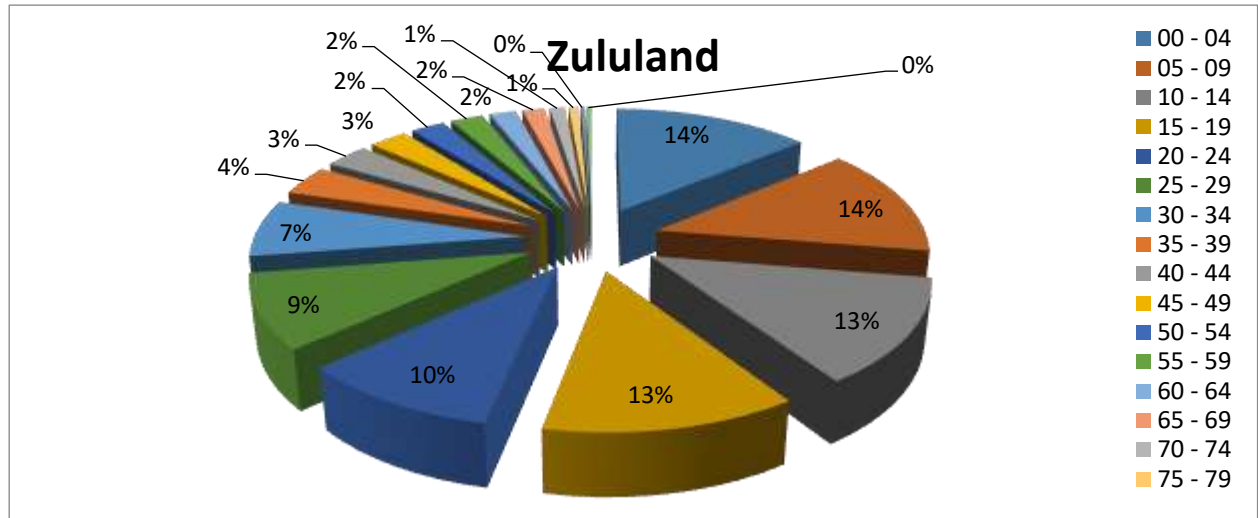


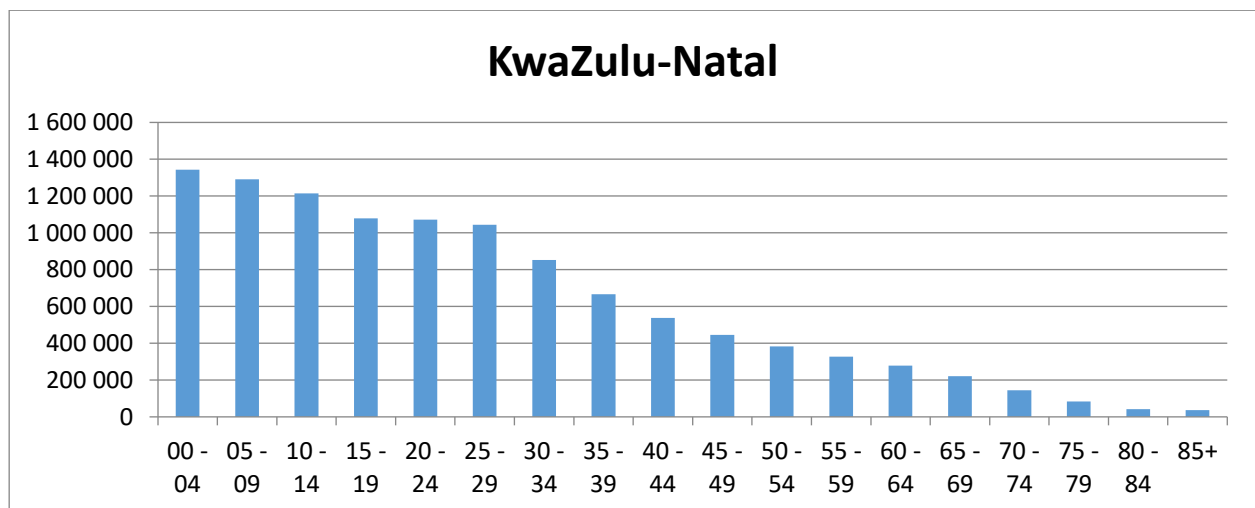
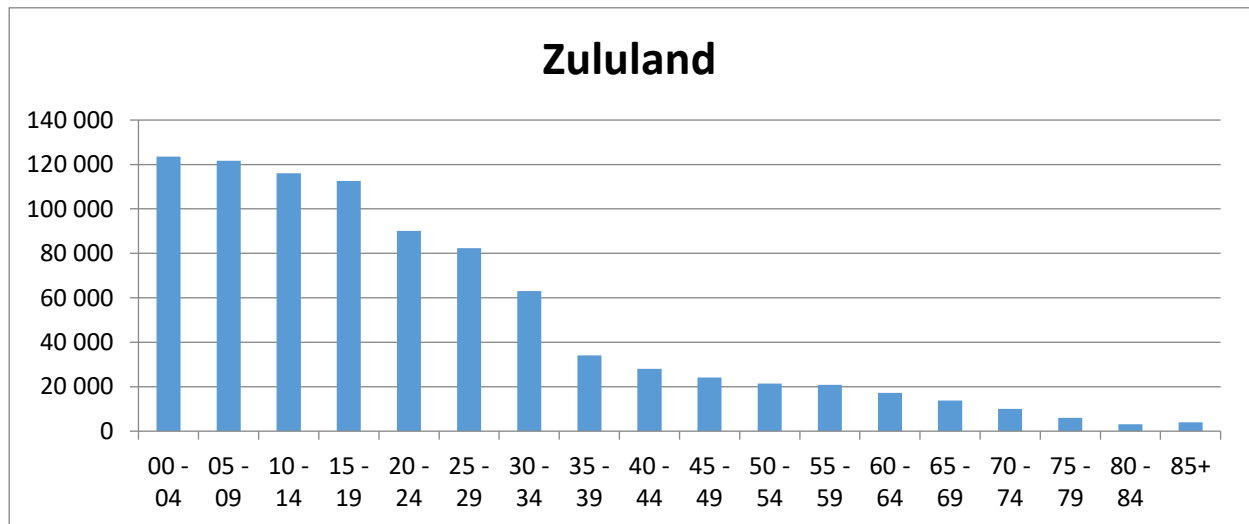
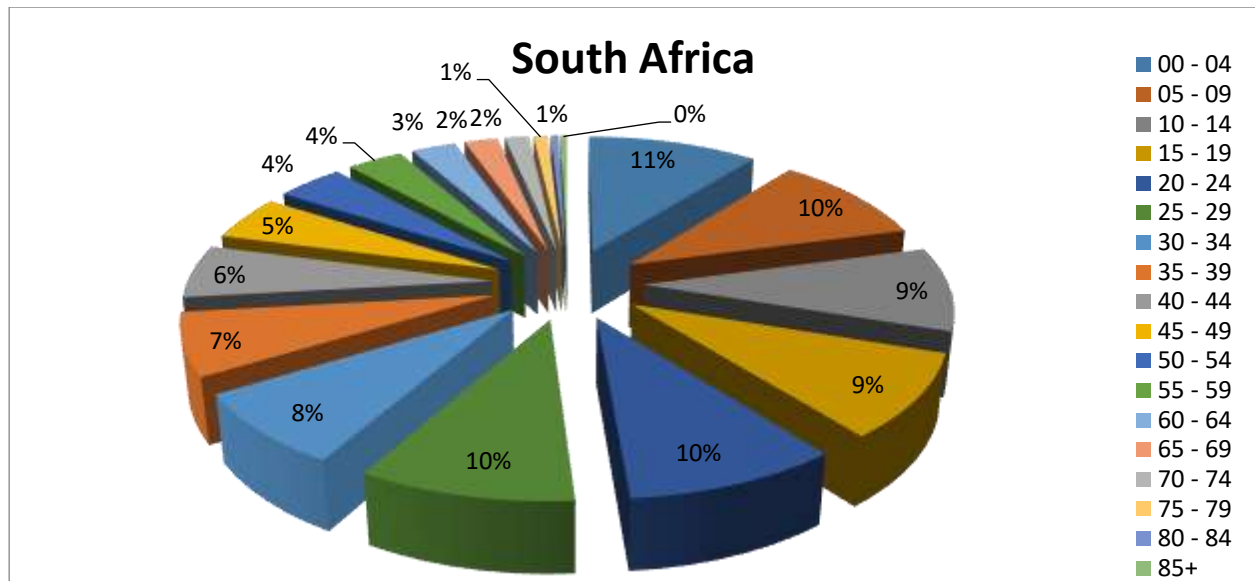
South Africa

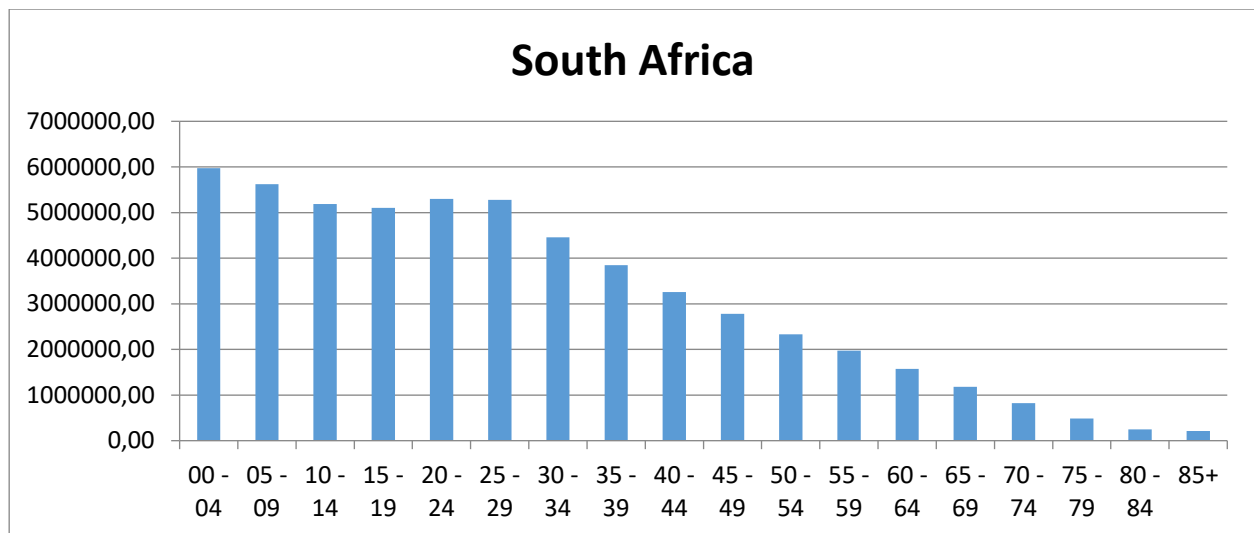


3.1.3 Population by Age

Figure 12: Population by Age





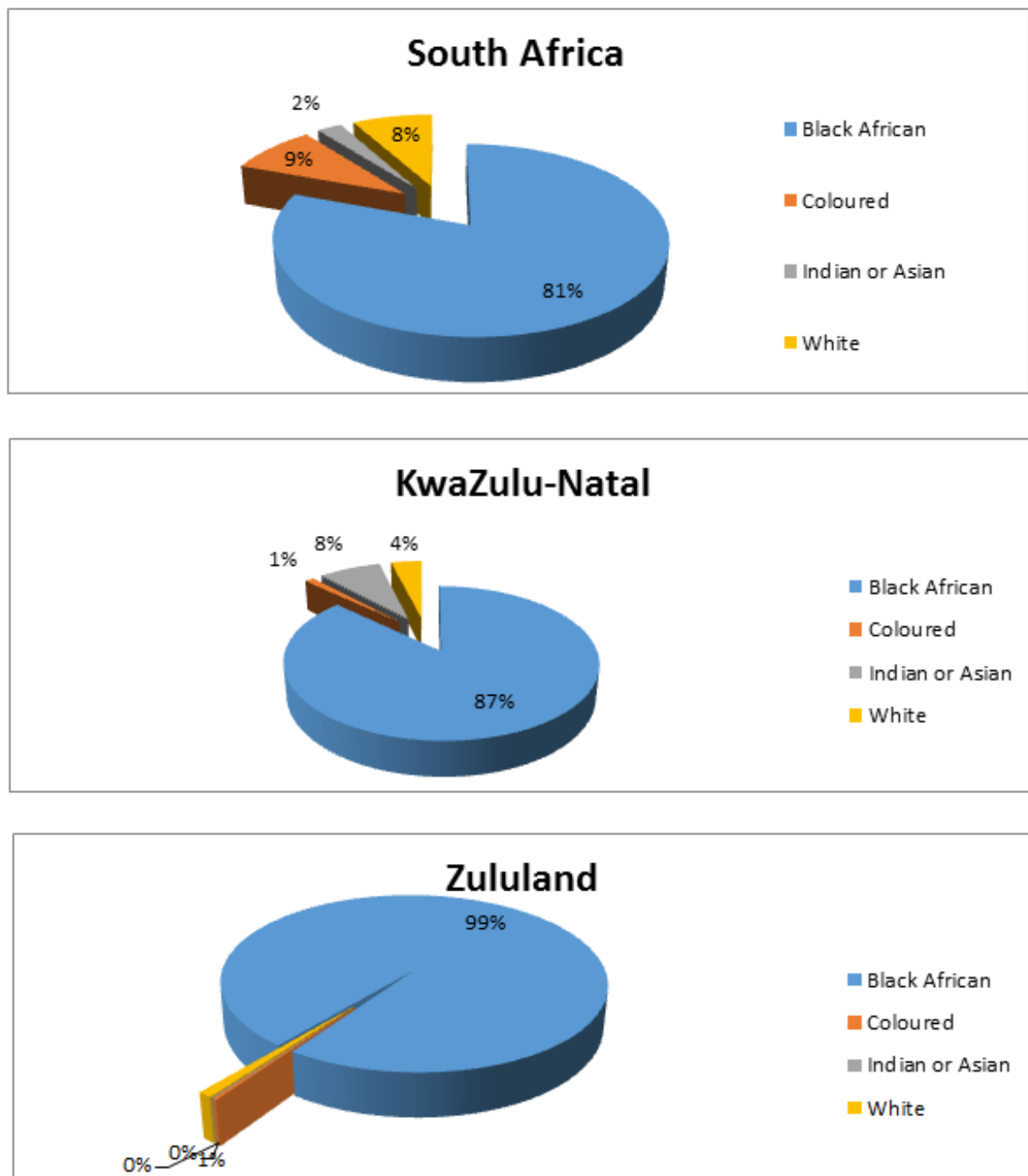


Source: StatsSA (Community Survey 2016)

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.

3.1.4 Population by Race

Figure 13: 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.

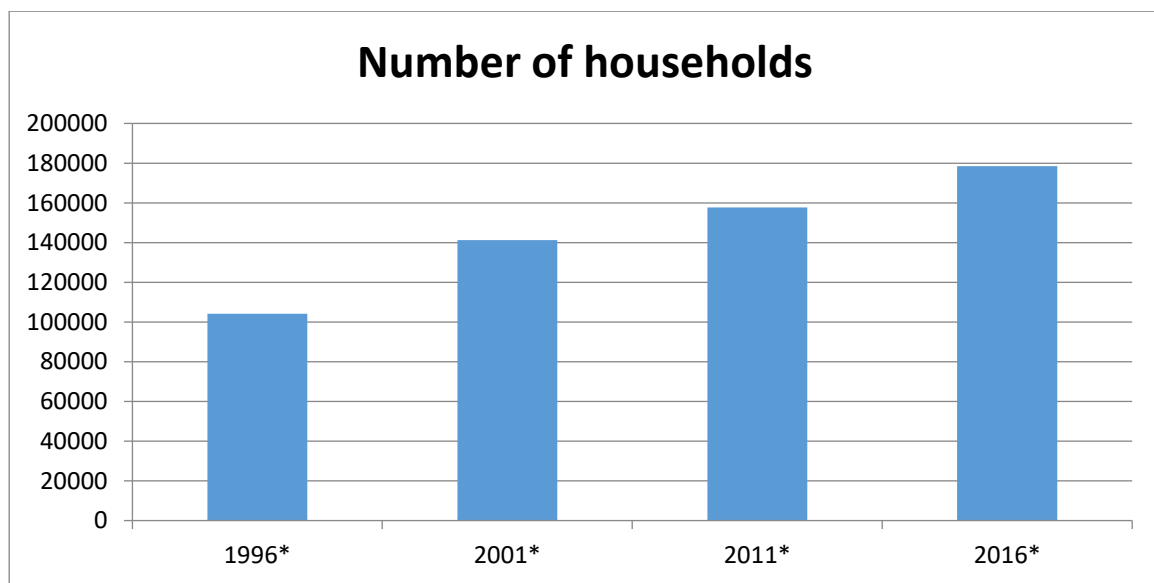
3.1.5 Population by Household

Table 45; 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

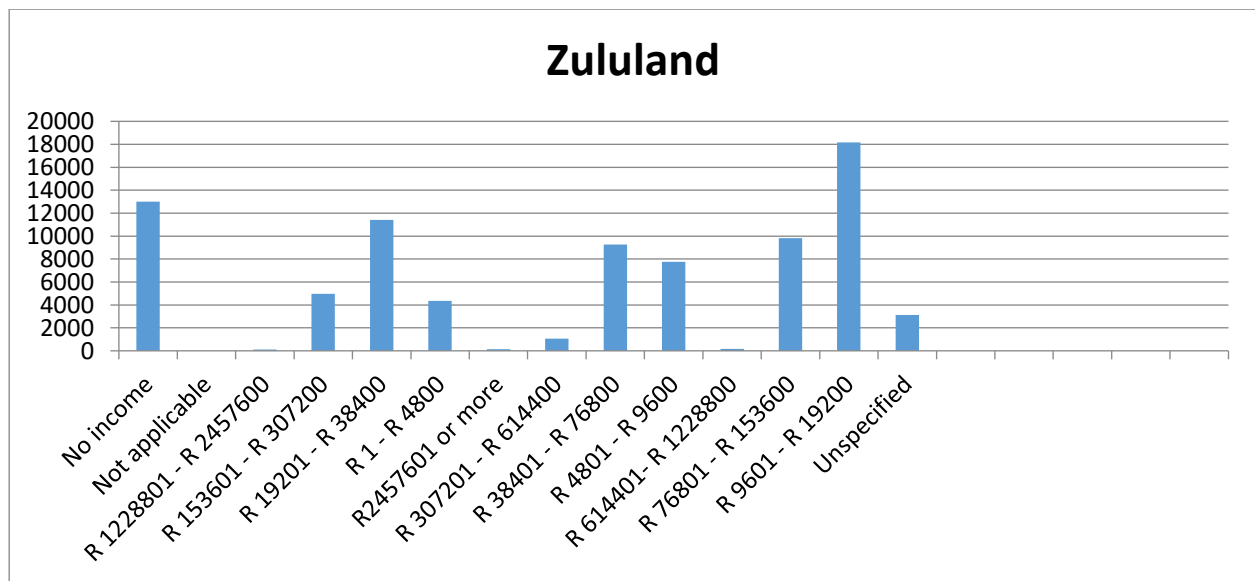
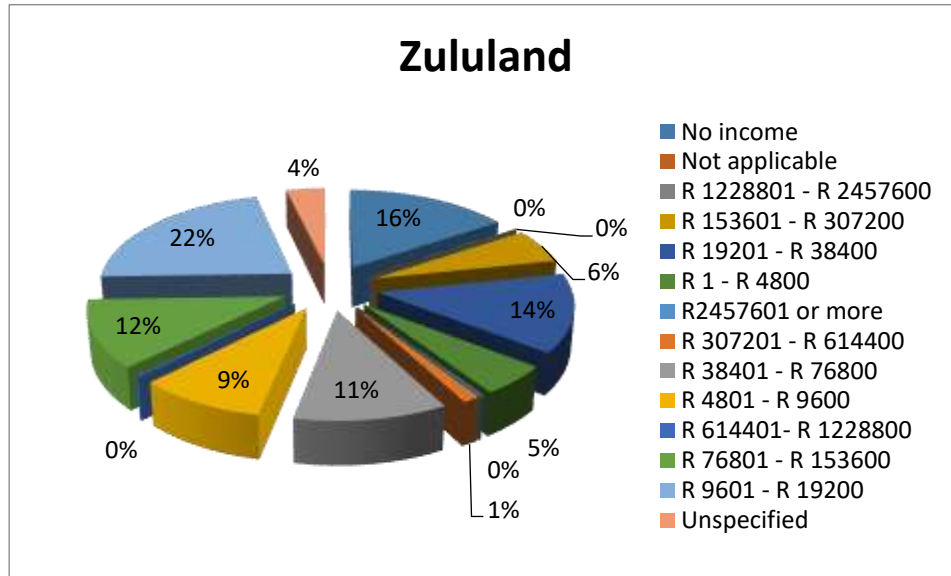
Source: StatsSA (Community Survey 2016)

Figure 14: Population by Household

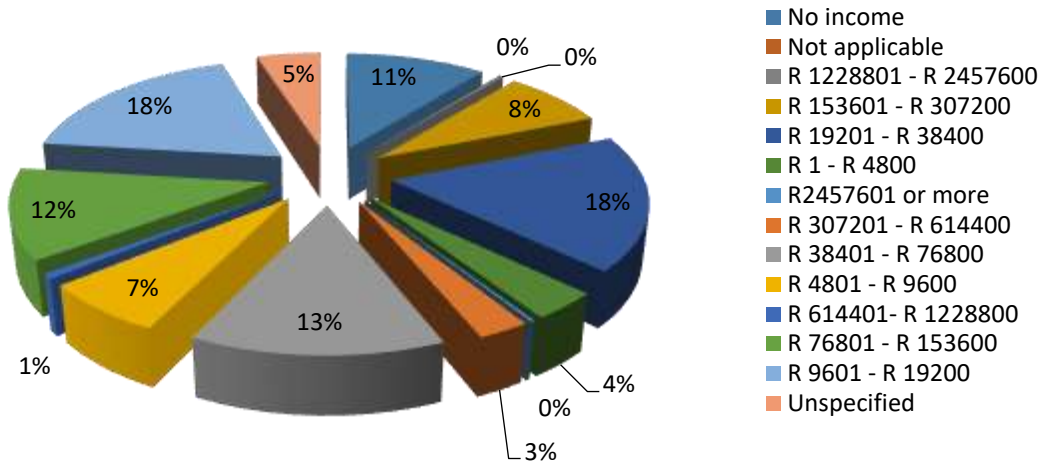


3.1.6 Poverty

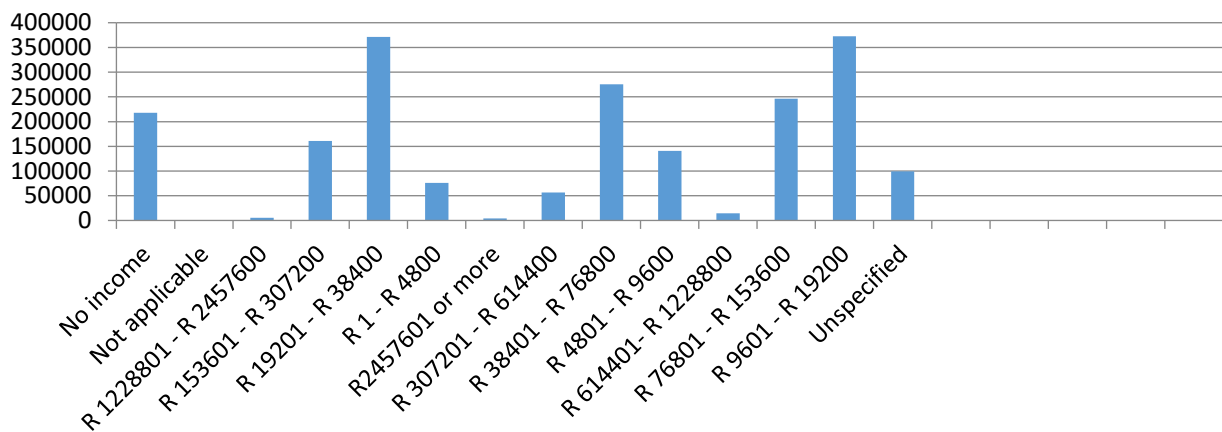
Figure 15: Poverty Levels



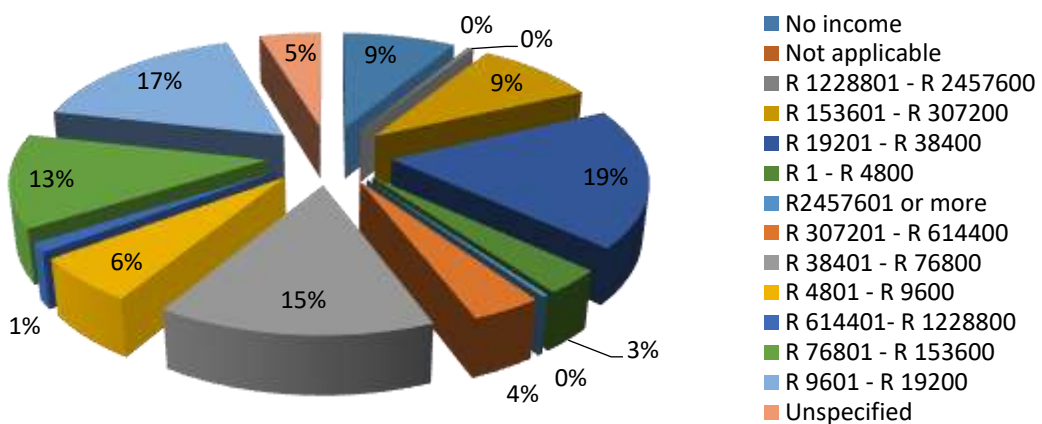
KwaZulu-Natal

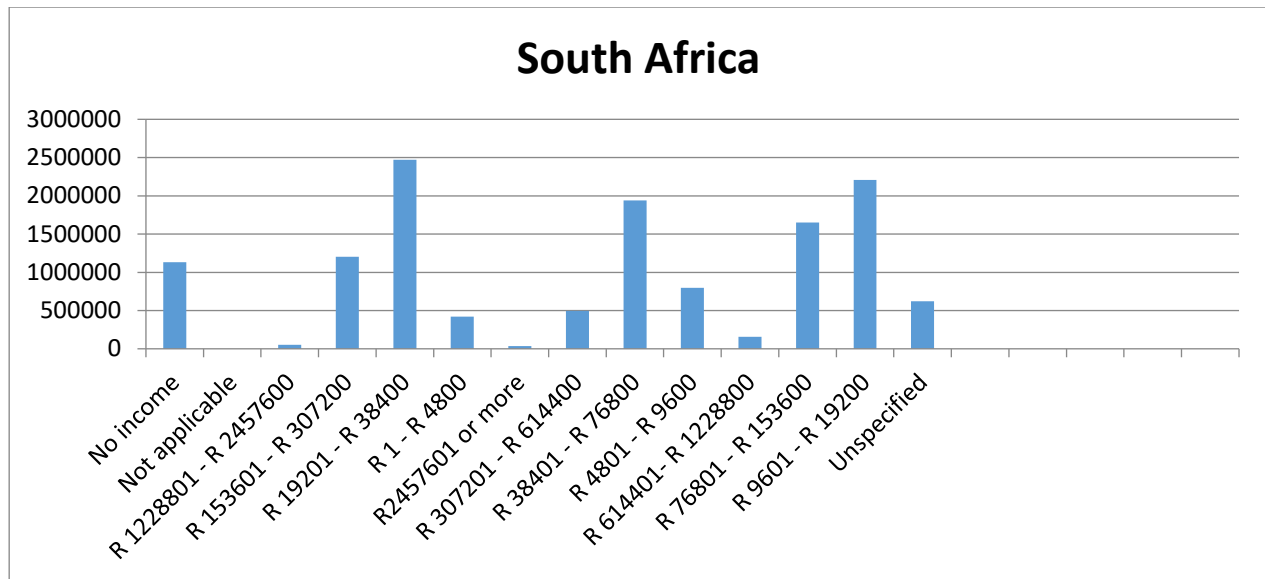


KwaZulu-Natal



South Africa





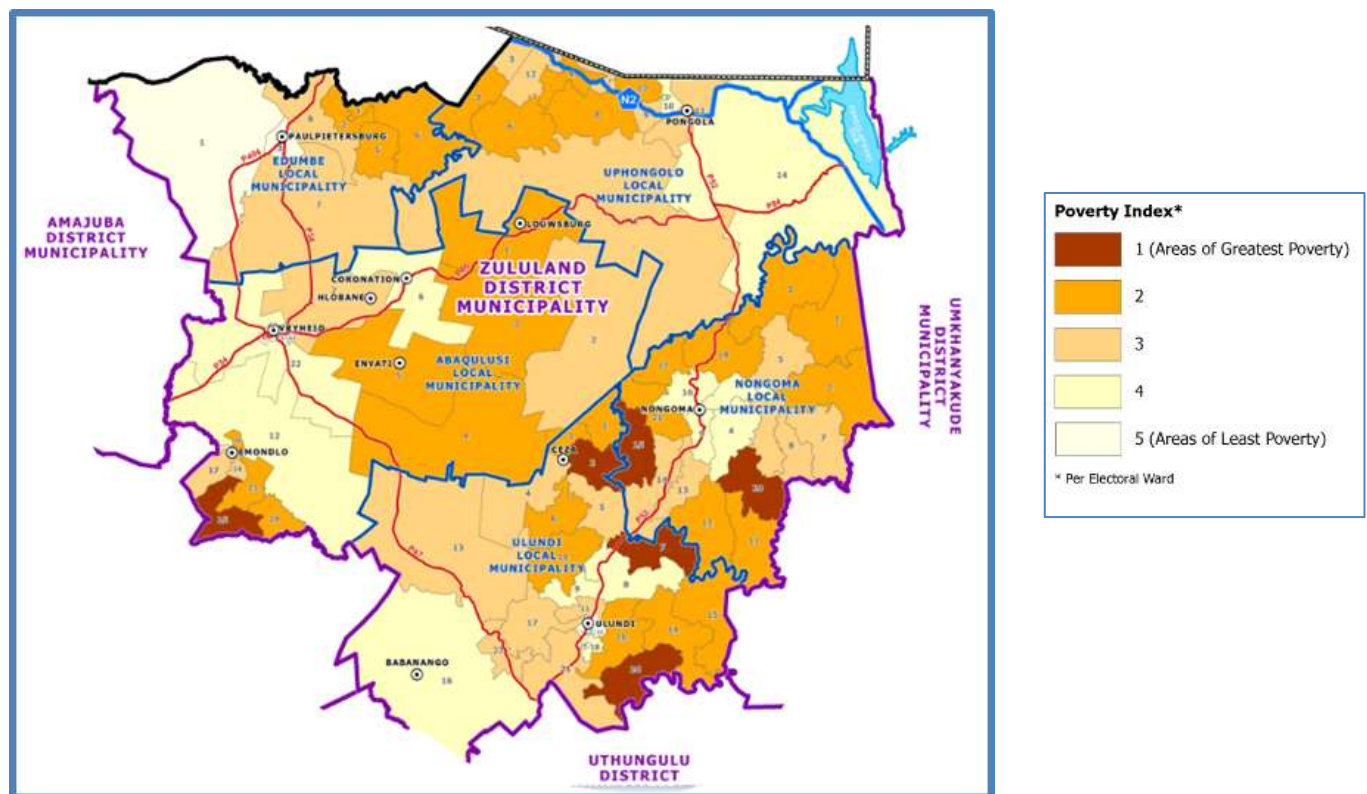
Source: StatsSA (Community Survey 2016)

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.

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 overleaf shows where people living below the poverty line are situated.

Map 7: People Living Below the Poverty Line



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

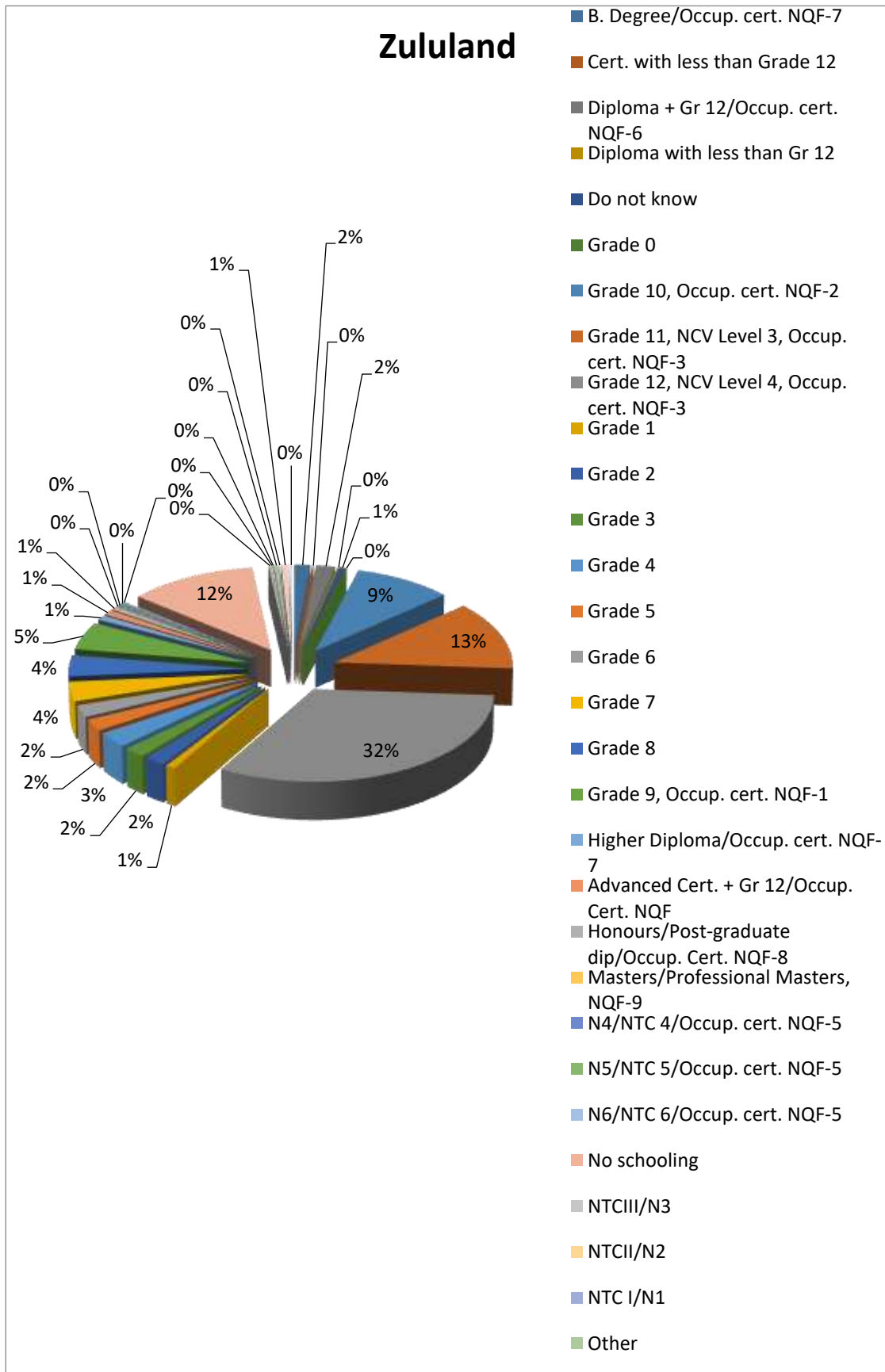
Table 46: Percentage of People Living Below the Poverty Line per Municipality

Year	eDumbe	uPhongolo	AbaQulusi	Nongoma	Ulundi	Zululand
2006	53%	47%	48%	57%	50%	51%
2007	54%	47%	49%	57%	50%	52%
2008	58%	52%	53%	61%	54%	55%
2009	60%	53%	54%	62%	56%	57%
2010	50%	44%	45%	52%	46%	48%
2011	43%	37%	38%	45%	39%	41%
2012	43%	38%	39%	44%	40%	41%
2013	43%	37%	39%	43%	39%	40%
2014	41%	36%	38%	42%	39%	39%
2015	40%	34%	38%	41%	38%	38%

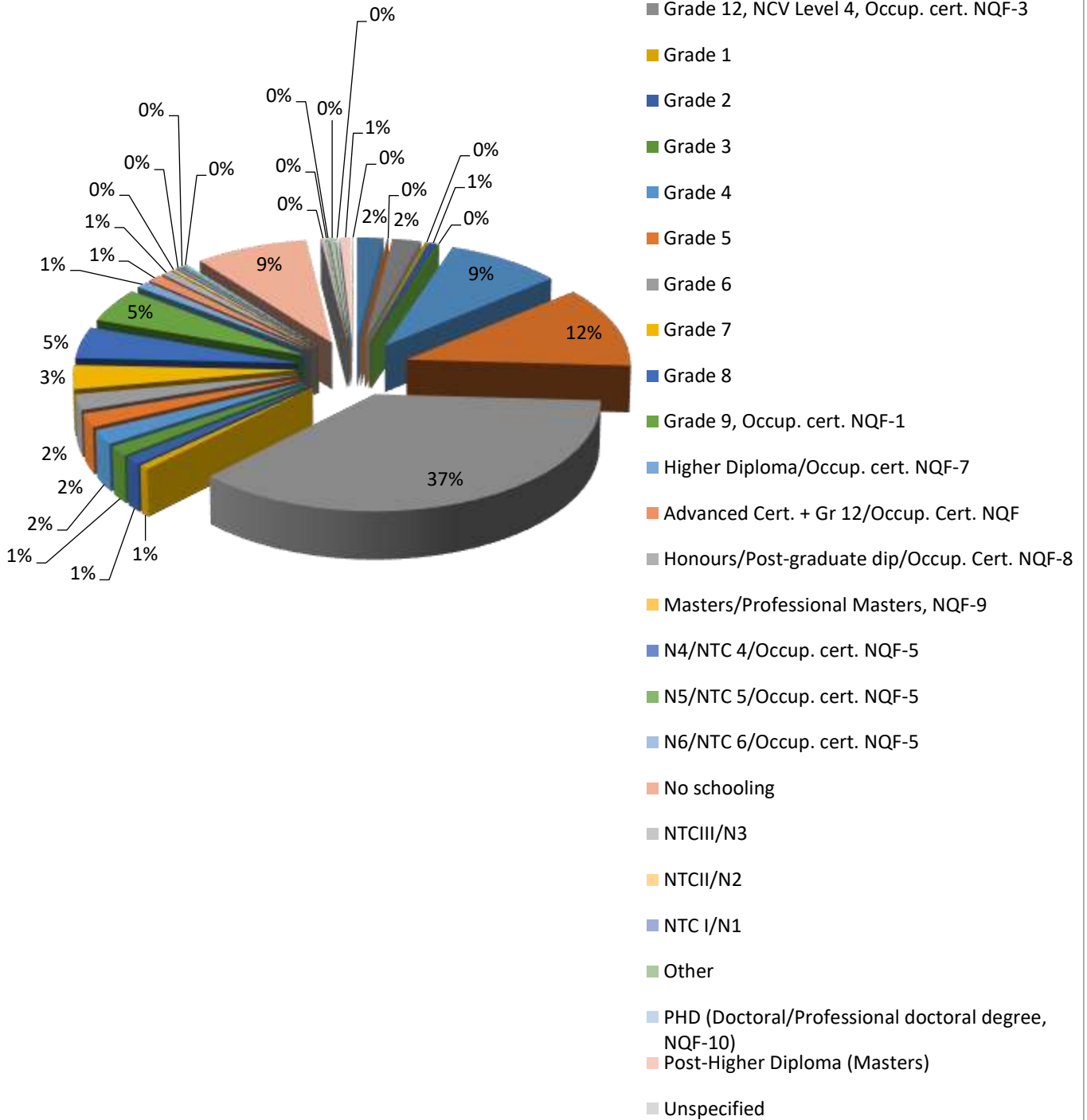
Source: Global Insight, 2017

3.1.7 Education

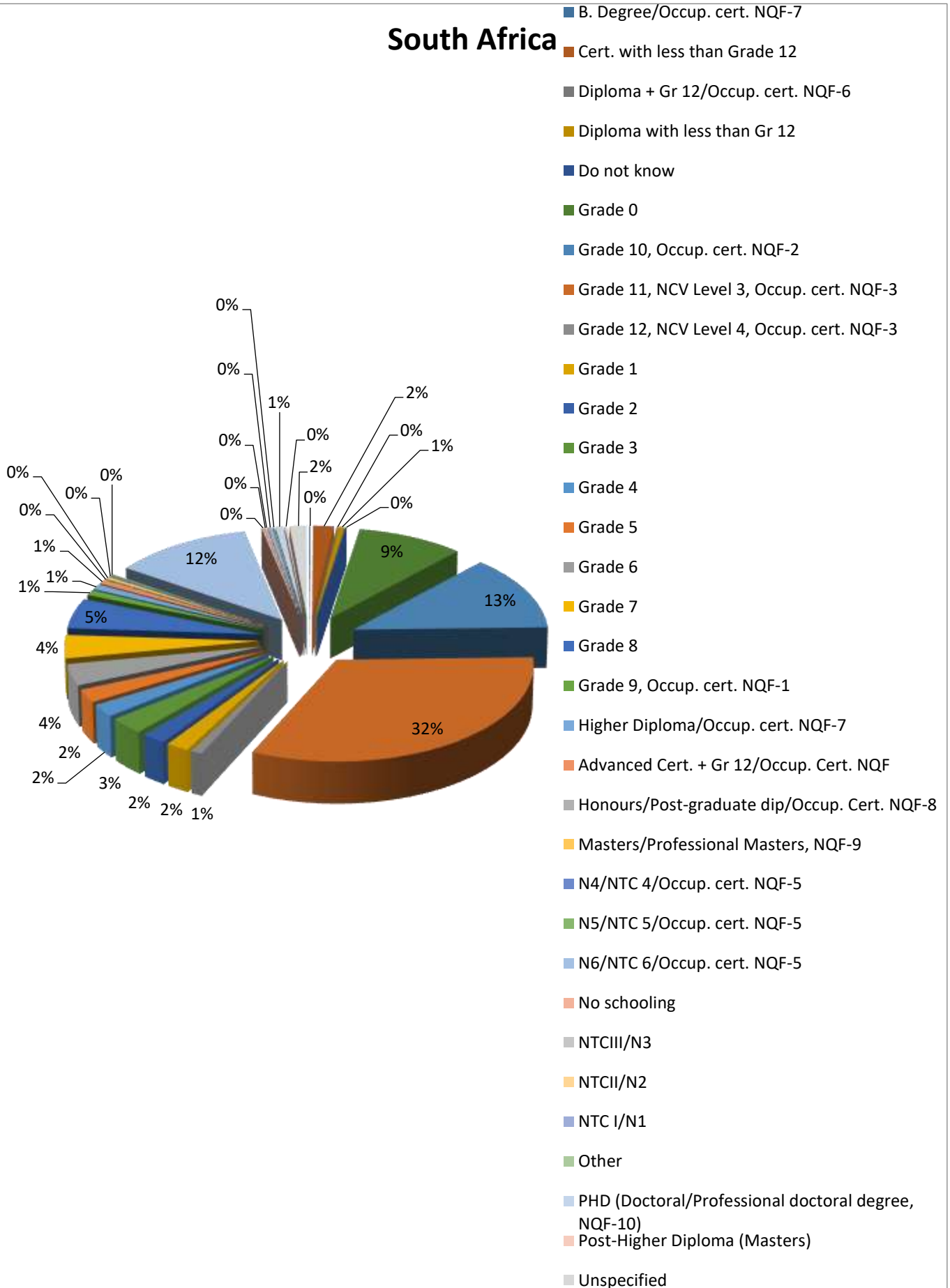
Figure 16: Education Levels

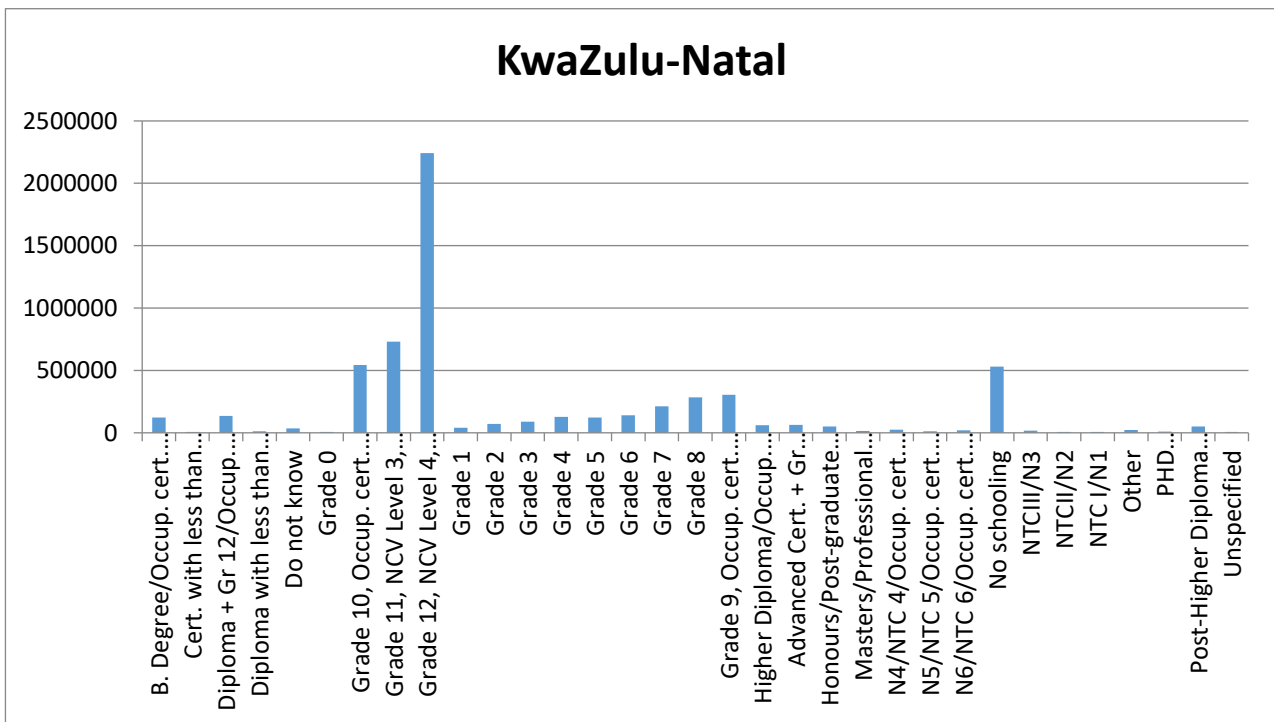
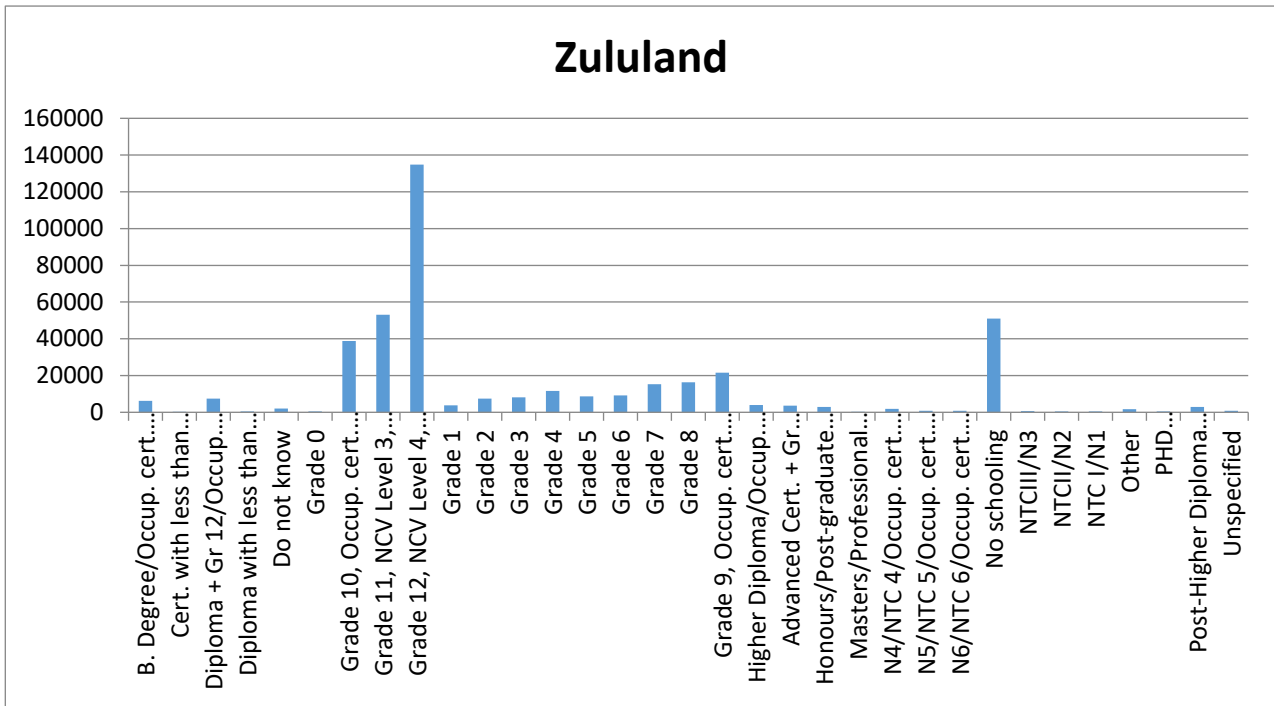


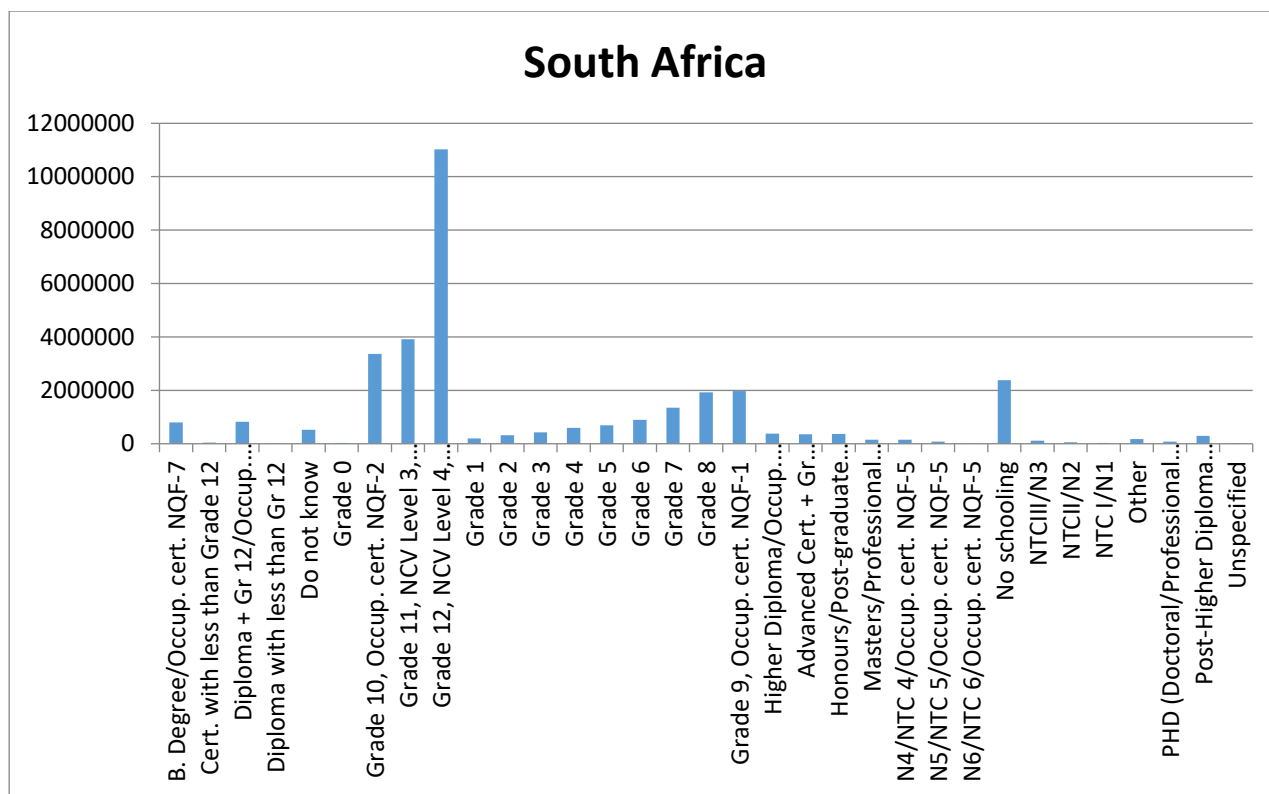
KwaZulu-Natal



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)

3.2.2 Land Restitution and Land Reform

Map 8: Local Municipalities within ZDM



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.

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. B.J Mncwango.

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	• Mlaba
• Mavuso	• Ndebele
• Msibi	• Nobamba

• Ndlangamandla	• Sibiya
• Ntshangase	• Ndlangamandla Ext
• Simelane	• Disputed Area
• Hlahlindlela	• Khambi
• Matheni	• Khambi Ext
• Usuthu	• Zungu
• Buthelezi	• Mbatha
• Mandlakazi	

The district is predominantly rural with commercial farmland interspersed by protected areas, towns, and dense to scattered rural settlements within traditional authority areas. The majority of these rural settlements are small, making service delivery to these remote areas extremely costly. Settlements are located as follows:

Table 47: Settlement Location and Number of Settlements

Settlement Location	Nr of Settlements
Urban Towns	27
Communal Property	27
Land Reform Areas	75
State-owned	26
Tribal Areas	857
Private Land	257
TOTAL	1 269

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.

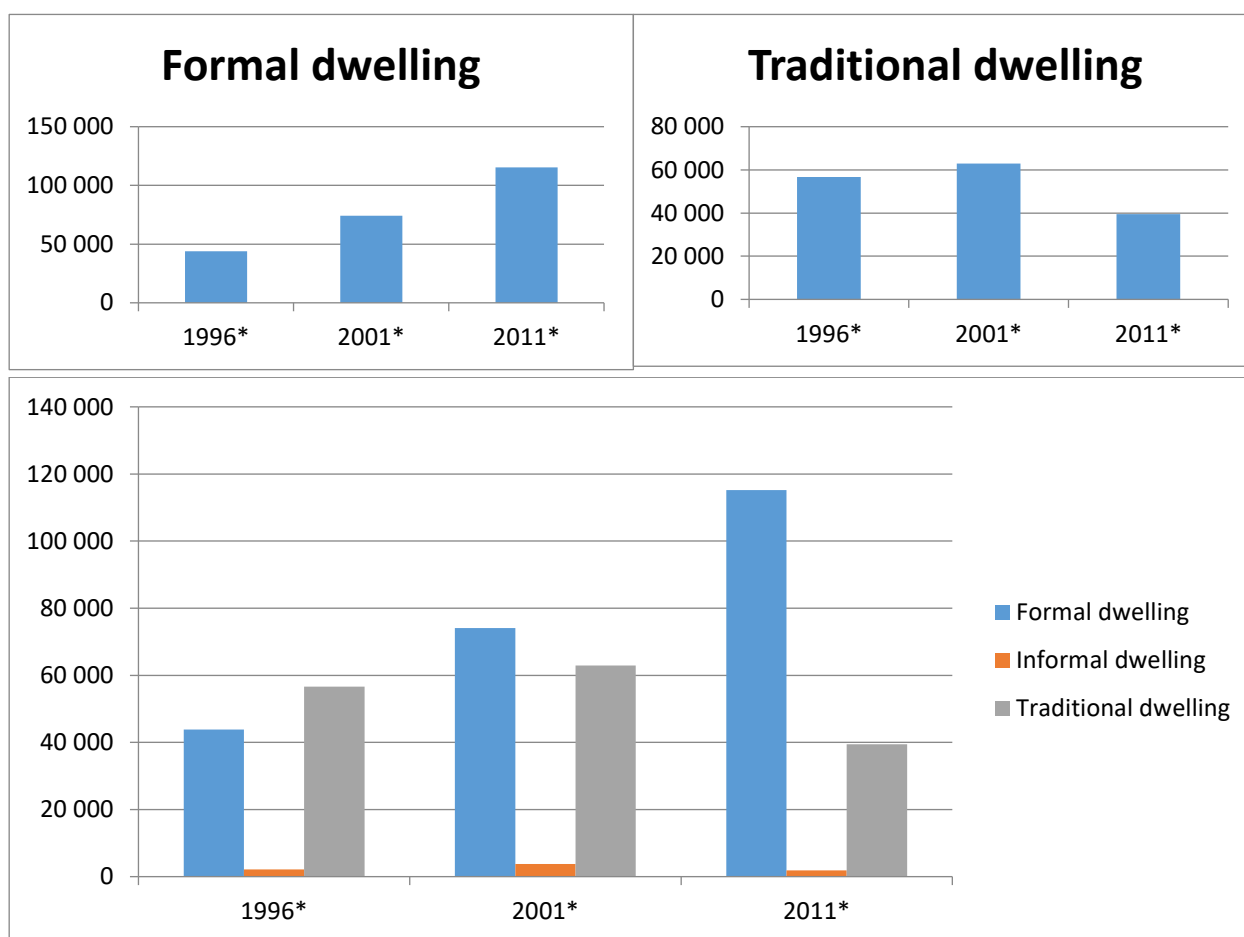
There are three main ways of determining housing demand/need within municipal areas, these are:

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

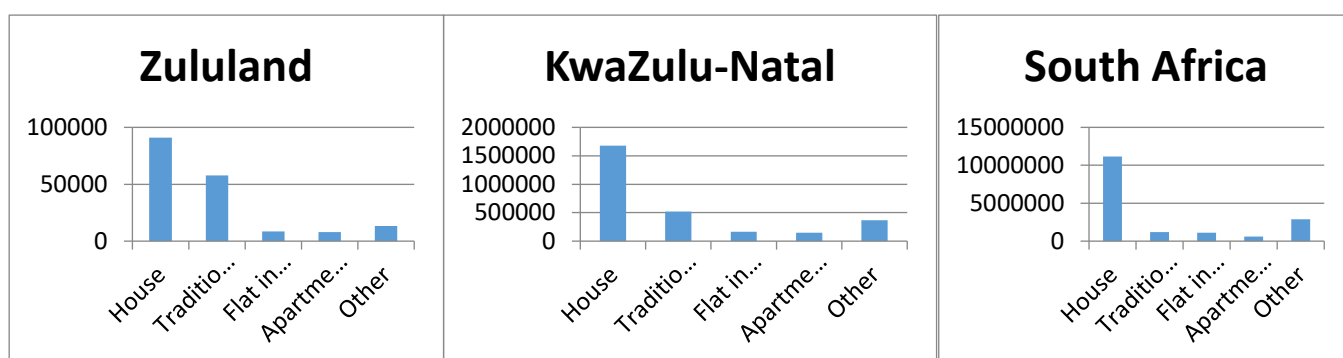
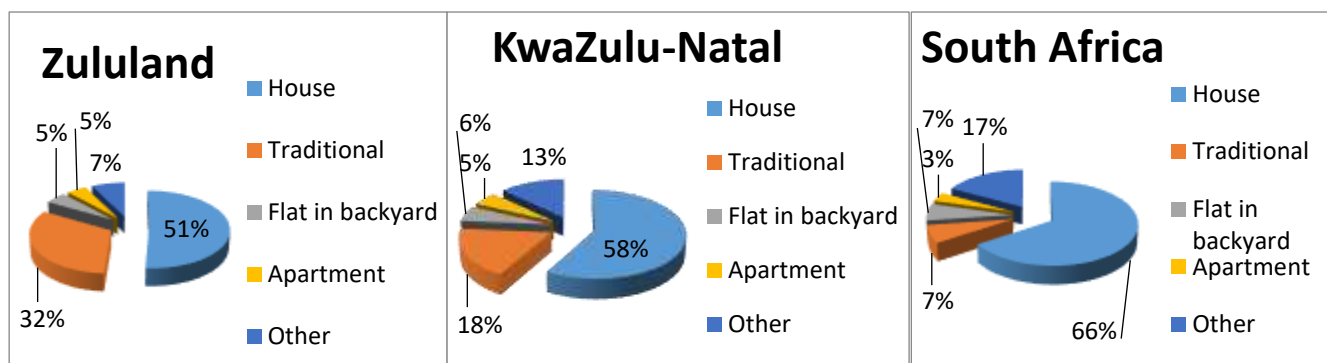
The Constitution of South African details the right of access to adequate housing when considering backlogs. The census data base was used to determine the demand for housing. This is because some beneficiaries may put their names in more than one municipality's database thereby inflating the waiting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

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

Figure 17: Number of households by dwelling type (1996, 2001 & 2011)



Source: Census 2011 Municipal Report

Figure 18: 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

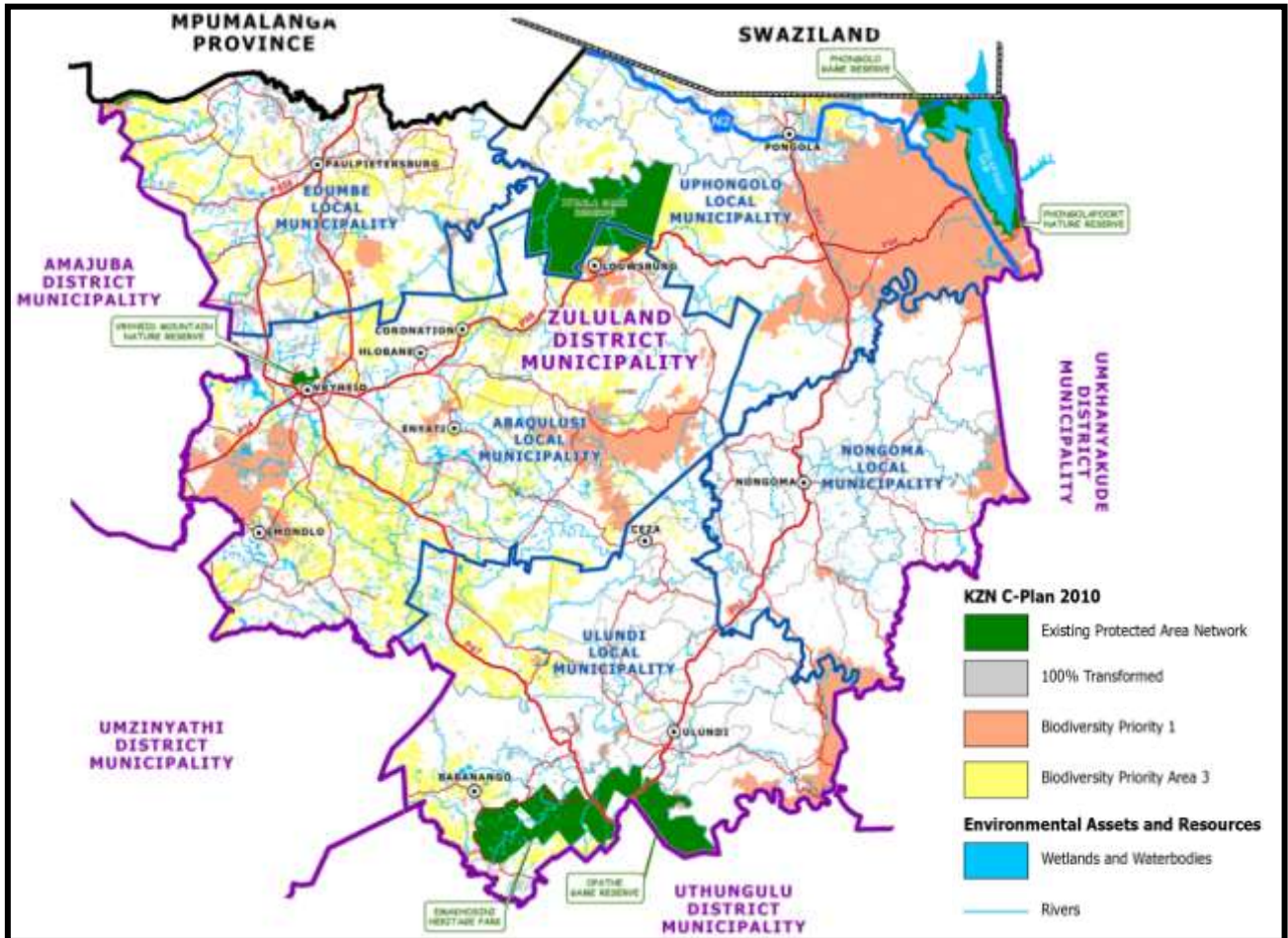
The move to a green economy is very much tied in with climate change. The absolute importance of this move is because of the anticipated negative effects of climate change, and the need to try and avoid the worst impacts. This requires all stakeholders to do their part - - Zululand District municipality 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 9: 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.

3.3.13 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.

3.3.14 Spatial & Environmental: SWOT Analysis

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

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 48: 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

Key Issue	Brief Description
	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 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

Key Issue	Brief Description
	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.
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.

Key Issue	Brief Description
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.

3.3.15 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.

3.4.1 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.

3.4.2 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).

3.4.3 Municipal Institutional Capacity

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.

3.4.4 Risk Assessment

Table 49: 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					

Types of disasters	Types of incidents		Priority in terms of occurrence	Priority in terms of damage	Priority for contingency planning	Discipline involved
	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					
	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 50: 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)

eDumbe LM, uPhongola and Abaqulusi
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 51: 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)
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 52: 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

3.4.5 Risk Reduction & Prevention

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.

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.

3.4.6 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.

3.4.7 Disaster Management Strategic Plan

The ZDM Disaster Management Strategic Plan is presented overleaf:

Table 53: 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

MULTI-YEAR OBJECTIVES	PROGRAMMES/PROJECTS	TARGET DATE FOR COMPLETION OF OUTSTANDING ACTIONS	POSSIBLE BUDGET	RESPONSIBLE DEPARTMENT / INSTITUTION
Establish functionally effective arrangements for stakeholder participation and the engagement of technical advice in disaster risk management planning and operations	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
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

MULTI-YEAR OBJECTIVES	PROGRAMMES/PROJECTS	TARGET DATE FOR COMPLETION OF OUTSTANDING ACTIONS	POSSIBLE BUDGET	RESPONSIBLE DEPARTMENT / INSTITUTION
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	0	Disaster Management Centre, in collaboration with all departments and external

MULTI-YEAR OBJECTIVES	PROGRAMMES/PROJECTS	TARGET DATE FOR COMPLETION OF OUTSTANDING ACTIONS	POSSIBLE BUDGET	RESPONSIBLE DEPARTMENT / INSTITUTION
		externally		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

MULTI-YEAR OBJECTIVES	PROGRAMMES/PROJECTS	TARGET DATE FOR COMPLETION OF OUTSTANDING ACTIONS	POSSIBLE BUDGET	RESPONSIBLE DEPARTMENT / INSTITUTION
	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 conducted internally or externally	0	Disaster Management Centre, in collaboration with all departments 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

MULTI-YEAR OBJECTIVES	PROGRAMMES/PROJECTS	TARGET DATE FOR COMPLETION OF OUTSTANDING ACTIONS	POSSIBLE BUDGET	RESPONSIBLE DEPARTMENT / INSTITUTION
	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

MULTI-YEAR OBJECTIVES	PROGRAMMES/PROJECTS	TARGET DATE FOR COMPLETION OF OUTSTANDING ACTIONS	POSSIBLE BUDGET	RESPONSIBLE DEPARTMENT / INSTITUTION
Develop and implement mechanisms to ensure that integrated rehabilitation and reconstruction activities are conducted in a developmental manner	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 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	0	Disaster Management Centre, in collaboration with all departments and external

MULTI-YEAR OBJECTIVES	PROGRAMMES/PROJECTS	TARGET DATE FOR COMPLETION OF OUTSTANDING ACTIONS	POSSIBLE BUDGET	RESPONSIBLE DEPARTMENT / INSTITUTION
		externally		stakeholders

3.4.8 Funding Arrangements

Table 54: Disaster Management Funding allocation

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

Source: Final Budget 2017/2018

3.4.9 Disaster Management: SWOT Analysis

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

Table 55: 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 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.D. Buthelezi with Councilor M.M. Kunene as Deputy Mayor. The Council is chaired by the Honourable Speaker, Cllr. B.J. Mncwango.

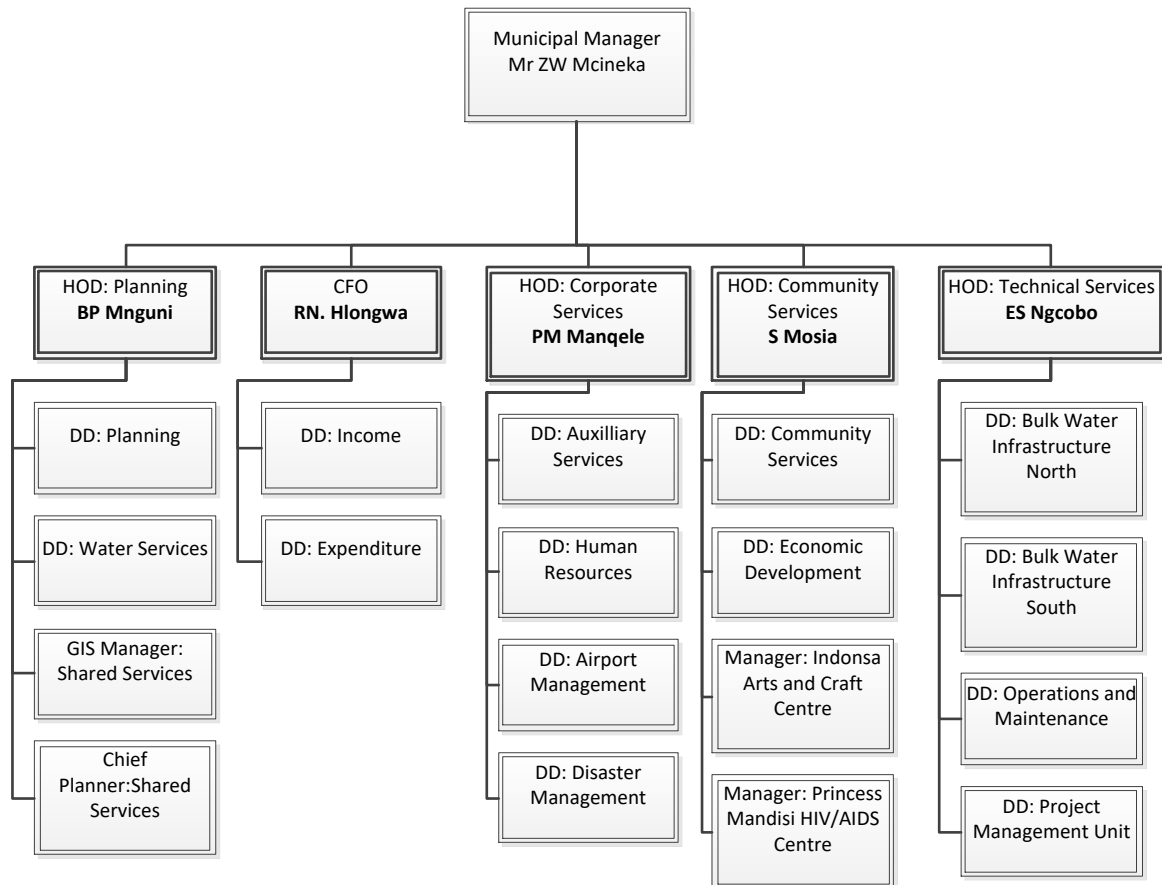
Amakhosi are invited and attend all Council Meetings.

The municipality consists of five (5) departments:

- Planning Department: HOD: Mr BP Mnguni
- Budget & Treasury Office: CFO: Mr RN Hlongwa
- Corporate Services Department: HOD: Mr PM Manqele
- Community Services Department: HOD: Mr S Mosia
- Technical Services: HOD: Mr ES Ngcobo

The municipality's high level organogram is indicated hereunder:

Figure 19: ZDM High Level Organogram



4.2 POWERS & FUNCTIONS

Table 56; 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
Municipal Health <i>(National Fx)</i>	Community Development Services

Function	Responsible Department
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 57; 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 to the grant conditions. ZDM

		does not distribute grants.
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4.2.1 Employment And Vacancies

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

Table 58: Number of posts and vacancies per Department

Number of posts and vacancies per department						
Department	2016/17		2017/18		2018/19	
	No. of Posts	No. of Vacancies	No. of Posts	No. of Vacancies	No. of Posts	No. of Vacancies
Finance	53	0	52	6	57	1
Technical	368	5	366	8	374	21
Planning	21	3	18	3	21	0
Community	58	0	56	2	58	1
Corporate	64	0	65	4	65	3

4.2.2 Status Of Critical Posts

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

4.2.3 Organizational Structure

The draft organizational structure was approved by Council in March 2019 in line with the IDP. It is anticipated that the final structure will be adopted in July 2019.

4.2.4 Current Policies And Status

Table 59: Current Policies and Status

	Name of Policy	Date adopted	Next Review
1	Affirmative Action	28 May 2017	NA
2	Attraction and Retention	28 May 2017	NA
3	Code of Conduct for employees	28 May 2017	NA
4	Delegations, Authorisation & Responsibility	28 May 2017	NA
5	Disciplinary Code and Procedures	28 May 2017	NA
6	Essential Services	28 May 2017	NA
7	Employee Assistance / Wellness	28 May 2017	NA

	Name of Policy	Date adopted	Next Review
8	Employment Equity	28 May 2017	NA
9	Exit Management	28 May 2017	NA
10	Grievance Procedures	28 May 2017	NA
11	HIV/Aids	28 May 2017	NA
12	Human Resource and Development	NA	NA
13	Information Communications Technology	28 May 2017	NA
14	Job Evaluation	Guided by SALGA	NA
15	Leave	28 May 2017	NA
16	Occupational Health and Safety	28 May 2017	NA
17	Official Housing	28 May 2017	NA
18	Official Journeys	28 May 2017	NA
19	Official transport to attend Funerals	28 May 2017	NA
20	Official Working Hours and Overtime	28 May 2017	NA
21	Organisational Rights	28 May 2017	NA
22	Payroll Deductions	28 May 2017	NA
23	Performance Management and Development	28 May 2017	NA
24	Recruitment, Selection and Appointments	28 May 2017	NA
25	Remuneration Scales and Allowances	28 May 2017	NA
26	Resettlement	28 May 2017	NA
27	Sexual Harassment	28 May 2017	NA
28	Skills Development	28 May 2017	NA
29	Smoking	28 May 2017	NA
30	Special Skills	28 May 2017	NA
31	Uniforms and Protective Clothing	28 May 2017	NA
32	Water Use Policy	28 May 2017	NA
33	Workplace Skills Plan	30 May 2018	30 August 2019
34	Retention Strategy	28 May 2017	NA

It is anticipated that many of the policies indicated above will be reviewed during the 2019/2020 financial year in line with the revised strategic plan of the municipality.

4.2.5 Performance Management

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

Performance Management is located in the Planning Department.

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

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

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

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

As at 30 June 2018, performance evaluation applies to section 54 and 56 managers and does not cascade to other levels of employees.

4.2.6 Auditing And Oversight

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

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

There are 3 categories of audit outcomes. These include clean audit, Unqualified Audit, Disclaimer.

For the 2015/2016 financial year the ZDM received a clean audit. In 2016/2017 the municipality received an unqualified audit with matters of emphasis. The regress was due to lax in monitoring controls as well as irregular expenditure as a result of non-compliance with legislation.

In the 2017/2018 financial year the municipality received a **Qualified Audit Opinion**. Two factors that led to the qualified opinion include:

- **Revenue from exchange transactions**
 - insufficient and appropriate audit evidence that management had properly accounted for all revenue from service charges, receivables and related impairments due to inadequate internal control in the billing process
- **Water Losses**
 - insufficient appropriate audit evidence for the disclosed water losses stated at R7,21 million in the note 59 to the financial statements

With regards to auditing there are 3 structures namely:

- Internal Audit
- Audit and Performance Management Committee
- Council

4.2.7 Internal Audit

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

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

4.2.8 Audit And Performance Management Committee

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

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

Table 60: Members of the Audit and Performance Committee

Member	Designation	Qualifications	Attended
Mr P Mntambo (Chairperson)	External	Bcompt, Project Management, Forensic, Investigation & MBA	6/6
Mr MC Ndwandwe	External	Bcom	6/6
Mr MS Ngcobo	Internal	NDIP Town & Regional Planning	6/6

The Audit Committee has met more than 4 times for the financial year under review as displayed in the table below.

Table 61: Number of Meetings held by the Audit Committee

Number of Meetings Held		
2015/16	2016/17	2017/18
6	4	23/08/2017
		30/11/2017

Number of Meetings Held		
2015/16	2016/17	2017/18
		01/02/2018
		19/04/2018
		31/05/2018

4.2.9 Oversight Committee

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

Table 62: Number of Meetings held by the Oversight Committee

Oversight Committee			
2015/16	2016/17	2017/18	2019/2020
4	5	26/07/2017	27/03/2019
		30/11/2017	
		25/01/2018	
		14/02/2018	
		19/04/2018	
		07/06/2018	

4.3 MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT: SWOT ANALYSIS

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

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.

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.

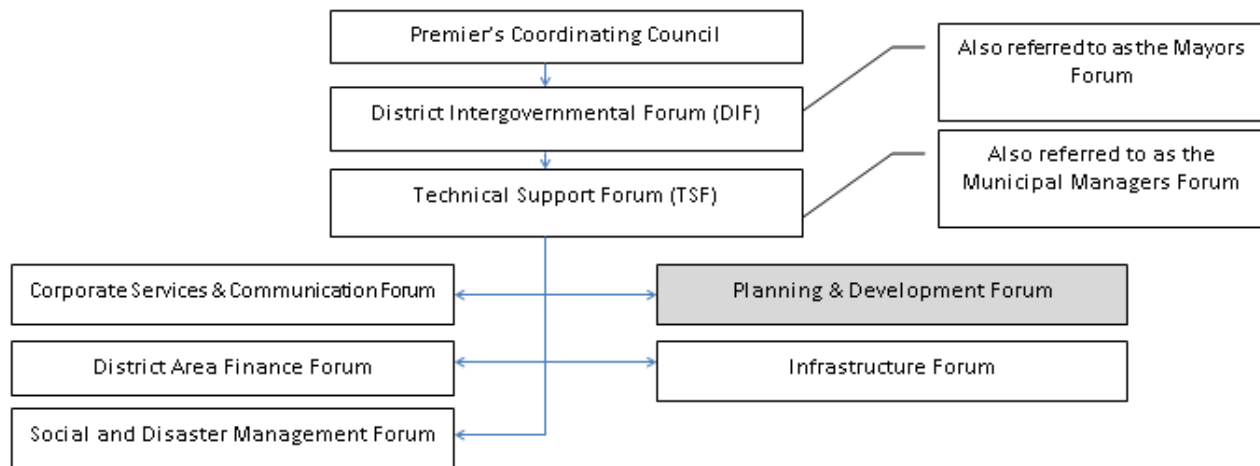
Five local AIDS councils and District AIDS council were launched. Various conferences were hosted. Ward committees were also launched and the new areas are being orientated on Operation Sukuma Sakhe. In different wards community halls are identified as war rooms. In specific days ward convener, community 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 INTERGOVERNMENTAL RELATIONS (IGR)

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 20: Intergovernmental Relations



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.

The table below demonstrates the number of times that the different segments of IGR met during the financial year under review:

Table 63: Number of Meetings by different sections of IGR

Name of Forum	No. of Meetings (2017/2018)	No. of Meetings (2018/2019)	No. of Meetings (2019/2020)
Mayors Forum	01	00	00
MMs Forum	01	02	03
CFOs Forum	01	00	00
Corporate Services Forum	01	00	01
Technical Services Forum	01	00	00

Planning & Development Forum	00	00	00
------------------------------	----	----	----

The state of IGR in the municipality has not been desirable. However the sitting of the Municipal Managers Forum twice during the month of March and April 2019 put in motion a series of activities to resuscitate IGR. It is anticipated that during the 2019/2020 financial year, IGR functionality will be restored.

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

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

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

LED Section

- Tourism forum
- Agricultural forum
- Business forum

Corporate Services

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

Finance

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

Office of the Mayor and Municipal Manager

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

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	WARD	MUNICIPALITY
9 May 2019	Bilanyoni Sports Ground	eDumbe Municipality
11 May 2019	OKhukho KwaDladla Community Hall	Ulundi Municipality
26 May 2019	Nongoma Multi-Purpose Hall	Nongoma Municipality
2 May 2019	Sithambi Community Hall (KwaLubisi)	Phongolo Municipality
4 May 2019	KwaHlahlindlela Community Hall	AbaQulusi Municipality

Key Challenges

We need to extract key challenges from the Annual Perf. Report 2017-18.

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

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.

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 & 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.

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 64: 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.

The web-based WSDP allows for a DM to perform a self-assessment on each topic discussed. Topics are rated in terms of 90% reliable services by 2035 according to the KZN PGDS, and associated KPI's track progress on each topic. Mitigation measures are put in place with each annual review should a KPI not reach its desired progress.

Table 65: Existing backlogs against funding allocations 2016

YEAR	BACKLOGS (Households)		ALLOCATIONS		Household count
	Water	Sanitation	Water	Sanitation	
2013-2014	56 559	56 757	R 288 499 750	R 65 386 250	2010 household count
2014-2015	50 653	46 027	R 300 616 500	R 55 405 500	
2015-2016	47 934	37 650	R 440 019 250	R 55 339 750	
2016-2017	45 545	31 071	R 281 021 250	R 61 973 750	
2017-2018	57 358	38 007	R 172 855 075	R 45 120 650	2013 Households
2018-2019	50 882	34 973	R 456 344 175	R 51 310 825	2016 Households
2019-2020	42 711	25 977	TBA	TBA	

Source: Draft 2019 WSDP

The outcome for the 2019 self-assessment can be reviewed in the next two graphs. KPI's can be reviewed in the next table to track progress on each topic in the above graph. Topic 1 and Topic 3 are reliant on Census data and will be updated with every new Census done (2021 & 2031) after which data becomes progressively outdated.

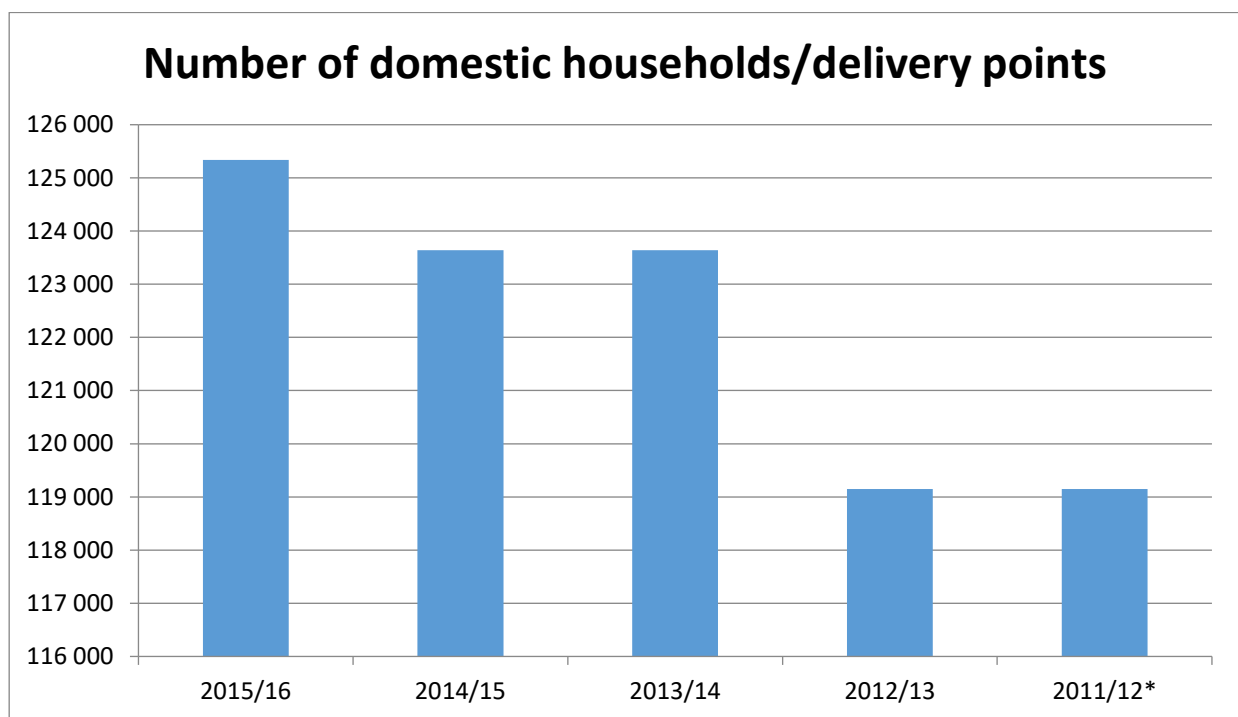
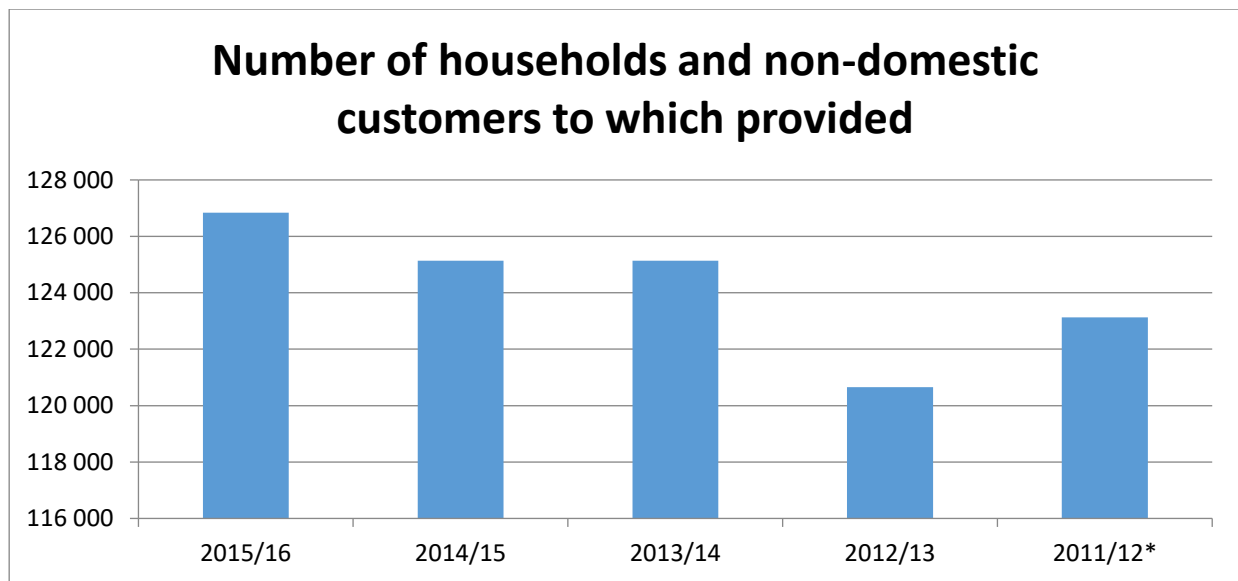
The source for these tables is the Draft 2019 WSDP.

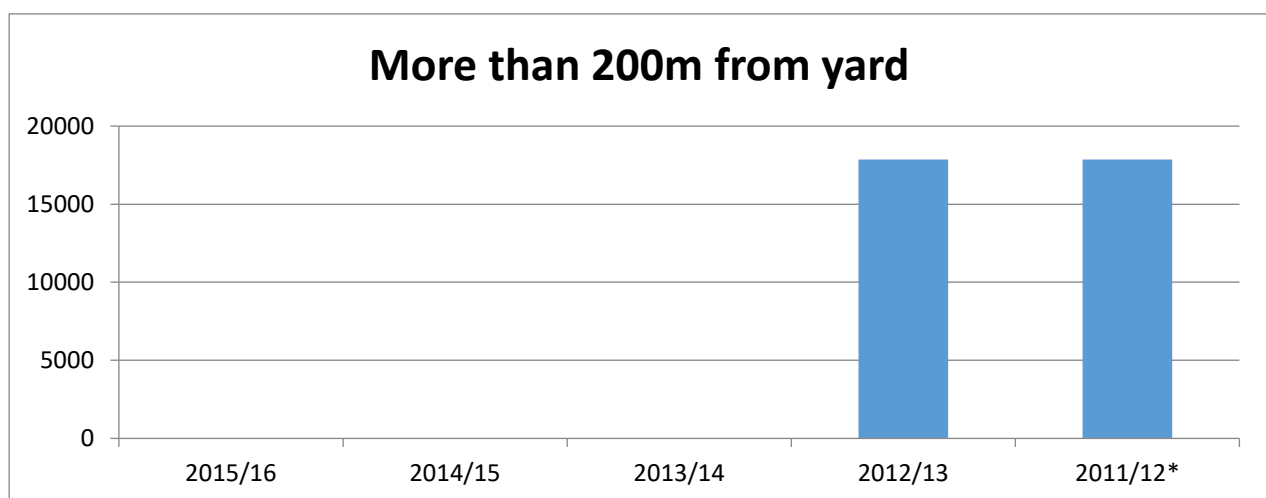
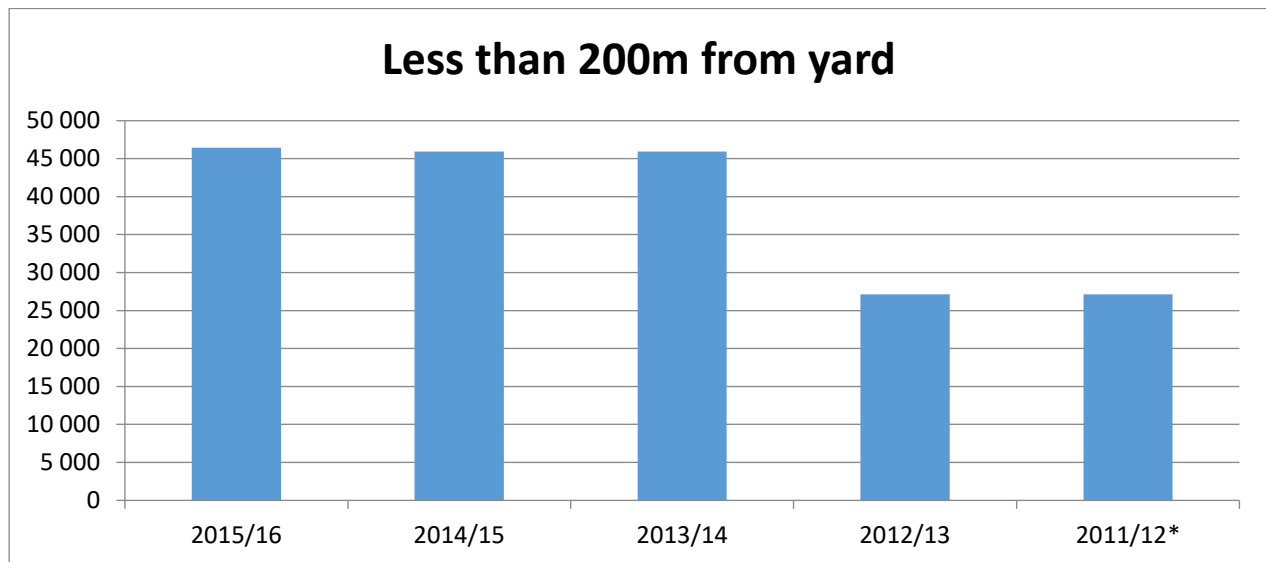
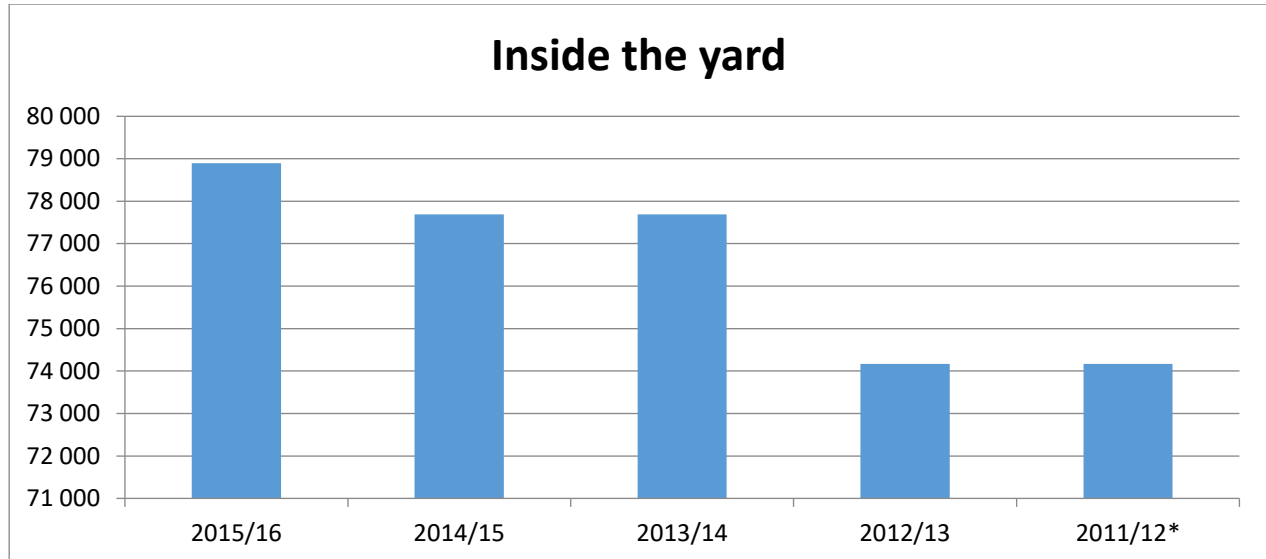
Table 66: Water Delivery Status (2015/16, 2014/15, 2013/14, 2012/13, 2011/12)

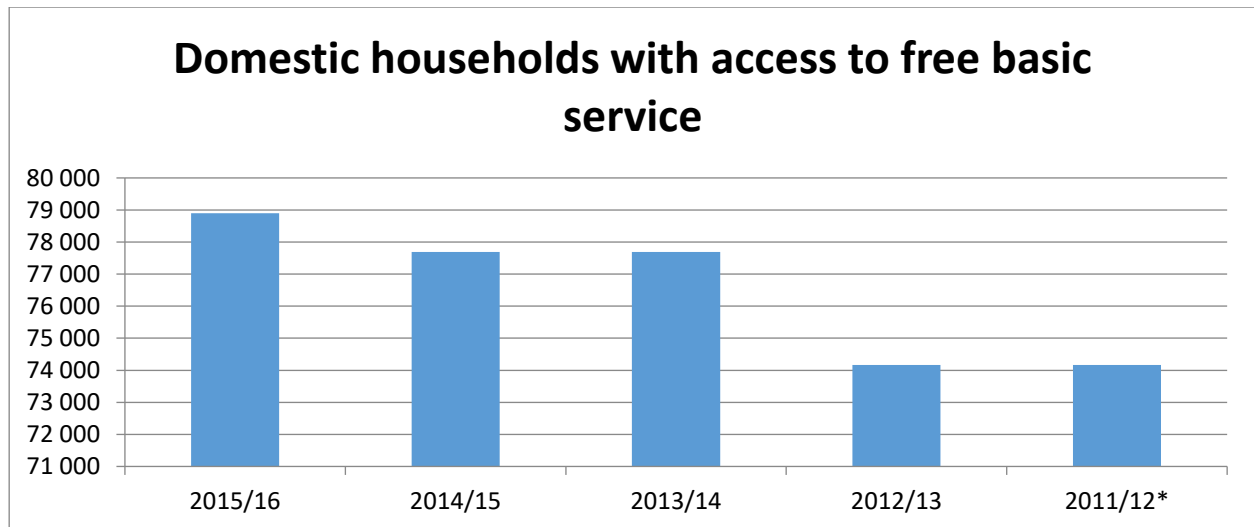
Blue Drop Score	n/a	n/a	51.18	n/a	83.05
Is the municipality responsible to provide?	Yes	Yes	Yes	Yes	Yes
Does the municipality have infrastructure to provide?	Yes	Yes	Yes	Yes	Yes
Does the municipality actually provide?	Yes	Yes	Yes	Yes	Yes
Is the service outsourced/commercialised?	No	No	No	No	No
Number 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 21: 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.

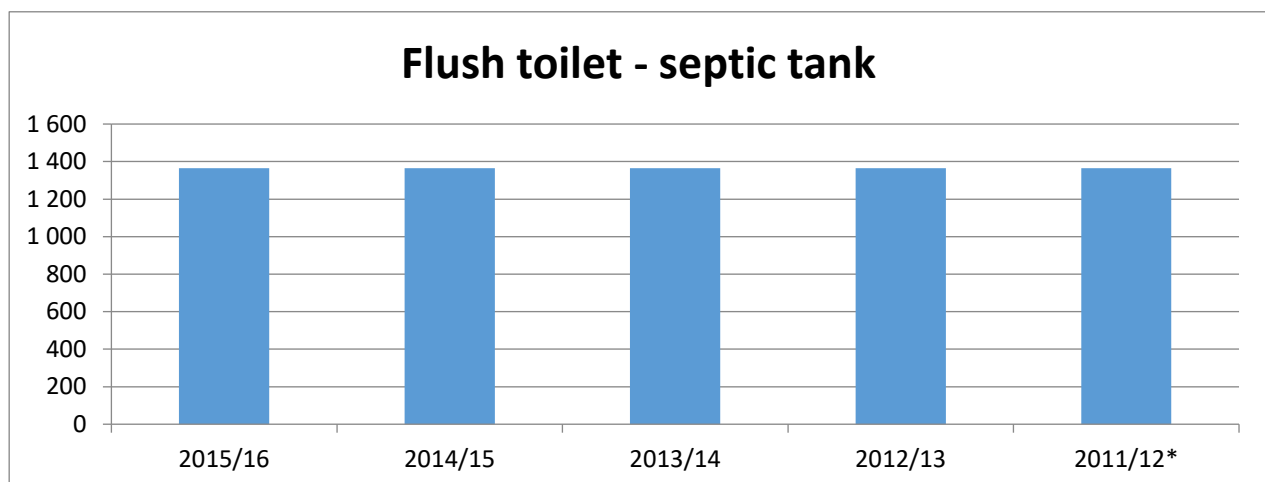
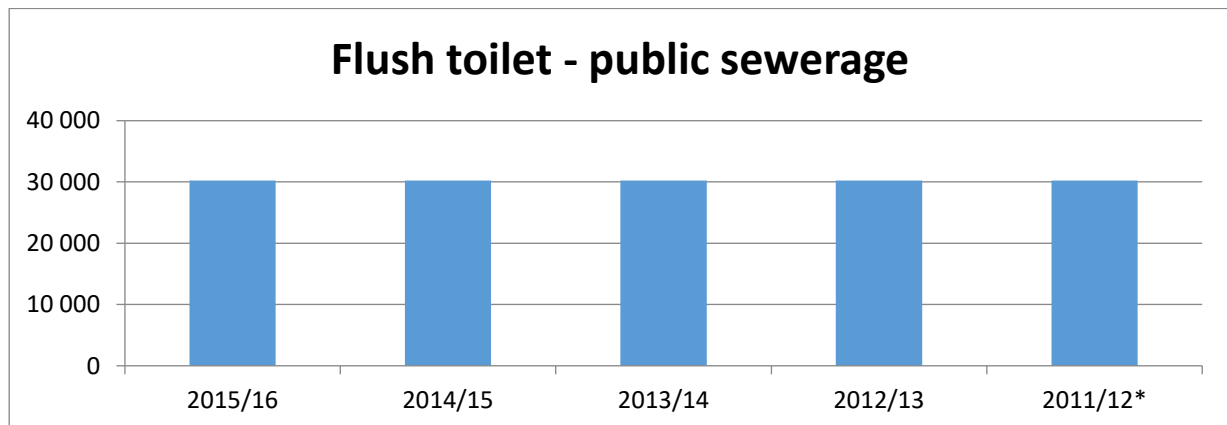
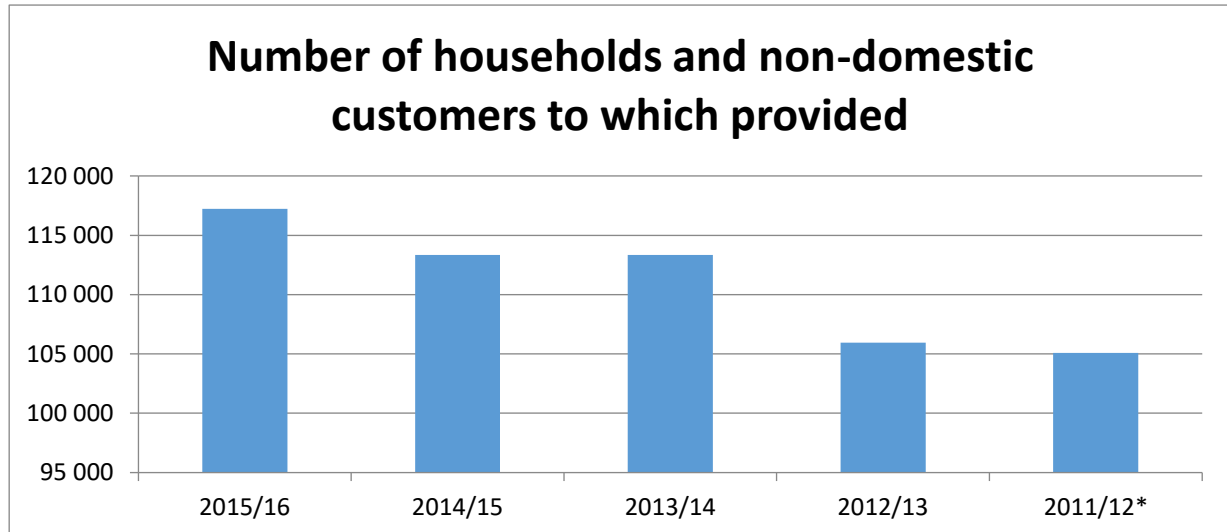
Table 67: Sewerage and Sanitation Delivery Status (2015/16, 2014/15, 2013/14, 2012/13, 2011/12)

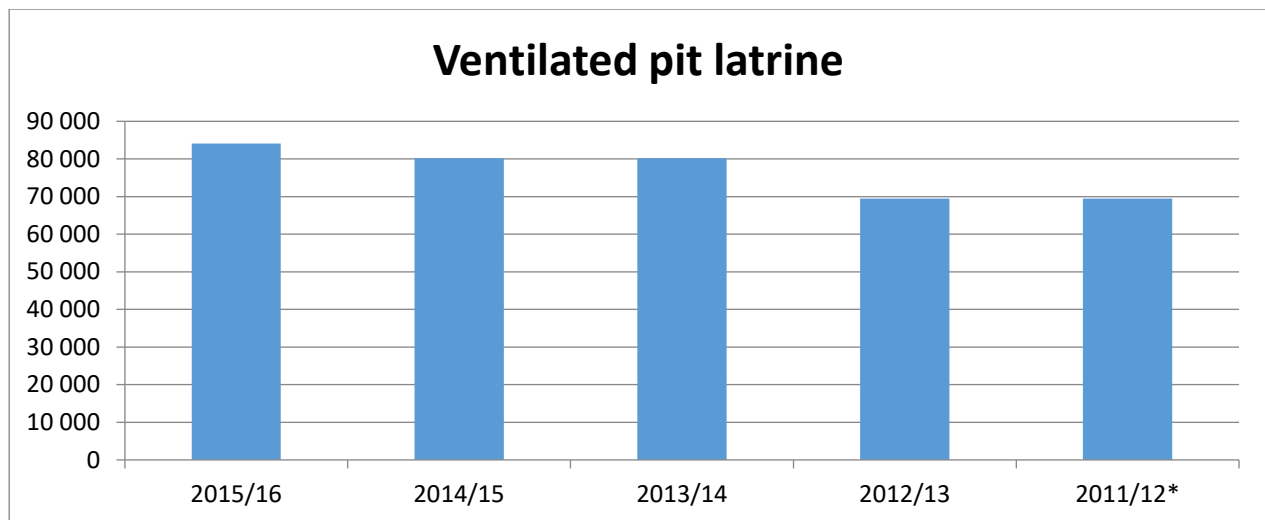
Green Drop Score	n/a	n/a	n/a	0	0
Is the municipality responsible to provide?	Yes	Yes	Yes	Yes	Yes
Does the municipality have infrastructure to provide?	Yes	Yes	Yes	Yes	Yes
Does the municipality actually provide?	Yes	Yes	Yes	Yes	Yes
Is the service outsourced/commercialised?	No	No	No	No	No
Number of households 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 22: Sewerage and Sanitation Delivery Status (2015/16, 2014/15, 2013/14, 2012/13, 2011/12)

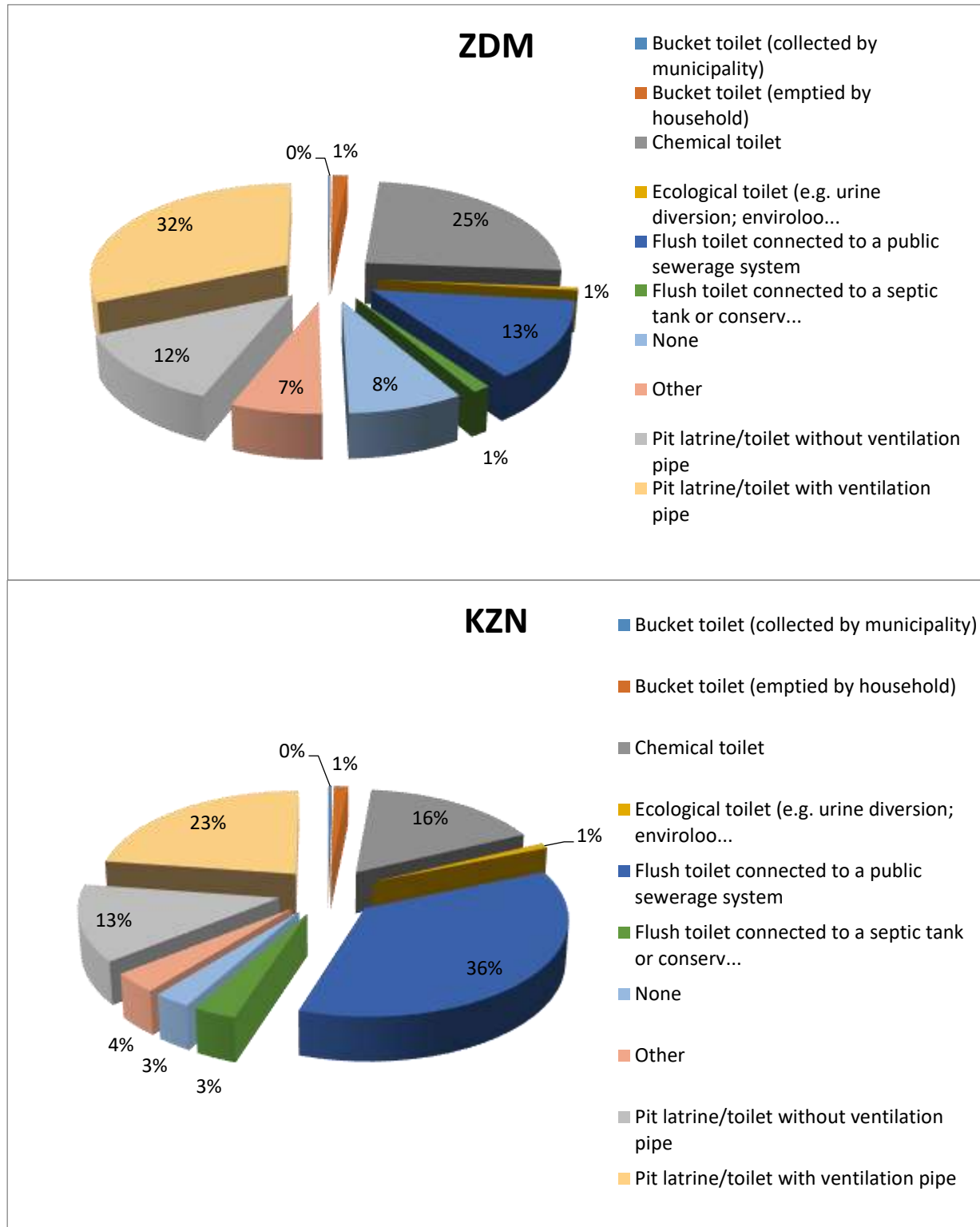


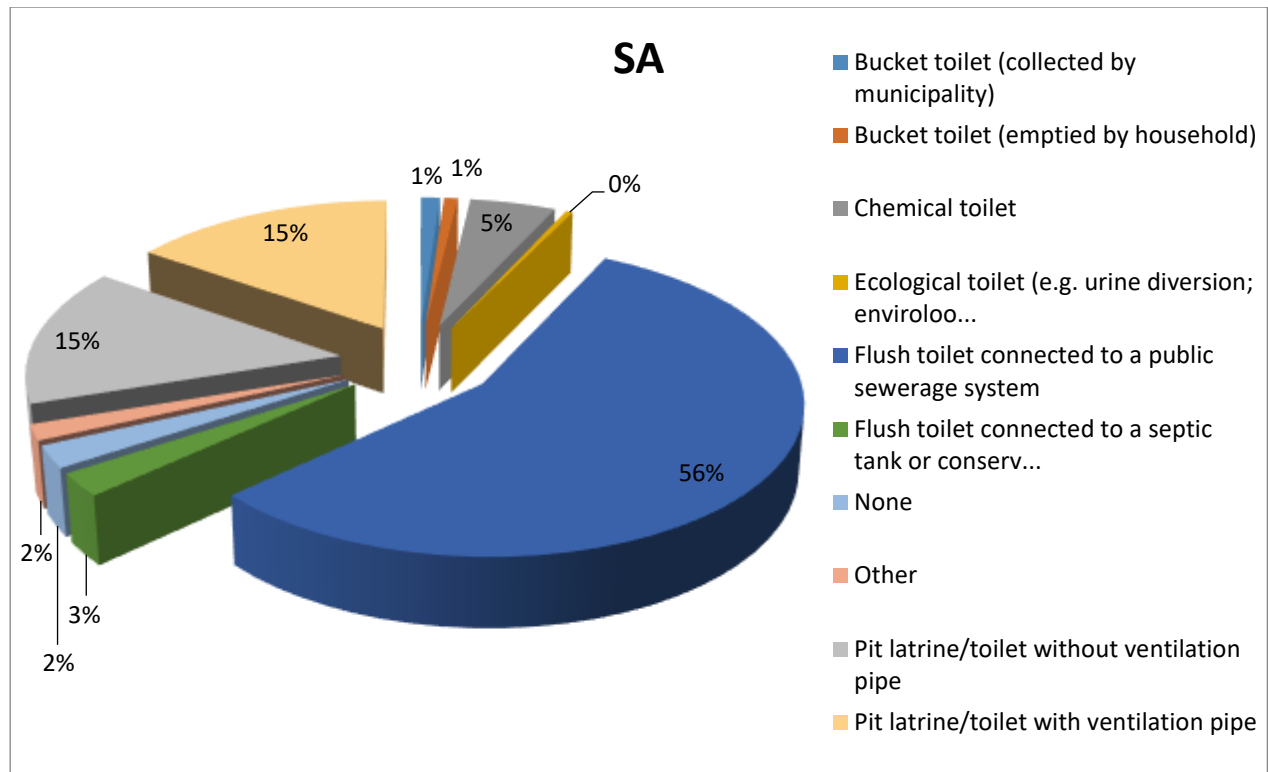


Source: *municipalities.co.za*

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-latrine 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 23: Sanitation Delibery Status





6.2 ACCESS TO ENERGY

Table 68: 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.

6.3 ACCESS TO TELECOMMUNICATIONS

Table 69: 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.

6.4 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

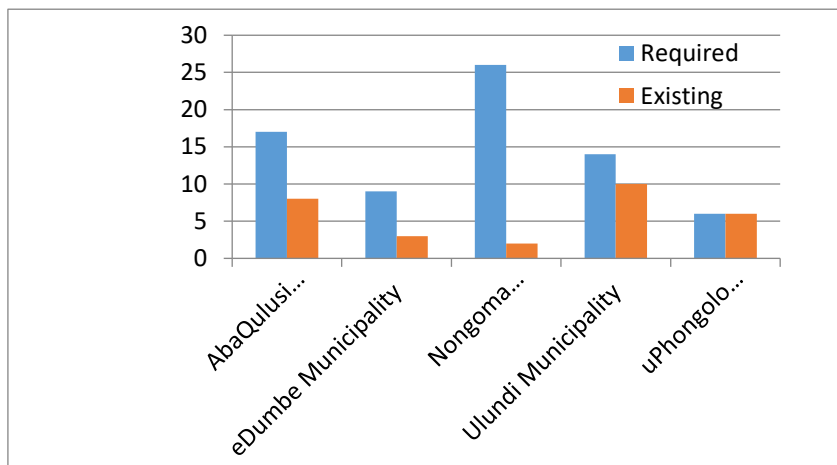
achieve social upliftment and a general improvement of socio-economic conditions. Addressing this need becomes even more critical, however the creation of regional sport centres may go a long way to achieve the desired outcome if one consider the dimensions that social facilities need to be accessible 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 70: 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



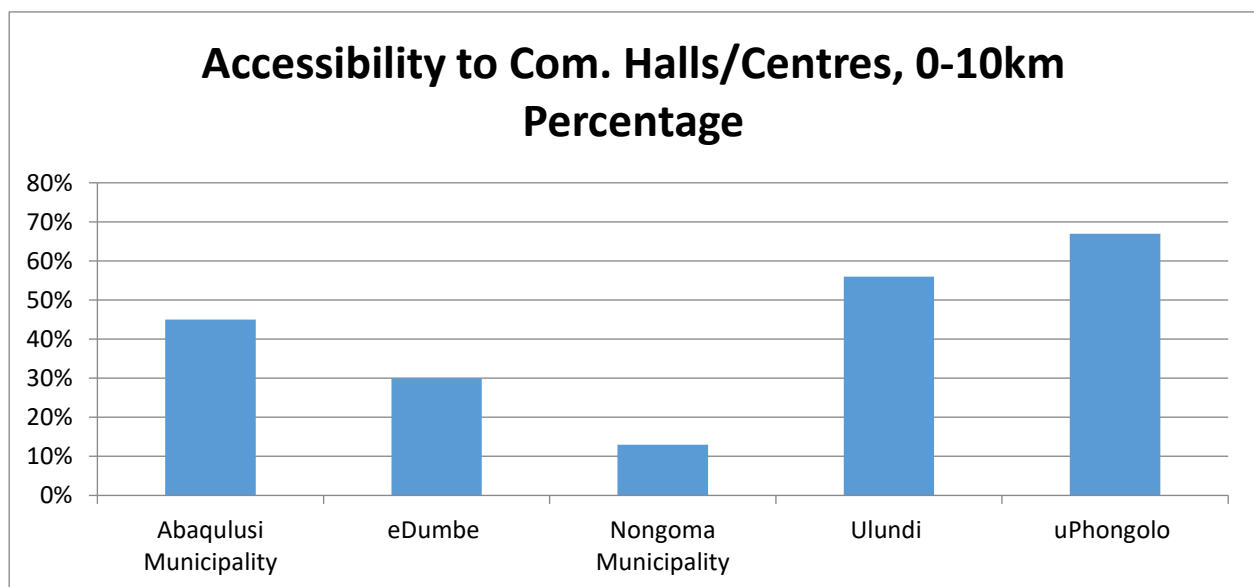
Accessibility to community halls/centres with regard to travelling distance is shown in the following table.

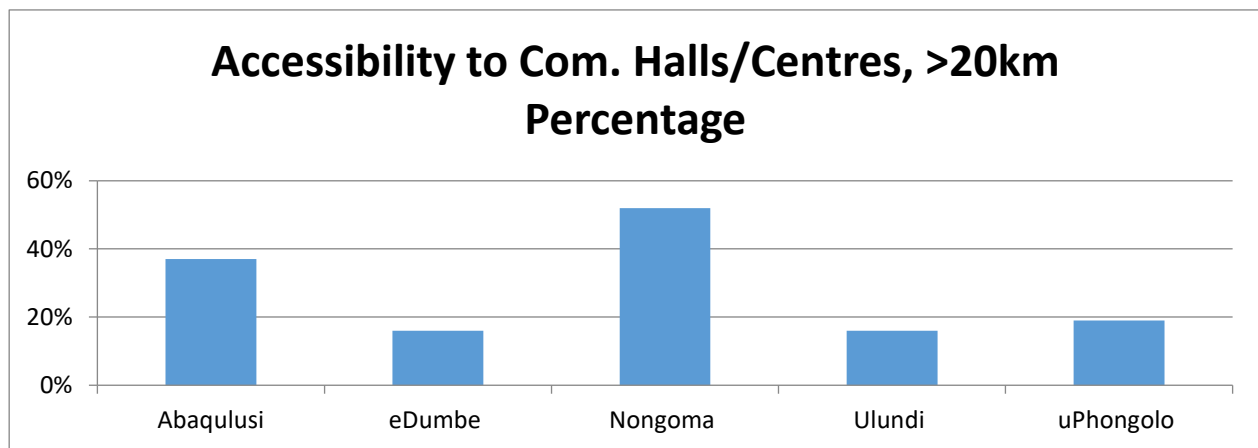
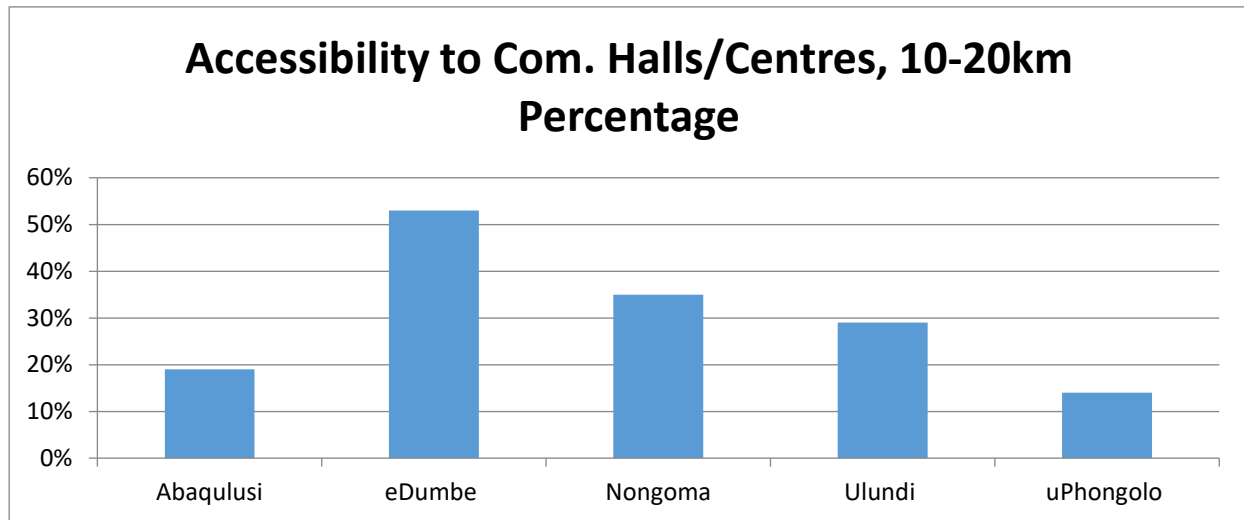
Table 71: Accessibility to Community Halls/Centres

Local Municipality	0 - 10km		
	Households	Population	Percentage
Abaqulusi Municipality	15122	102270	45%
eDumbe Municipality	4307	29128	30%

Local Municipality	0 - 10km		
	Households	Population	Percentage
Nongoma Municipality	4381	29629	13%
Ulundi Municipality	19033	128720	56%
uPhongolo Municipality	13873	93823	67%
Local Municipality	10km - 20km		
	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%
Local Municipality	> 20km		
	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 24: 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.

6.5 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.

6.6 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 10: Major District Roads



6.7 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
- Mabedlana 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
- Ngeku 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
- Emkhwakhweni Clinic
- KwaNkundla Clinic
- KwaShoba Clinic
- Ncotshane Clinic
- Pongola Fixed Clinic
- Belgrade Clinic
- Qalukubheka Clinic
- Tobolsk Clinic
- Pongola Mobiles (x3)

Forensic Services

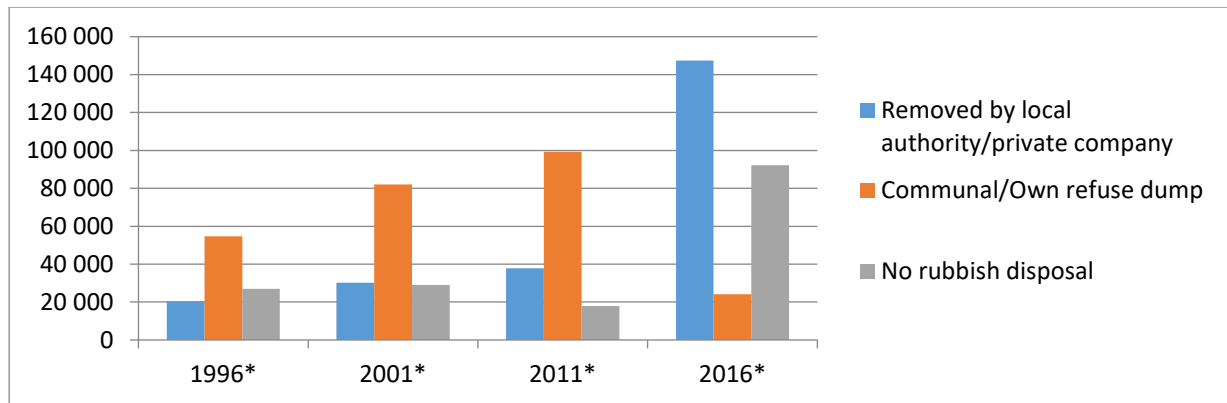
- Dumbe
- Vryheid
- Nongoma
- Ulundi
- Pongola

6.8 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 72: 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%

Figure 25: Solid Waste Removal

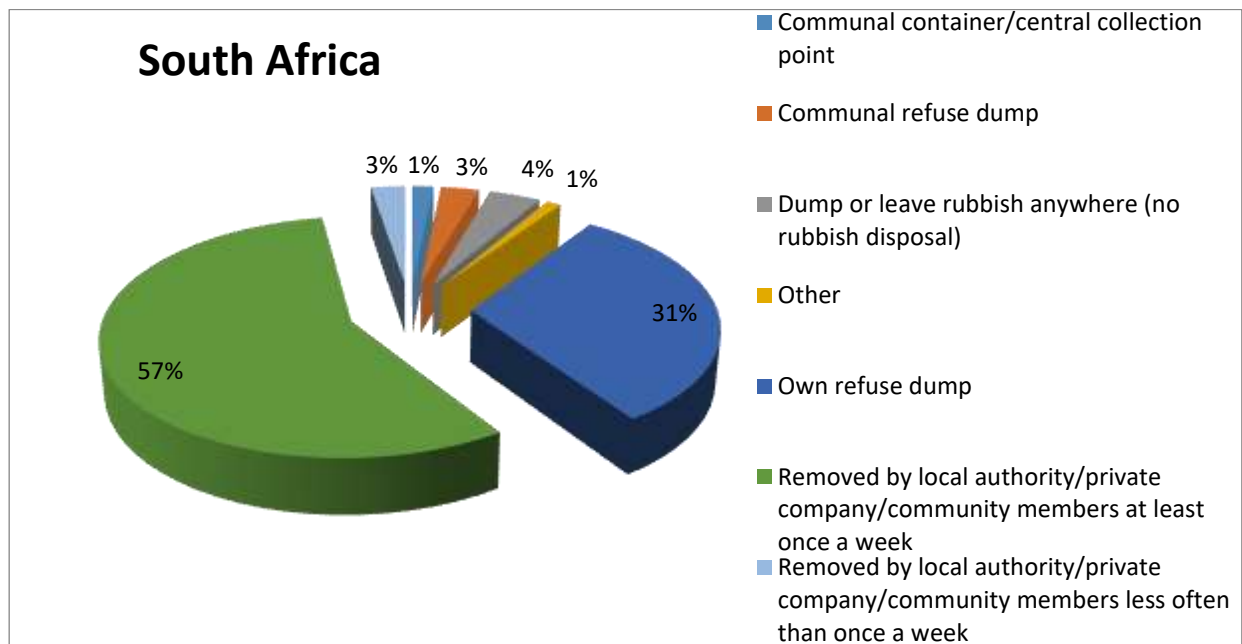
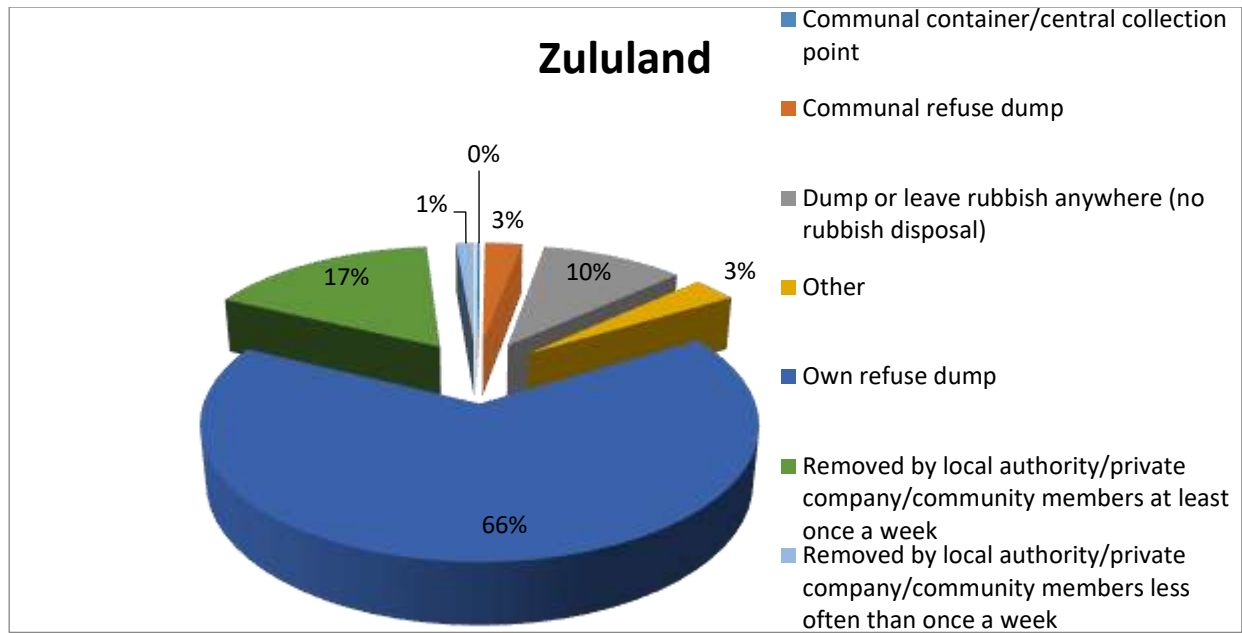
The table below reflects a comparison of the 1996, 2001 and 2011 Census and the 2016 Community Survey data in respect of solid waste disposal:

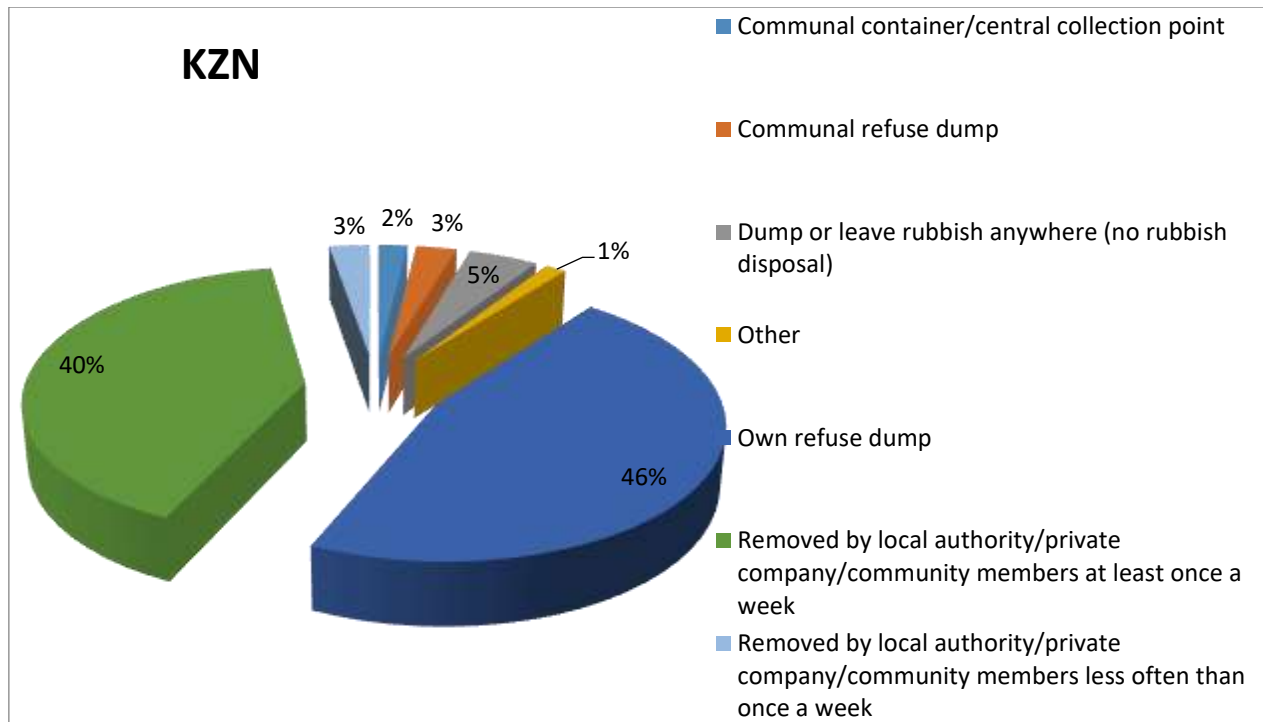
Table 74: Population, and Population Proportion, By Refuse Disposal (2016)

	ZDM		KZN		South Africa	
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 26: 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:

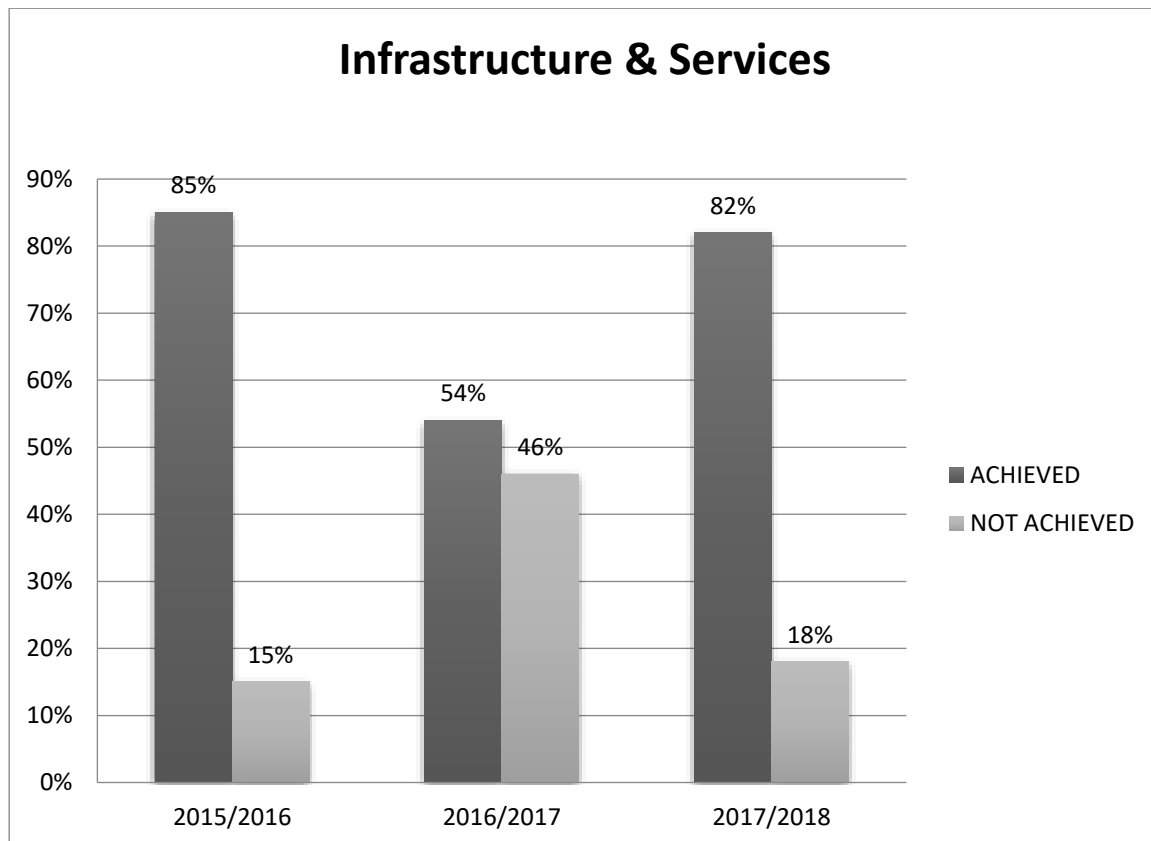
- Positioning of facilities
- Sizing of facilities (numbers and land requirement)
- Timing and priorities
- Tariffs
- Management: Local Municipalities or District Municipality
- Legal Responsibilities (Environmental and Water Acts)
- Rural - Cultural Practices
- Groundwater Pollution control
- Health 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.

6.9 INFRASTRUCTURE AND SERVICES CONCLUSION



This KPA covers the following key focus areas (powers & functions): Water & sanitation, Municipal District Roads, Municipal Health Services, Disaster Management, Municipal District Airports and District Solid Waste Management.

In 2015/16 the Zululand District Municipality achieved 85% for Infrastructure, 54% in 2016/17 and 82% in 2017/18. One of the core functions of the municipality is to provide bulk water and sanitation. The significant decline in 2016/17 came as a result of the protracted drought experienced due to climate change across the country. It can be observed from the graph above that the common service delivery trend however returned to normal in the 2017/2018 financial year. Despite the massive funding shortfall in relation to the capital investment framework for water & sanitation infrastructure, service delivery continued at a reasonably high rate to communities around Zululand.

All targets were met in respect of disaster management.

With regards to municipal district roads, the allocation and gazetting of roads belonging to the district is still in process and cannot therefore perform this function.

There are no regional solid waste sites.

There is one municipal district airport based in Ulundi operated and maintained by the municipality.
There are no significant issues impacting on performance during this period.

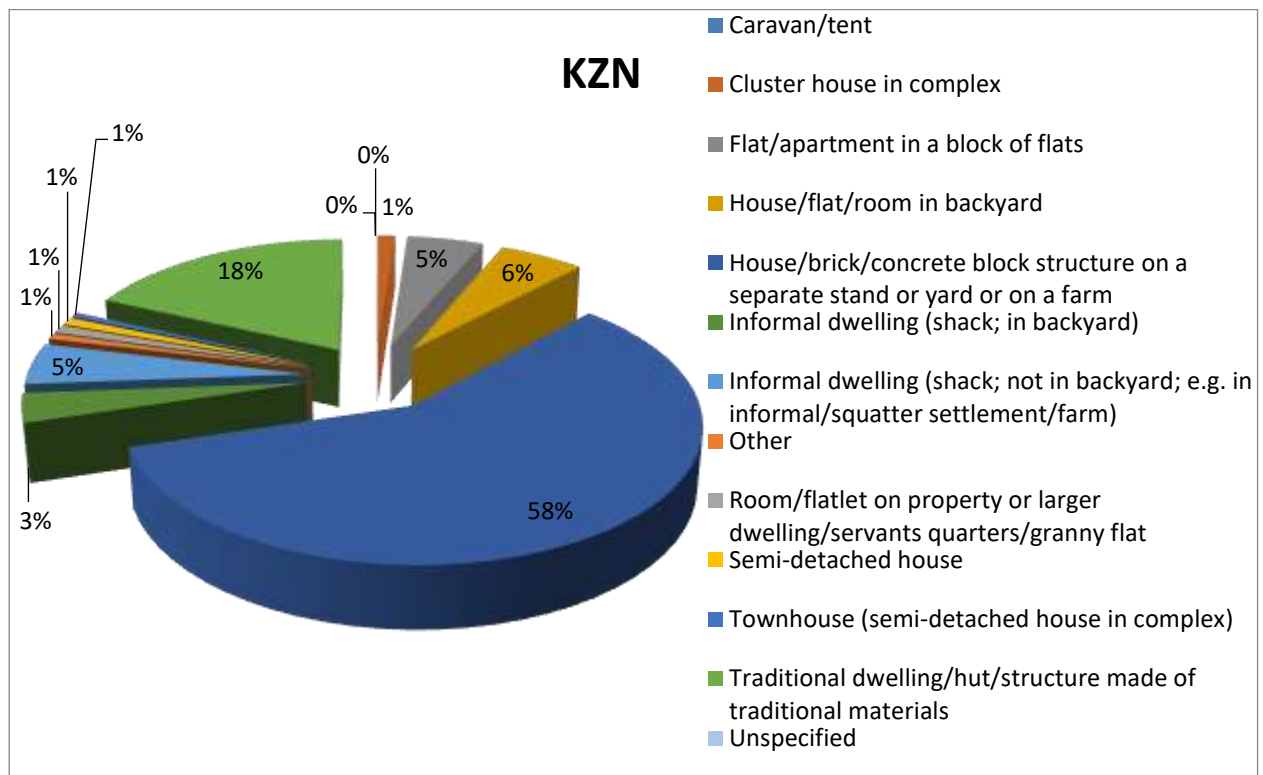
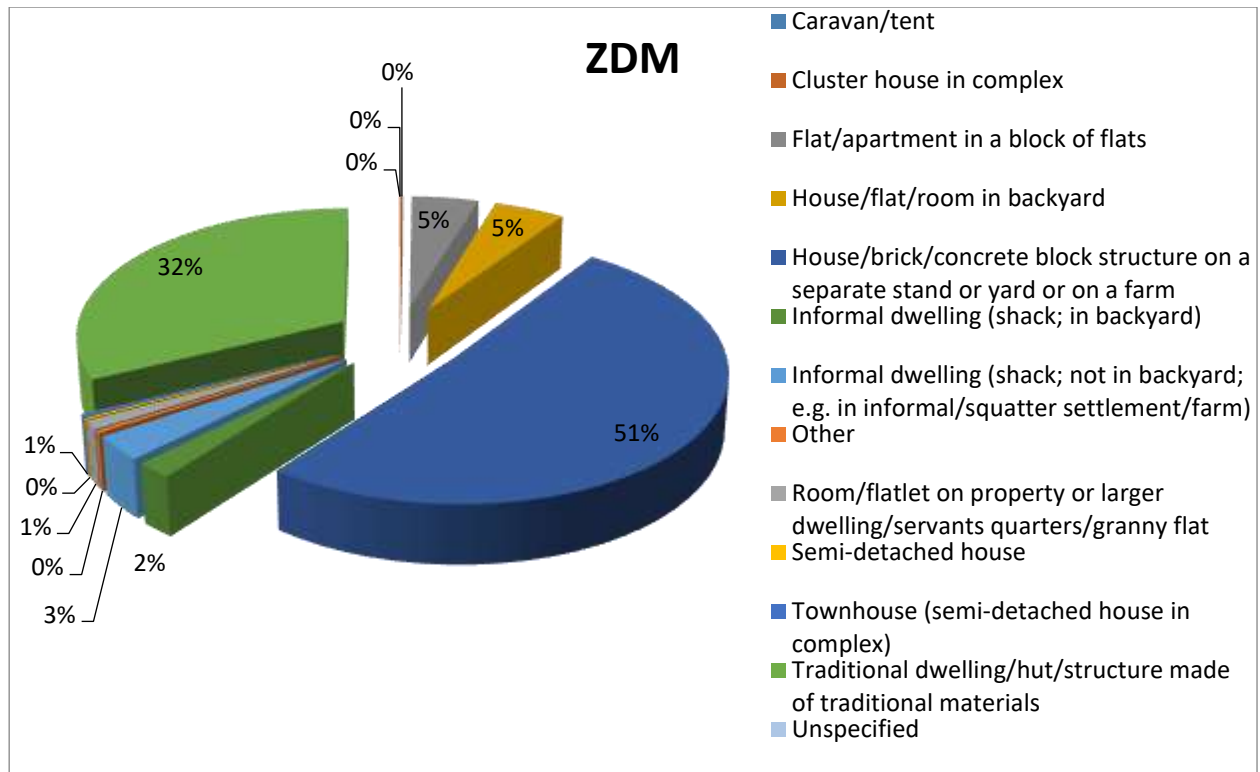
6.10 HUMAN SETTLEMENTS

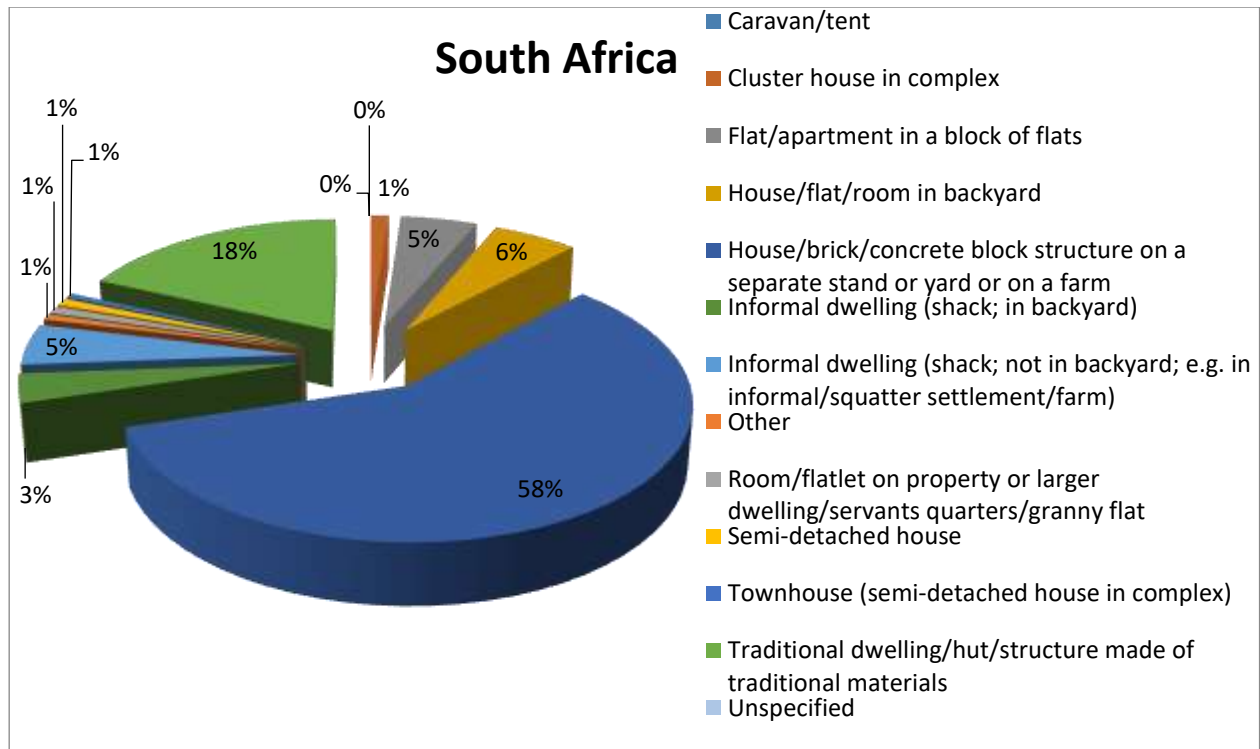
Table 75: Human Settlements

	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 27: 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 76: 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 77: 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 78: Total GVA and 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

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 79: 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
Unemployment	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 negative 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 80: 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

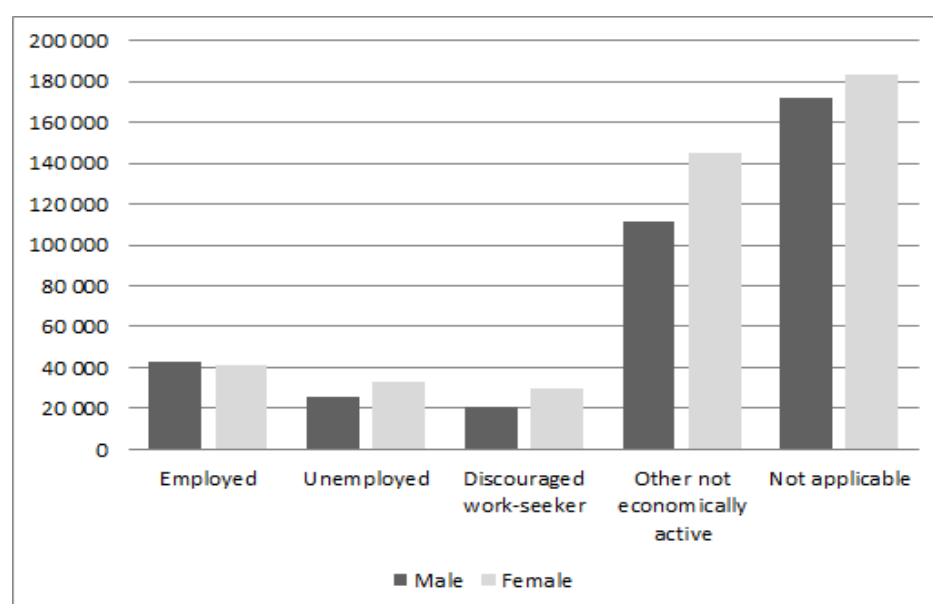
The above table provides a comparison of the 1996, 2001 and 2011 census information. It can be seen that unemployment has decreased over the census years but seems to have increased between the 2009 Quantec estimates (as per previous table) and the 2011 census. This incidence can be explained by the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

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.

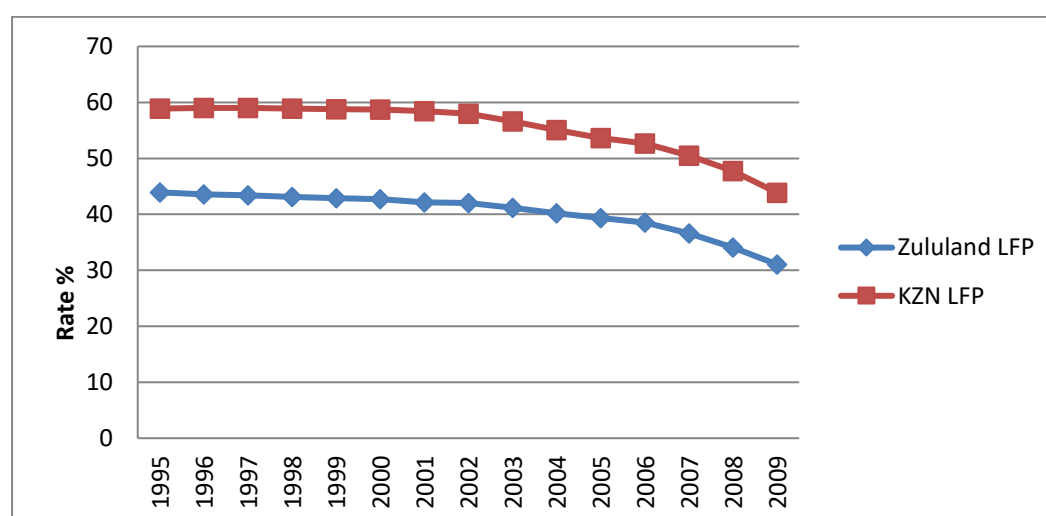
Table 81: Employment Status by Gender 2009

Employment status 2011	Male	Female
Employed	42 502	40 859
Unemployed	25 370	32 878
Discouraged work-seeker	20 852	29 400
Other not economically active	111 573	144 895
Not applicable	171 903	183 342

Source: Census 2011

Figure 28: Employment Status by Gender 2011

Source: Census 2011

Figure 29: Comparison of Labour Force Participation Trends (1995 - 2009)

Source: DEDT calculations based on Quantec data (2011)

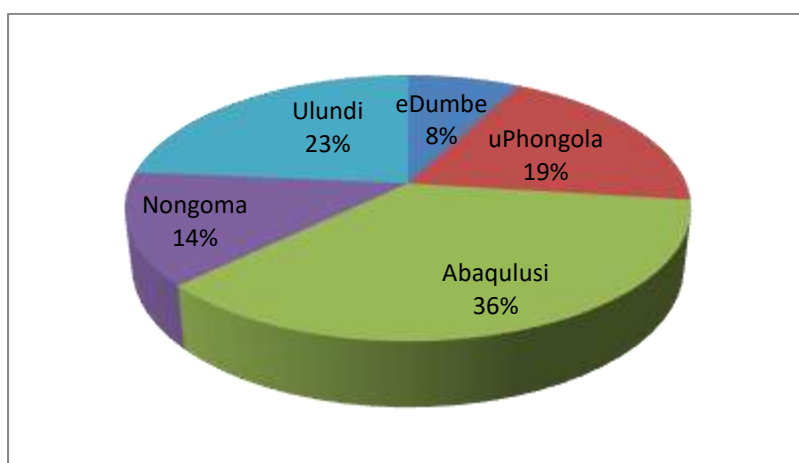
The figure above depicts a downward sloping trend in labour force participation both for Zululand and for the entire province. This then puts the declining strict unemployment rate into perspective. Evidently one of the major causes of a declining strict unemployment in Zululand is decreasing labour 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 82: 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 30: 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 12: Unemployment Concentration

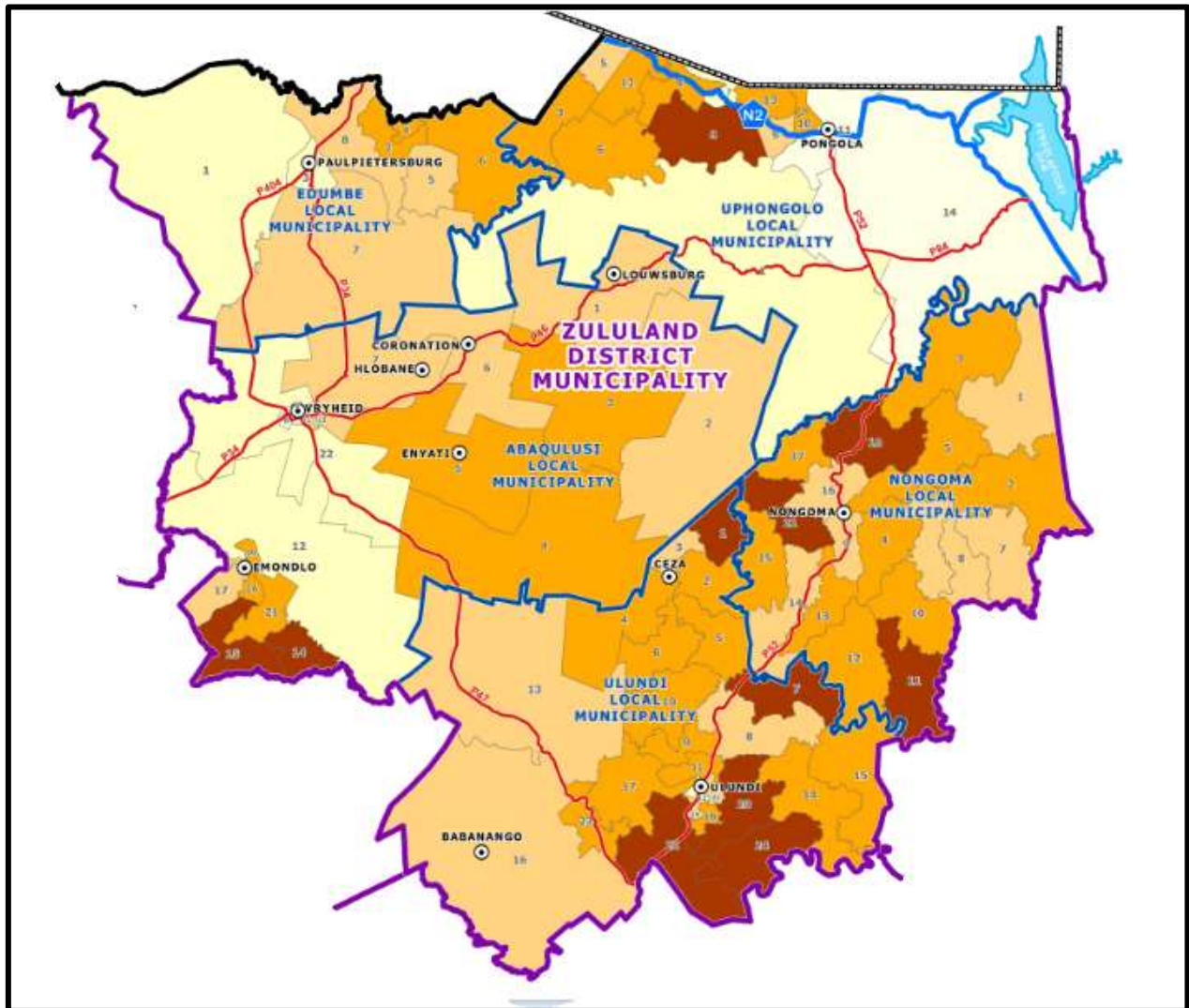
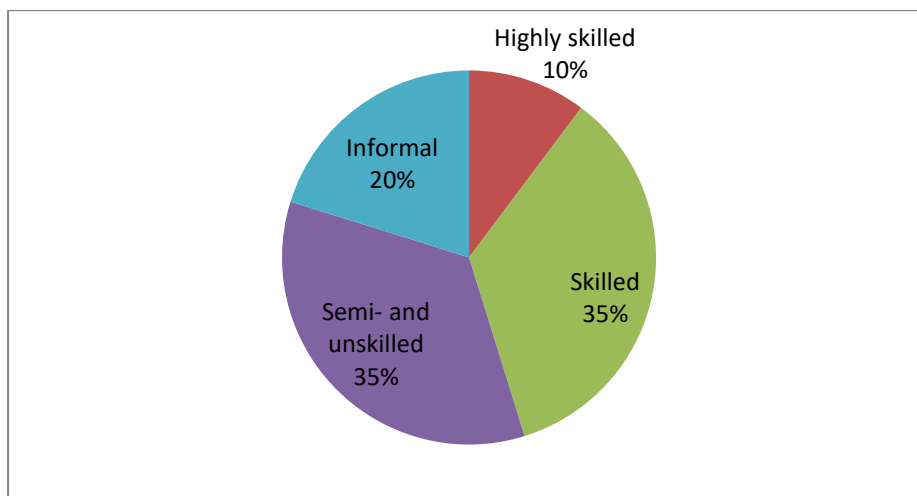


Figure 31: Unemployment Breakdown



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.

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 83: 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 uPhongolo 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.

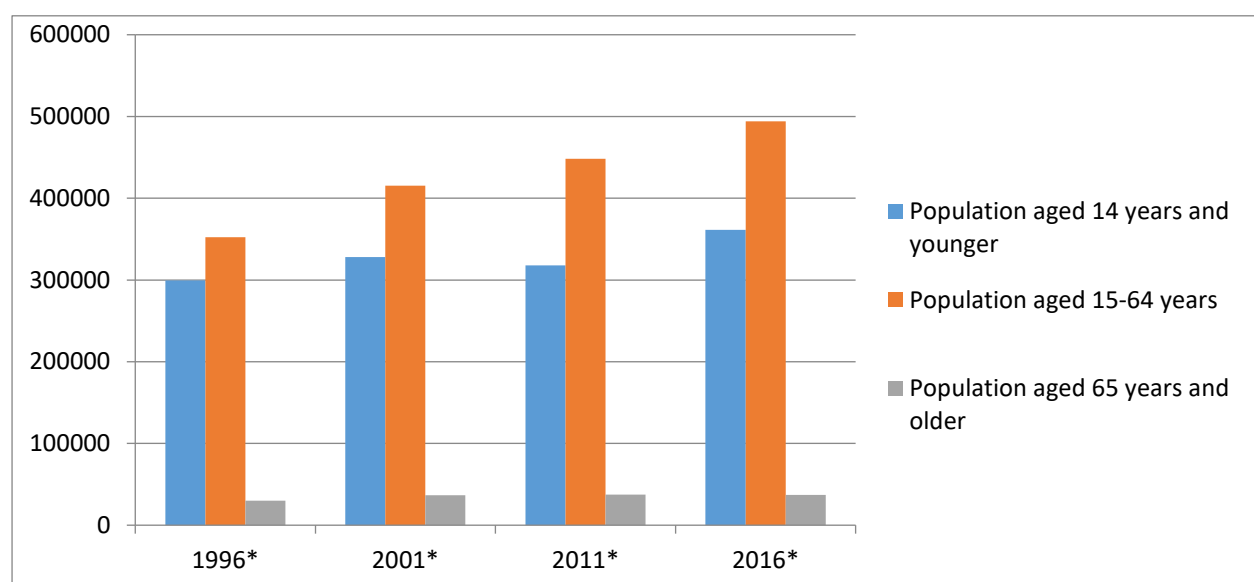
The following table indicates how dependency rates have changed between 1996, 2001 and 2011. The very high population below the 14 years of age and above 65 is placing an additional burden on the economically active population.

Table 84: 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

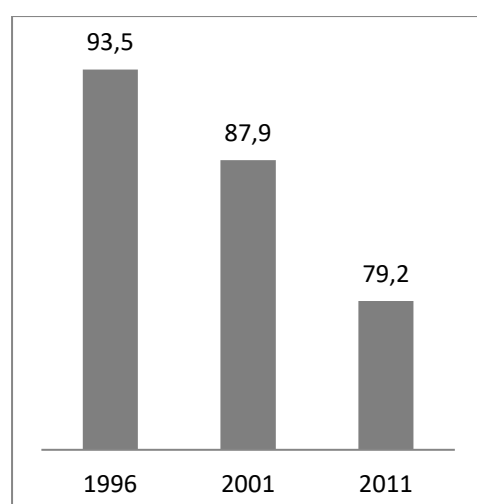
Source: Census 2011

Figure 32: Dependency Number



Source: Census 2011

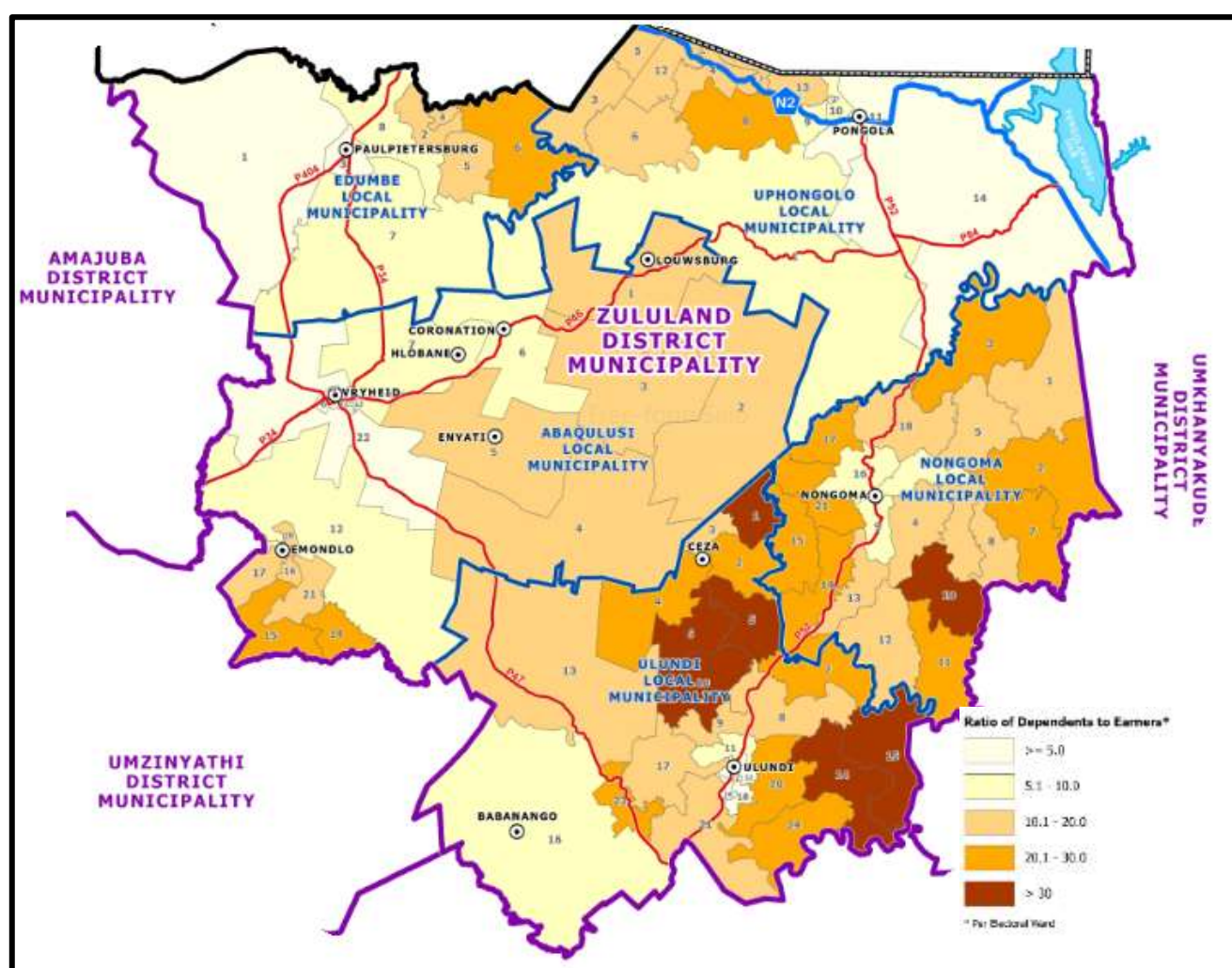
The following graph indicates that dependency has decreased although it remains high considering the low income levels of people/households employed.

Figure 33: Comparative Dependency Ratio

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.

Source: Census 2011

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 13: Dependency Ratio

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 85: Gini Coefficient for Zululand (2003-2008)

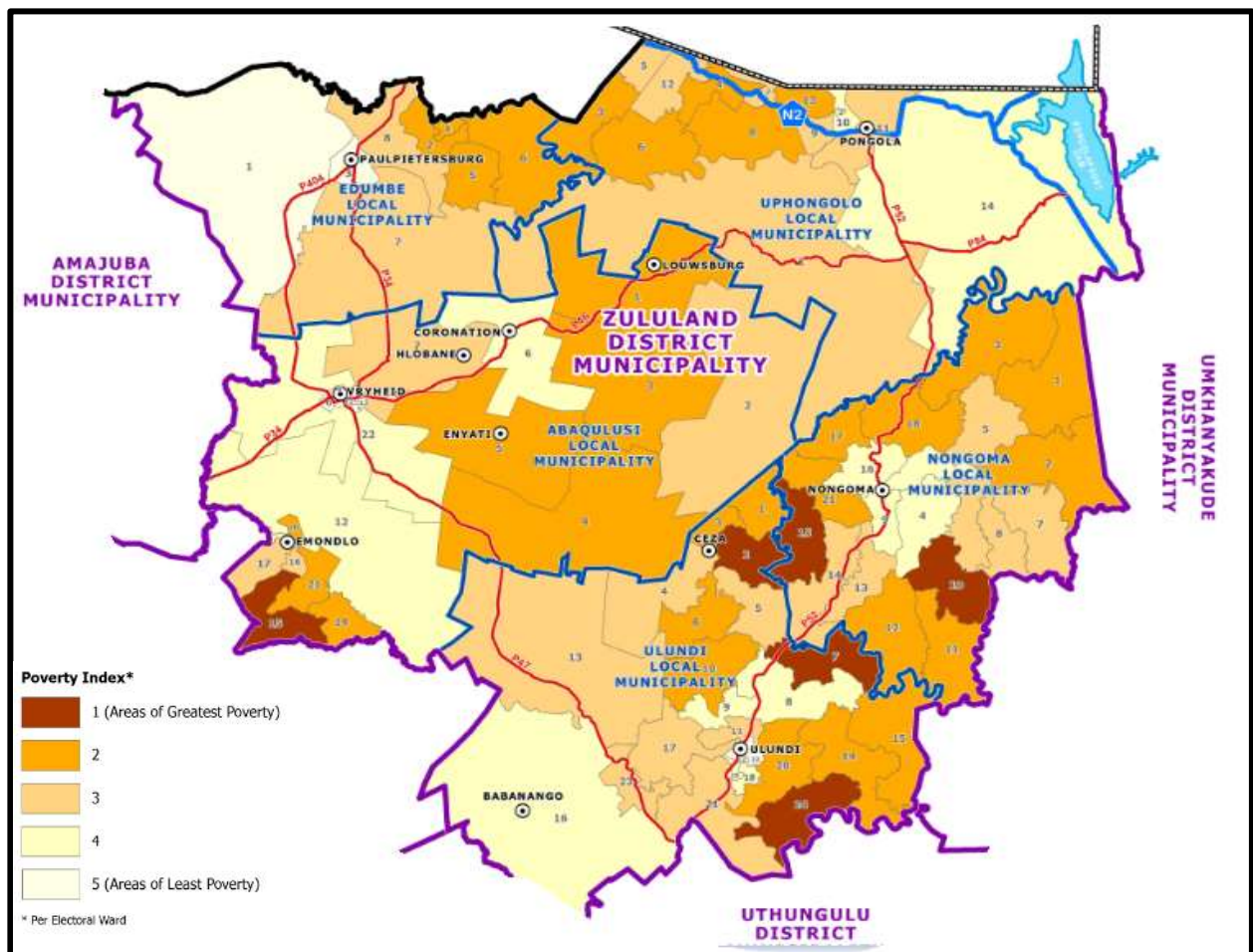
Municipality	2003	2004	2005	2006	2007	2008
eDumbe	0.6	0.6	0.59	0.59	0.6	0.6
uPhongolo	0.6	0.6	0.59	0.6	0.6	0.6
Abaqulusi	0.66	0.66	0.65	0.65	0.66	0.66
Nongoma	0.6	0.6	0.6	0.6	0.6	0.6
Ulundi	0.61	0.62	0.62	0.62	0.62	0.62
Zululand	0.62	0.62	0.62	0.62	0.62	0.63
KZN	0.67	0.67	0.67	0.67	0.67	0.67

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.

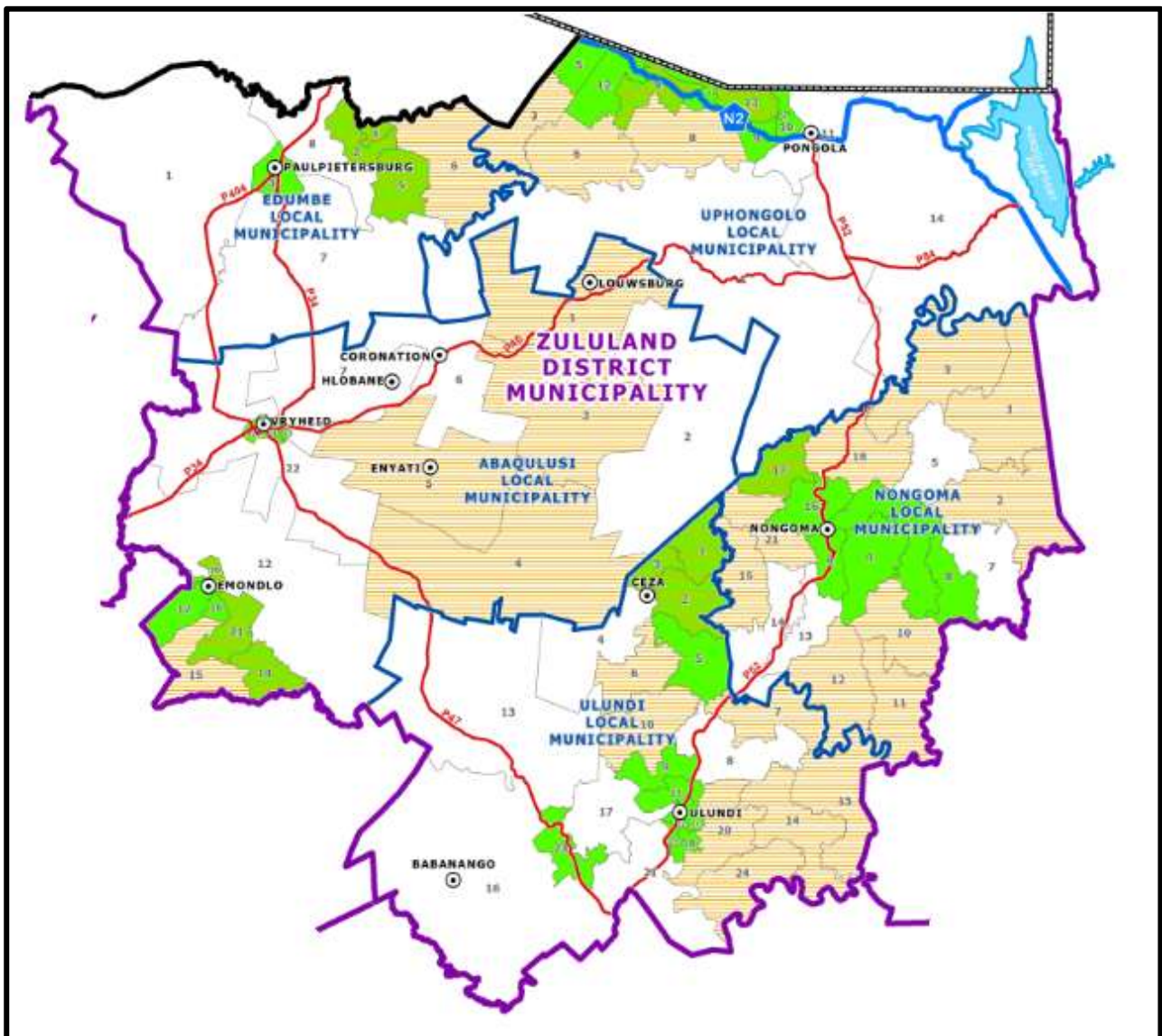
The following map has been developed using census 2011 data and indicates that the highest rate of poverty exists in the area with the highest dependency ratio's, namely the southern and south western portions, i.e. the Nongoma and Ulundi Local Municipal areas.

Map 14: 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 15: 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-operates 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.

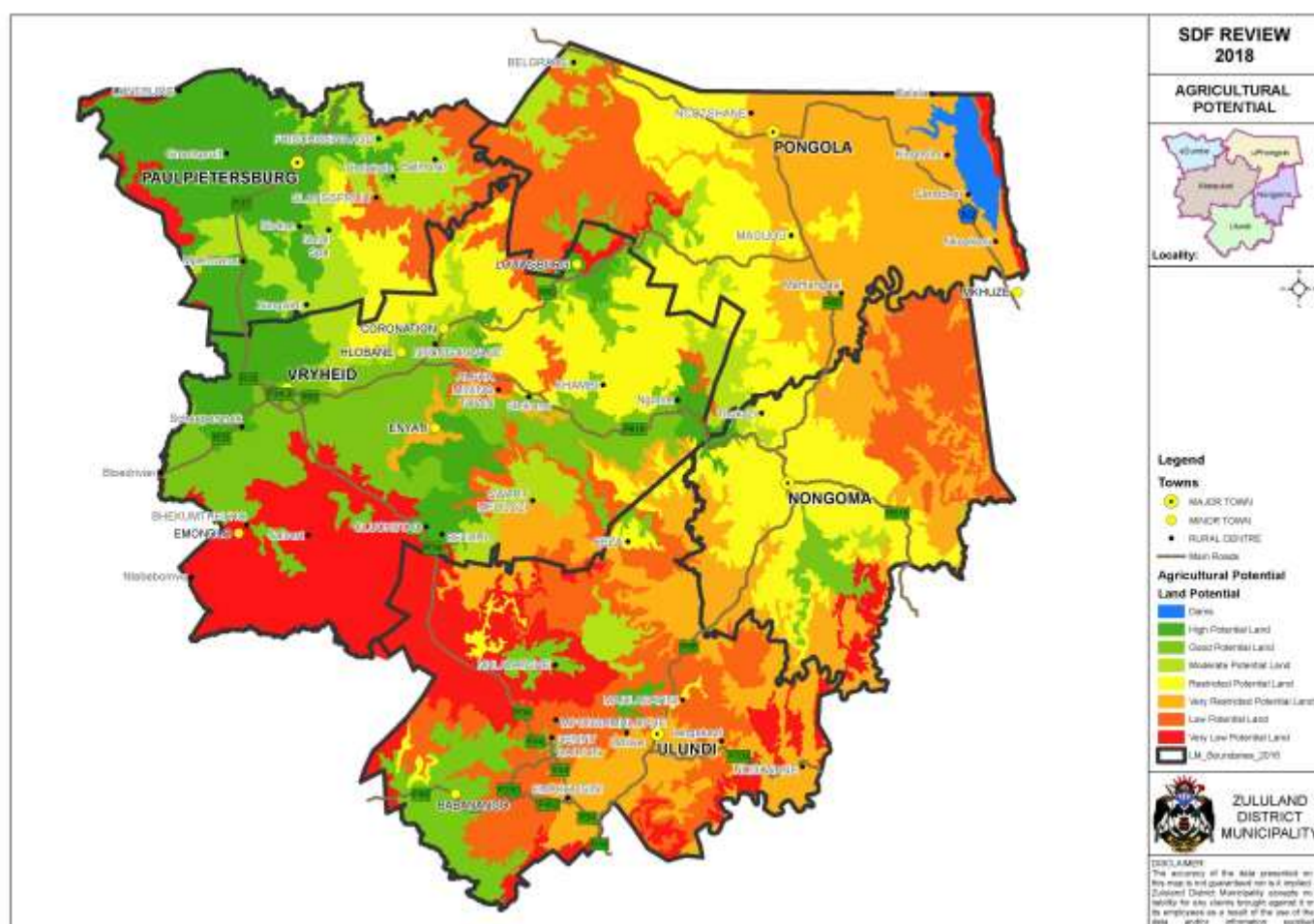
Agriculture is a major sector within the Municipality and has the potential to contribute to the development of employment opportunities as well as addressing matters related to food security. The KZN Department of Agriculture has three primary programmes that focus on the emerging farmer community within 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.

A map depicting the agricultural potential in the district is provided.

Map 16: 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.

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.

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-Umfolozi 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 Umfolozi 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) Nzuza, 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.

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.

Tourism in Nongoma

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.

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.

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.



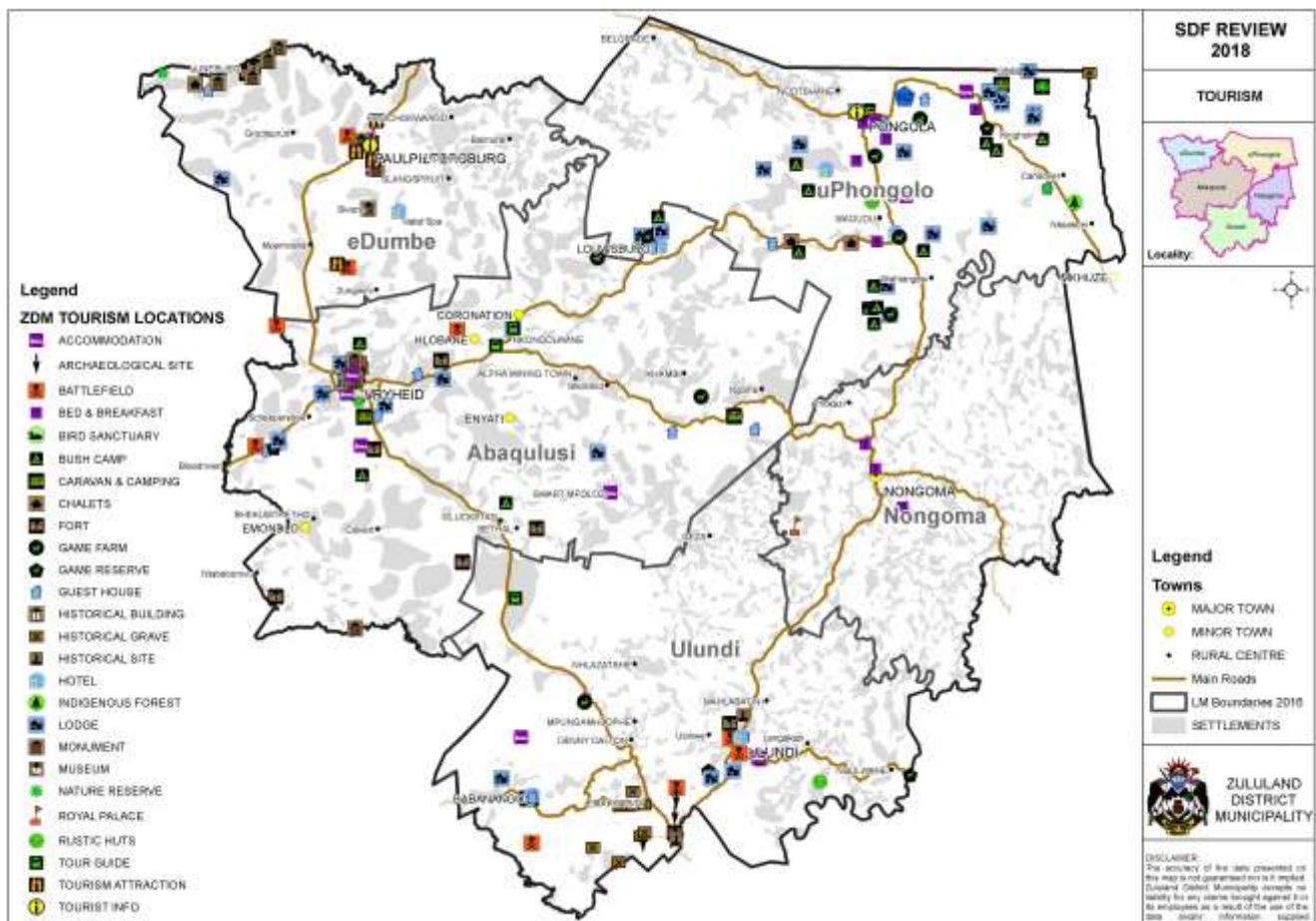
One of the best known attractions in the area is the Natal Spa resort and conference centre with its nine hot and cold mineral water pools. The invigorating and healing qualities of hot mineral water are well documented. It boasts "triple waters" which means they contain carbonates, chlorides and sulphates 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 Drostdy building on the main road into town. The Drostdy 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 18: ZDM Tourism Locations



7.1.7 Manufacturing (Industrial)

Manufacturing activity within the District is low, at an estimated 11% contribution to the GGP 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 and 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

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.

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:

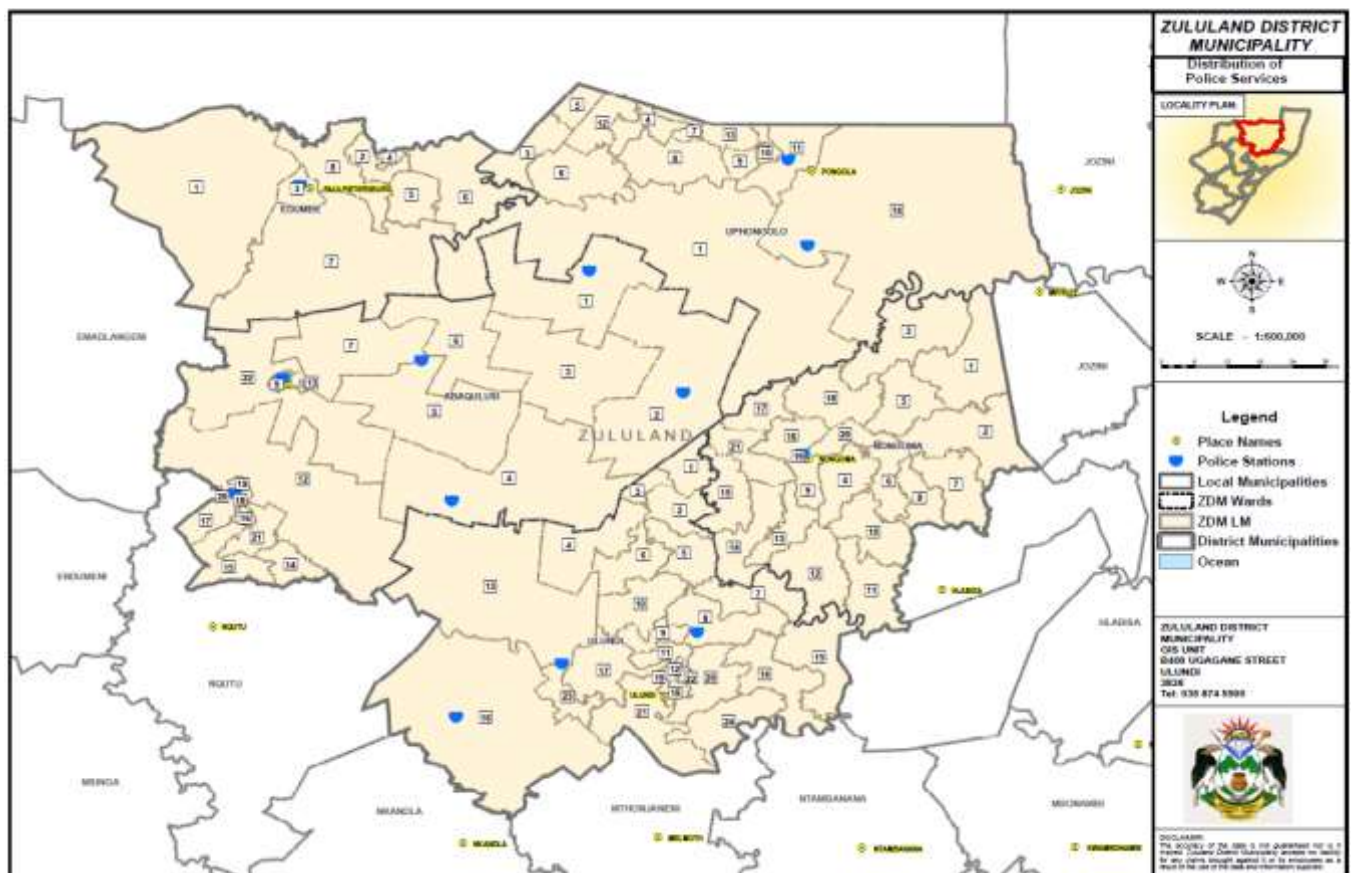
Table 86: Police Stations in the ZDM

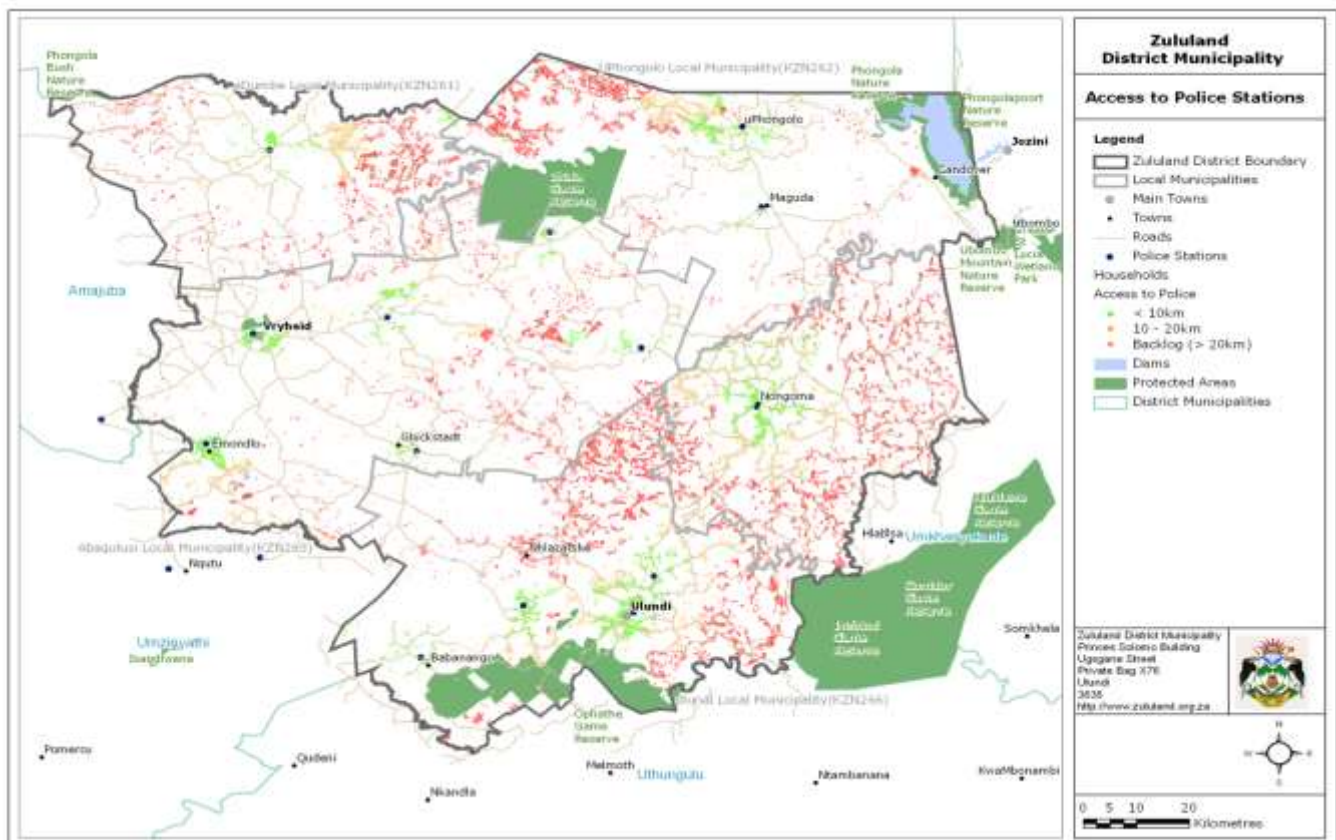
Local Municipality	Required	Existing
Abaqulusi Municipality	14	6

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

Source: Census 2011

Map 19: Distribution of Police Stations



Map 20: 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

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.

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.

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.

Widows and 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.

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.

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 87: 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.

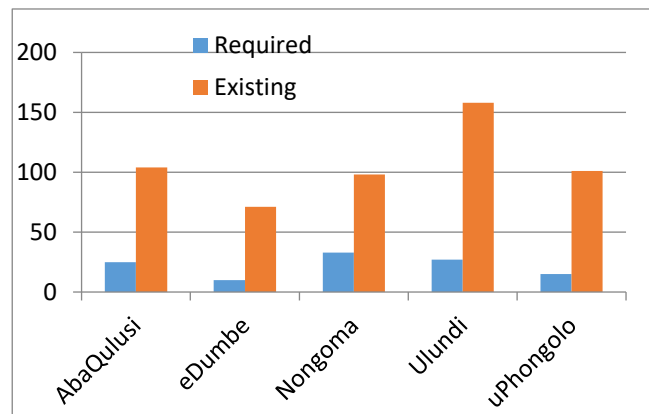
A backlog analysis (households at a distance further than 5km from a primary school were considered to be a backlog and every 3500 people constituting the need for another primary school) was undertaken that indicates the backlog as per the following table and the mapping at overleaf indicates the distribution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

Figure 34: Primary Schools in the District

Table 88: 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



Map 21: Distribution of Primary Schools

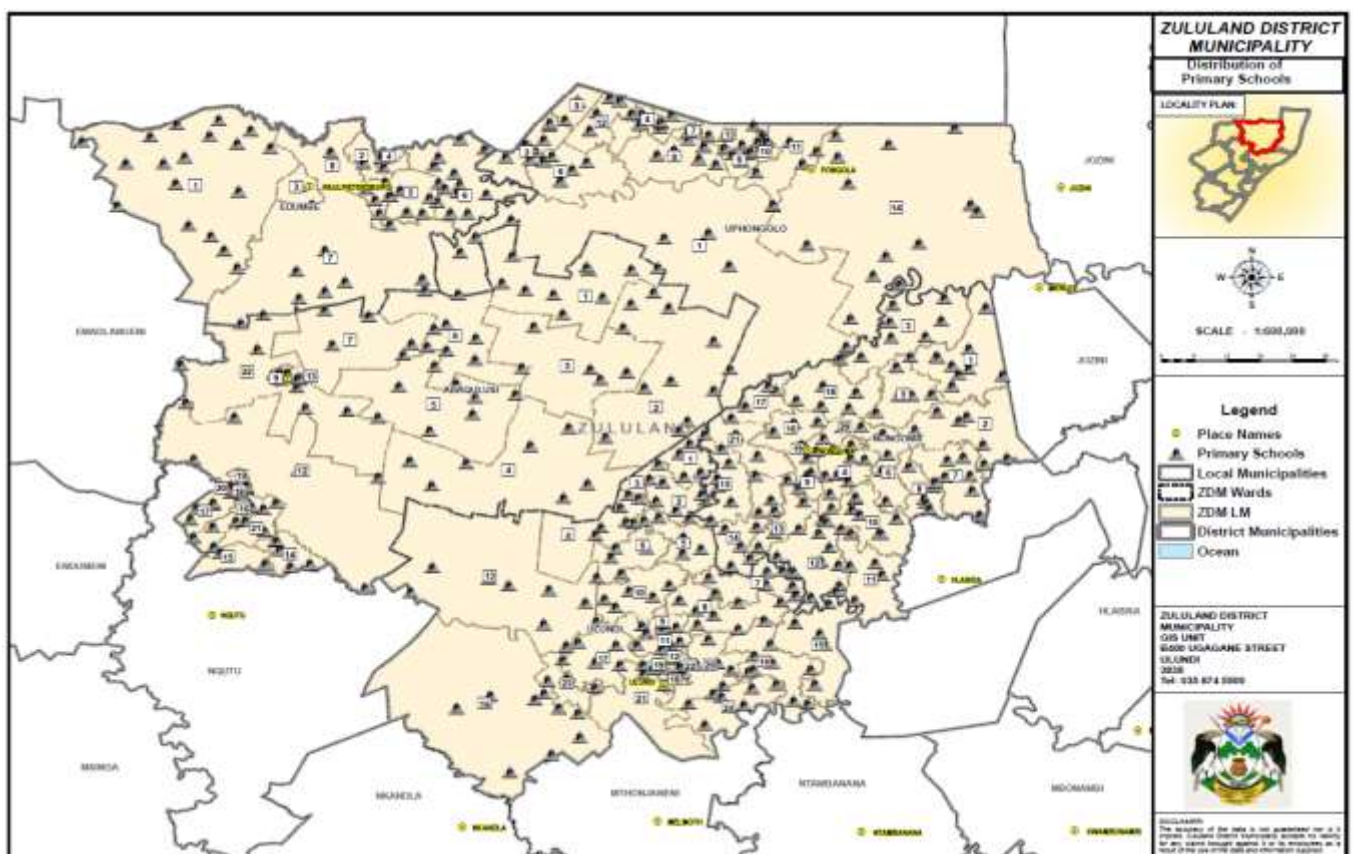
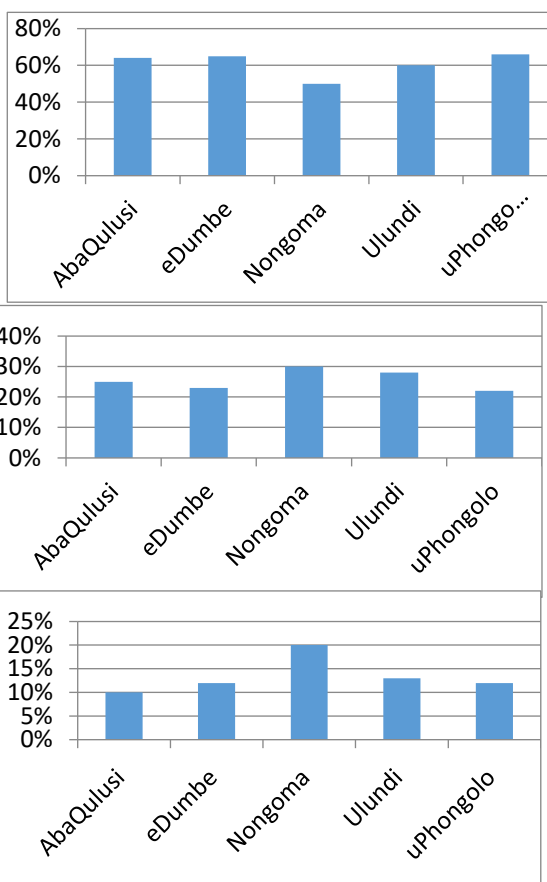


Figure 35: Housing Typologies

Table 89: 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 22: Access To Primary Schools

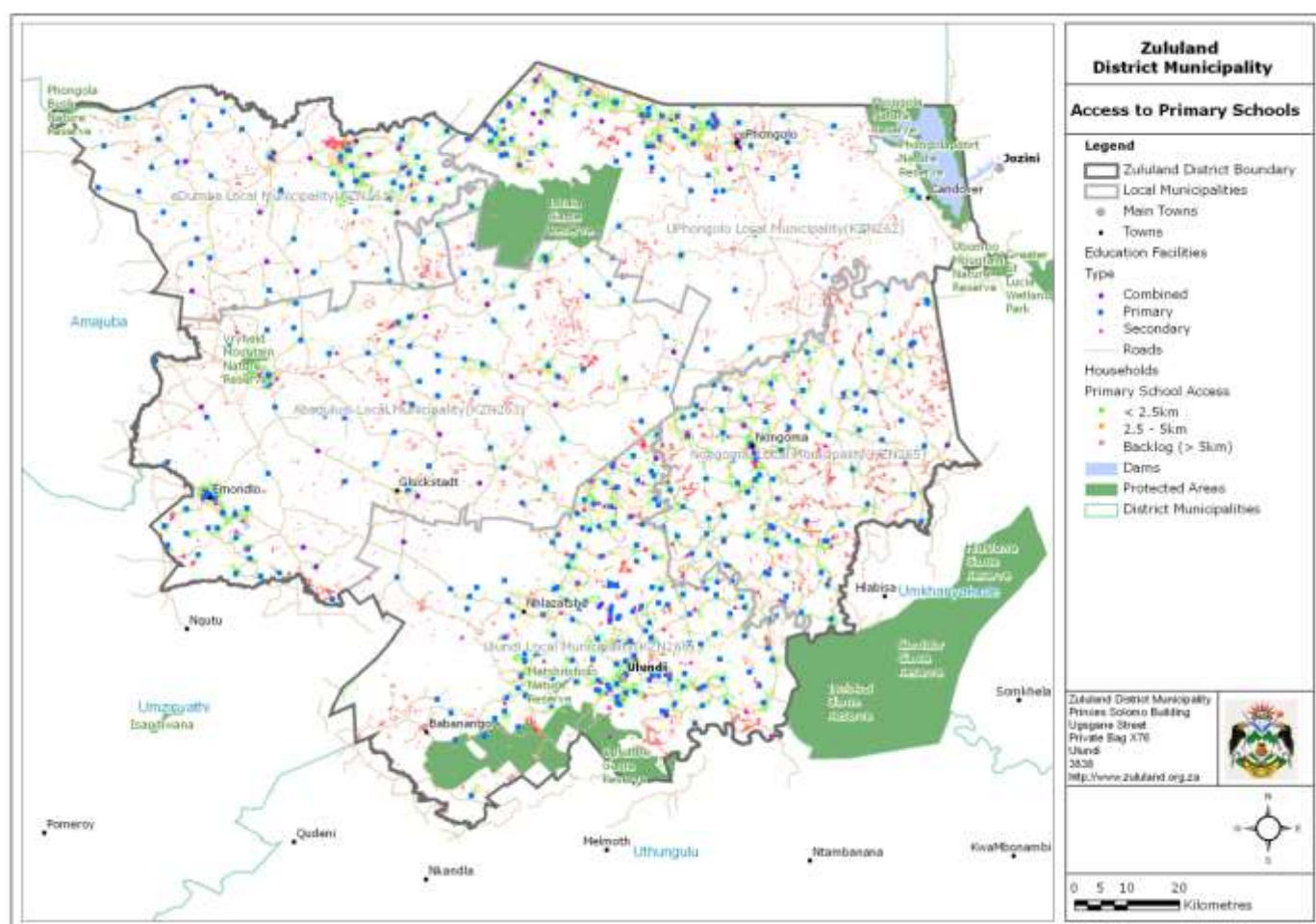
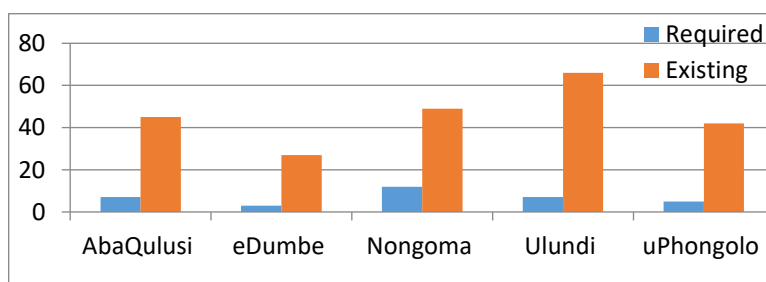


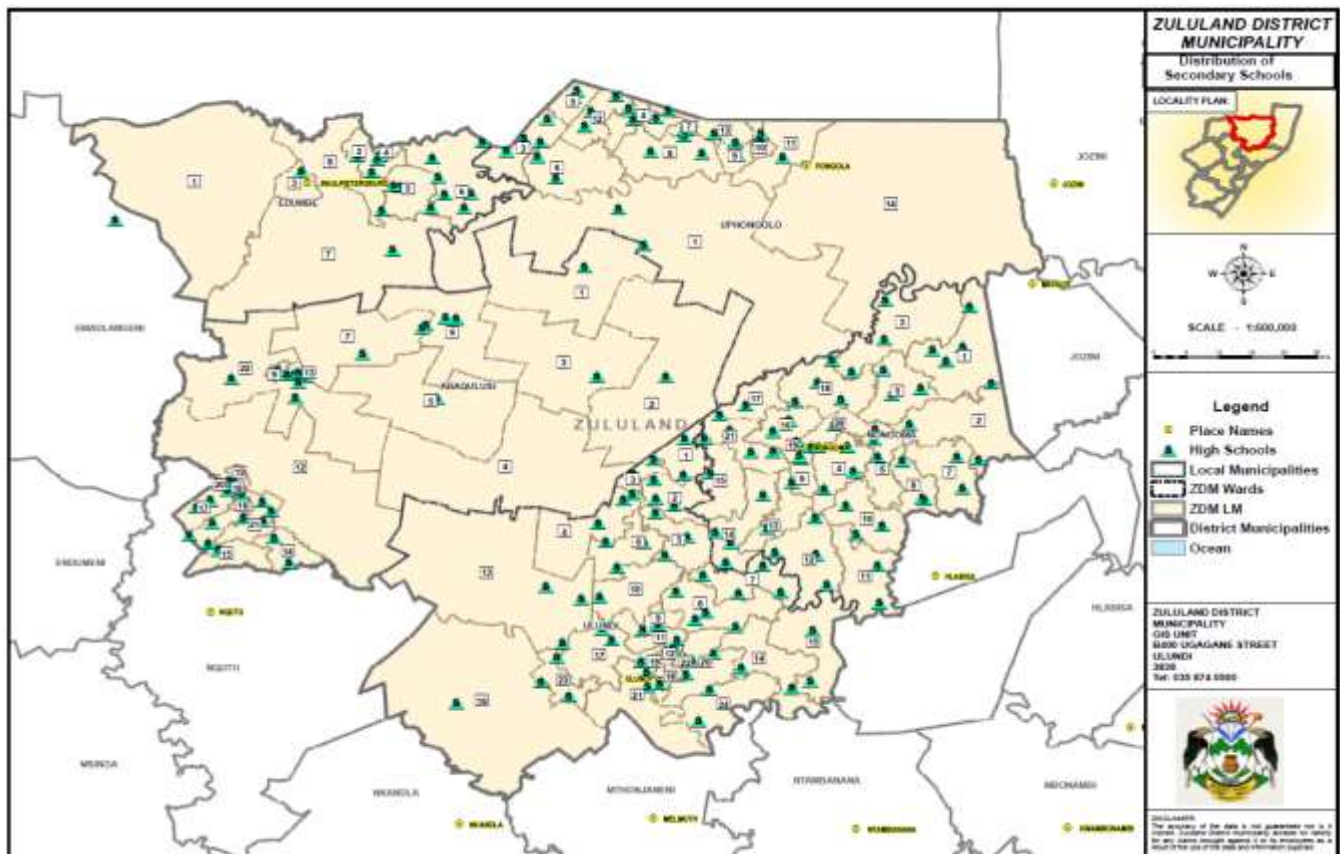
Figure 36: Secondary Schools in the District

Table 90: 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

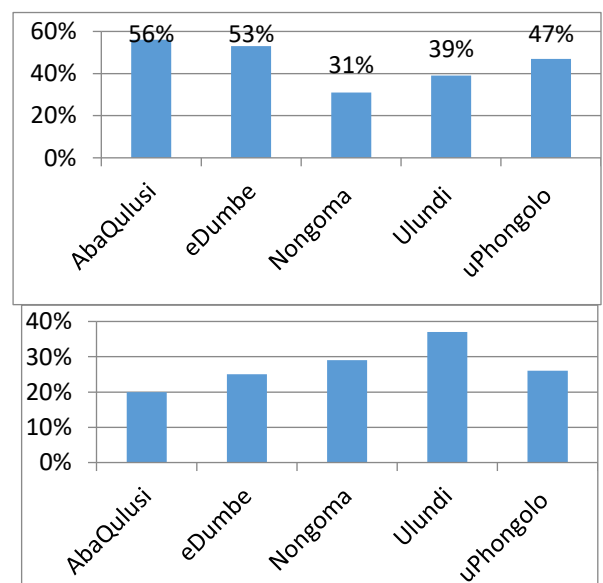


Map 23: Distribution of Secondary Schools

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:

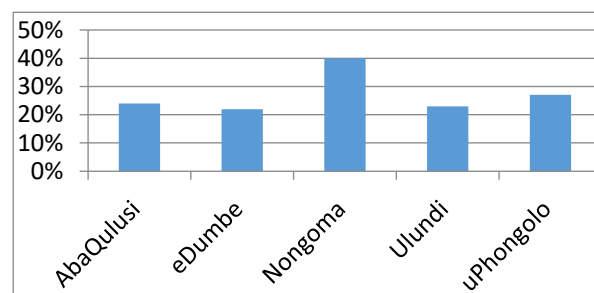
Table 91: Access to Secondary Schools

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

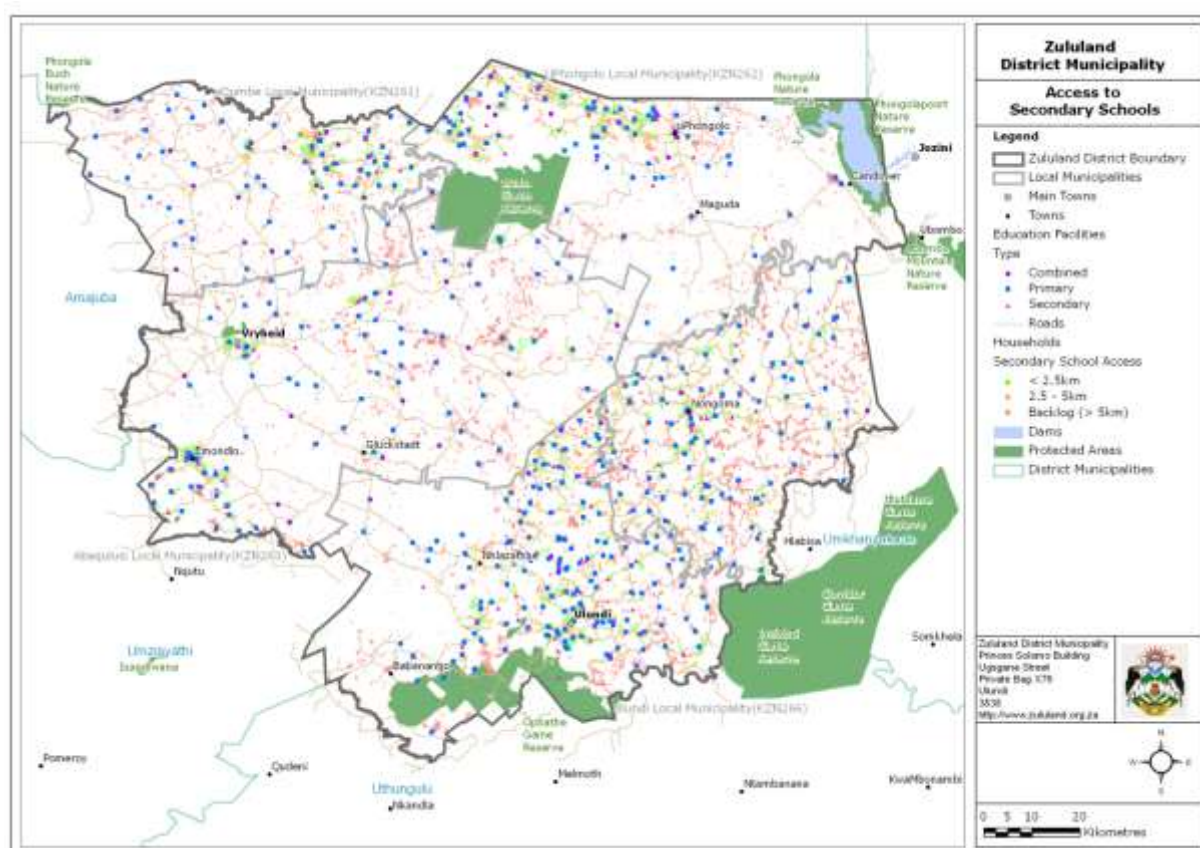
Figure 37: Access to Secondary Schools

	0 – 2.5km		
Local Municipality	Households	Population	Percentage
Ulundi Municipality	13169	89062	37%
uPhongolo Municipality	5877	39746	26%
	> 5km		
Local Municipality	Households	Population	Percentage
AbaQulusi Municipality	8744	59136	24%
eDumbe Municipality	3276	22156	22%
Nongoma Municipality	13733	92876	40%
Ulundi Municipality	8205	55490	23%
uPhongolo Municipality	6252	42282	27%

Source: ZDM IDP 2012/2017



Map 24: 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.

Table 92: 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 38: School Attendance

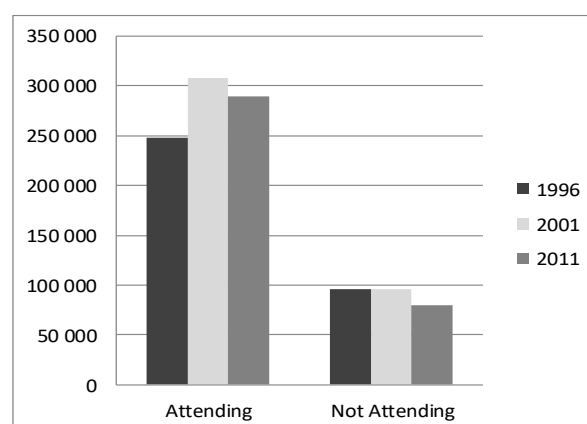


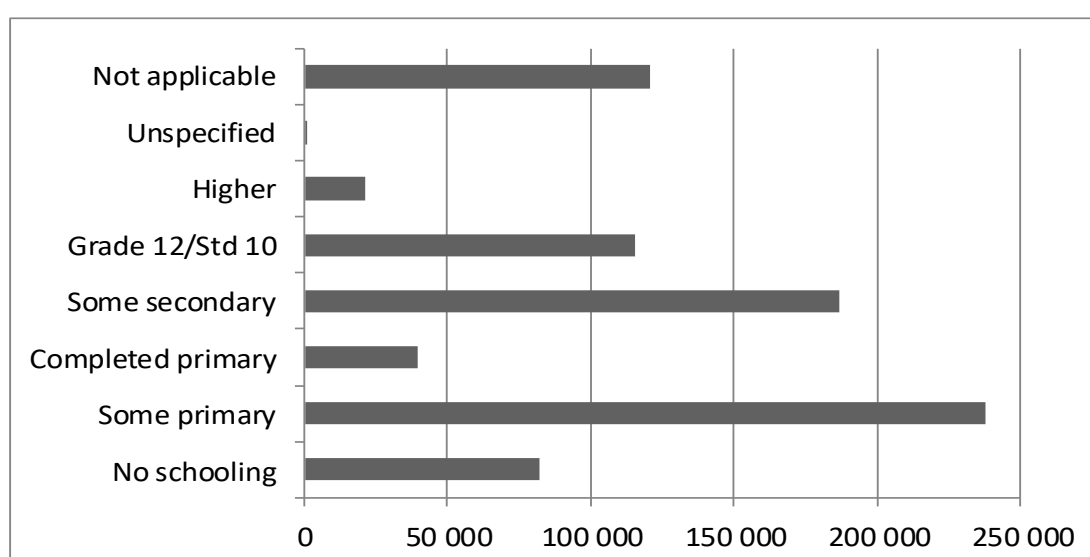
Table 93: Highest Educational Qualification

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 39: 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:

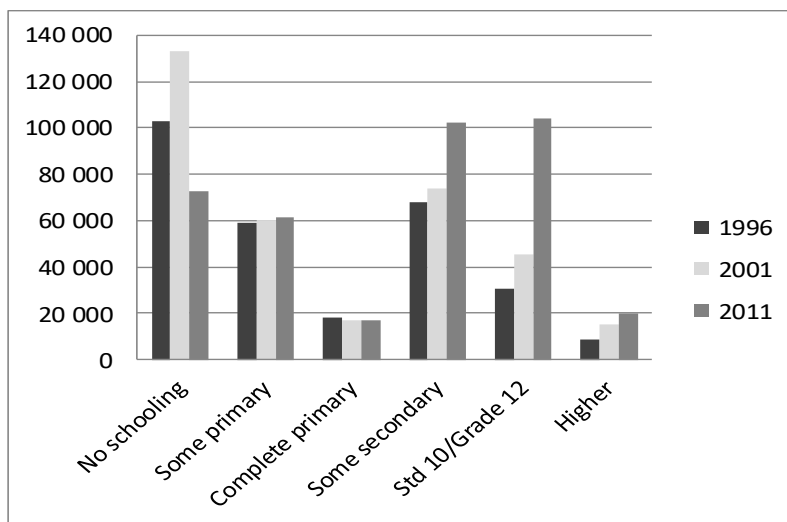
Table 94: Education Level of Population Aged 20+ Years In 1996, 2001, 2011

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

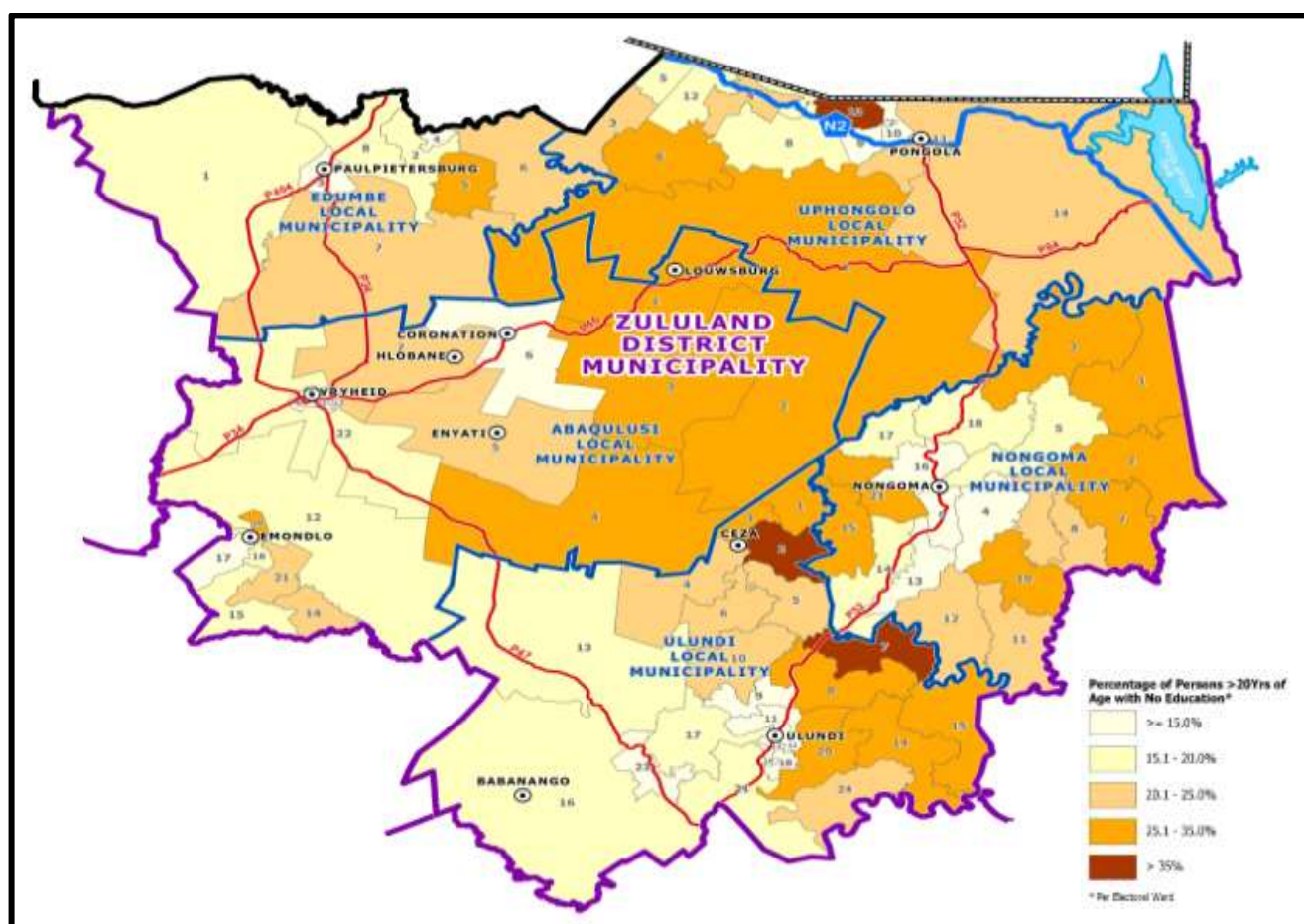
The information presented shows that fewer people have no schooling and that there has been a 20% increase since 2001 in the number of persons with a higher education.

Figure 40: Education Level of Population Aged 20+ Years in 1996, 2001 & 2011



Source: Census 2011

Map 25: % 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 95: 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 96: 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
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

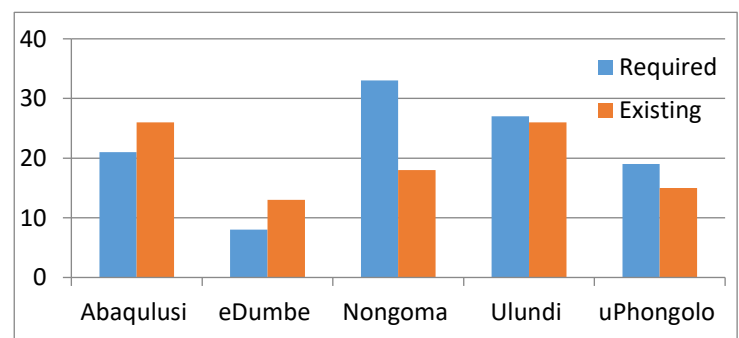
Source: ZDM IDP 2012/2017

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:

Figure 41: Clinics in the ZDM

Table 97: 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



Map 26: Distribution of Clinics within the ZDM Municipal Area

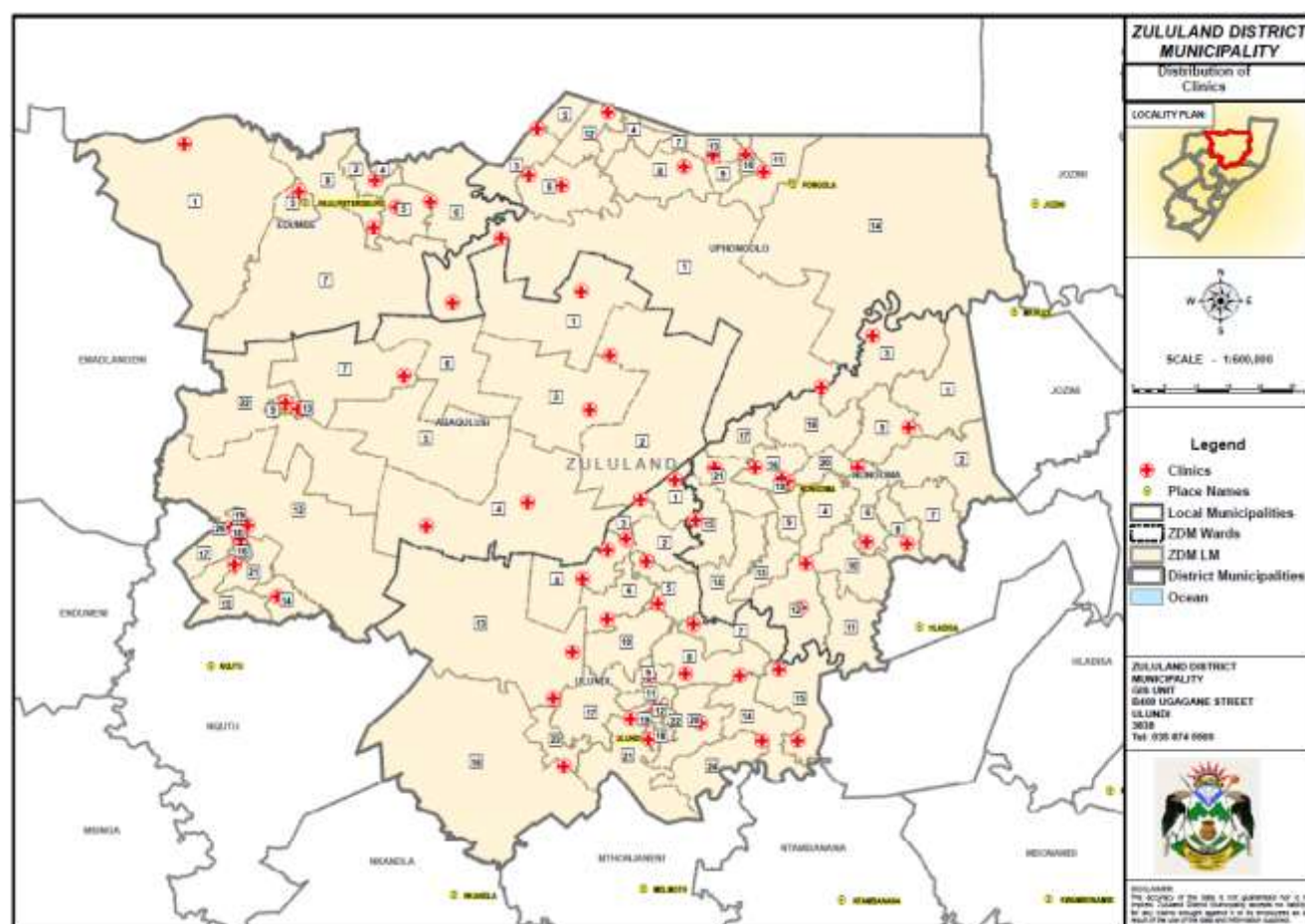
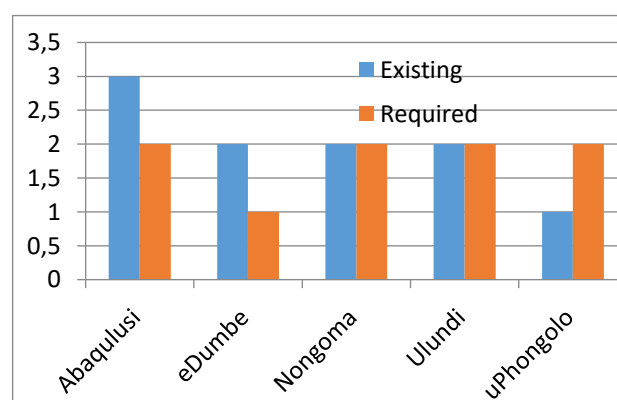


Figure 42: Hospitals in ZDM

Table 98: 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



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

7.2.7 Social Development: SWOT Analysis

Strengths/Opportunities

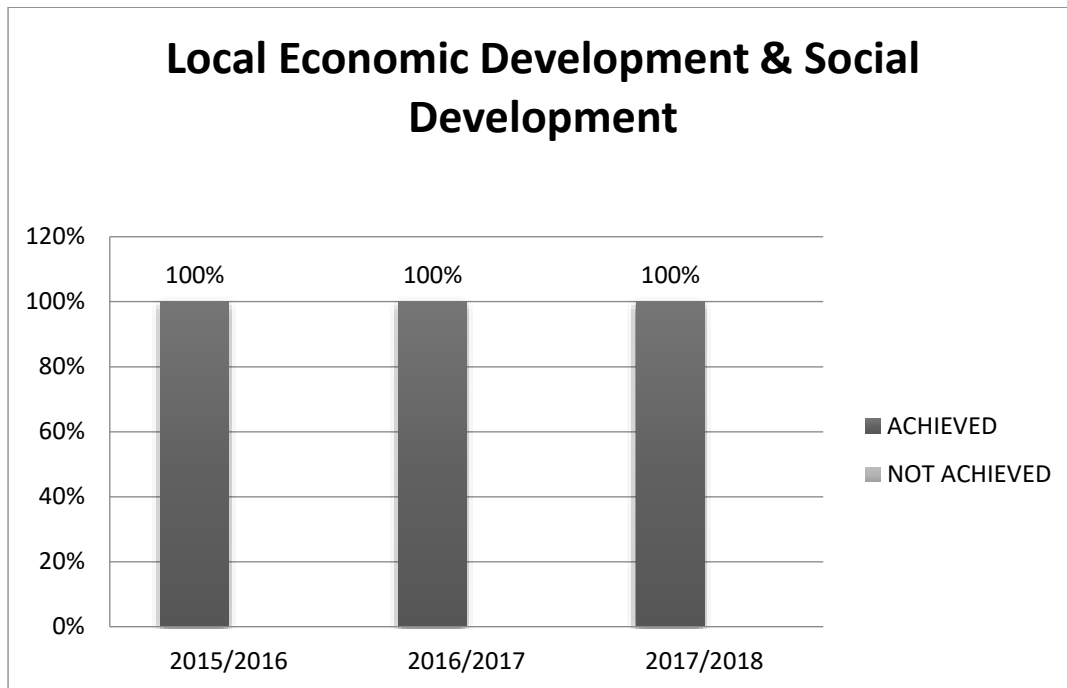
- Education, Health and Community Service Sector Plan in place although it required a review.
- Concerted effort to involve widows, orphans and people living with disabilities in social and economic development programmes.

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.

7.3 SOCIAL DEVELOPMENT AND LOCAL ECONOMIC DEVELOPMENT CONCLUSION

This KPA contains the following focus areas: social development and LED.



All targets were achieved in this KPA which includes indicators the measure policy development, job creation, creating community awareness, quality of life and inspections. No challenges are recorded.

CHAPTER 8: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT ANALYSIS

The Financial Analysis was extracted from the Annual Report for 2017/2018.

8.1 INCOME

Zululand District Municipality's (ZDM) operating revenues grew-up by 1.18% from R890 million in 2017 to R901 million in 2018. The increase was mainly resulting from increase in our revenue from exchange transaction (service charges).

Revenue from service charges (water and sewer services) has increased by 33.50% from R20 million in 2017 to R27 million in 2018 whereas revenue from investments has increased by 55.41% from R6 million in 2017 to R9 million in 2018.

Own revenue remains as 4.22% of the total operating revenue. This indicates that Council is more dependent on grant funding from National and Provincial Government.

Table 99: Operating revenue over a period of three (3) years

Financial Year	2017-18	2016-17	2015-16
Amount	R 901 291 074	R 890 766 173	R 896 439 449

8.2 SCHEDULE OF CONDITIONAL GRANTS RECEIVED

Table 100: Schedule of Conditional grants received

Description	Name of organ of state	Total
Financial Management Grant	National Treasury	R 1 250 000
Expanded Public Works Programme	Department of Public Works	R 5 760 000
Indonsa Grant	Department of Arts & Culture	R 1 911 000
Regional Bulk Infrastructure Grant (Schedule 5B)	Department of Water and Sanitation	R 130 000 000
Water Services Infrastructure Grant (Schedule 5B)	Department of Water and Sanitation	R 107 746 000
Rural Road Assets Management Systems Grant	Department of Co-operative Governance and Traditional Affairs	R 2 359 000
Growth Development Summit	Department of Co-operative Governance and Traditional Affairs	R 300 000
Total		R 249 326 000

8.3 CASH BALANCE

The cash and cash equivalents of the municipality as at 30 June 2018 amounts to **R13 201 448** and unspent conditional grants amounts to R552 951. This represents an increase of 77.53% as compared to the previous year's (30 June 2017) cash and cash equivalent balance of R7 436 356.

8.4 CASH COVERAGE

The municipality does not have long term borrowings/loan as a results the Council is not expected to service any interest costs in the future. Cash and cash equivalent amount as at the year-end represents cash available i.e. petty cash and cash at the bank.

8.5 EXPENDITURE

Overall increase in total expenditure of 20.25% was realised in 2018 as compared to a decrease of 1.25% in 2017.

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

Financial Year	2017-18	2016-17	2015-16
Amount	R 650 793 855	R 541 213 742	R 548 077 765

- **Employees and councillors related costs.** This is attributable to a combination of the salary increases year on year and the filling of vacancies during the financial year. This type of expenditure contributes 28.42% to the current total expenditure. Employees and councillors remuneration costs has increased by 4.74% during the current financial year whilst the increase was 9.99% in 2017.
- **Contracted services costs.** Included in contracted services costs are repairs and maintenance of property, plant and equipment items. This expenditure costs contribute 26.78% to the current total expenditure. The expenditure costs attributed to repairs and maintenance was R63 million (2018) and R21 million (2017-restated) respectively. An increase of 22.87% was realised during the current financial year whilst a decrease of 14.06% was realised in 2017.
- **Bulk purchases costs.** The purchase of bulk electricity and water contributes 20.19% to the current total expenditure. An increase of 53.71% was realised during the current financial year whilst an increase of 9.16% was realised in 2017.

Spending of operational grants

Council had an operational budget of R573 million in 2018 and R480 million in 2017 respectively. The total grant spending for the year amounted to R537 million (**99.90%**) in 2018 and R478 million (**99.69%**) in 2017 respectively.

Spending of capital grants

The capital budget is committed largely on new infrastructure projects and the renewal of existing capital assets. The Council had an approved capital budget of R465 million in 2018 and R473 million in 2017. The municipality had spent all capital grant funding (100% spent) in both 2018 and 2017 financial years.

Fruitless and wasteful expenditure

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

Table 102: Fruitless and wasteful expenditure incurred over the period of three years

Financial Year	2017-18	2016-17	2015-16
Amount	R 420 411	R 381 729	R 90 017

8.6 LIQUIDITY MANAGEMENT

The municipality has made self-assessment on liquidity management. The municipality uses current ratio and cash/cost coverage ratio to assess its ability to settle current obligations and meet its monthly fixed operating commitments.

8.6.1 Current Ratio

The municipality used current ratio to assess its ability to pay its short term liabilities within its short-term assets. The determination of this ratio takes into account the possibility that the council can cede its receivables and inventories to settle its short-term liabilities. The norm of this ratio ranges from **1.5 to 2: 1**.

Table 103: Current ratios over the period of three years (restated)

Financial Year	2017-18	2016-17	2015-16
Current ratio	0.33:1	1.37:1	0.43:1

The above assessment indicates current ratios below the norm for the period over three years. Our current liabilities exceed current assets. Furthermore, the trend is depleting over the period as from 2016 to 2018. This suggests that the municipality would be unable to pay current and short-term obligations should they become due. The municipality is facing a serious financial challenge of liquidity problem.

8.6.2 Cash/Cost Coverage Ratio

The municipality had a cost coverage ratio of 0.33 in 2018 and 0.37 in 2017. This assessment results to ratios that are below the norm range of 1 month to 2 months and this imposes a high risk of financial and its ability to meet obligations should they become due at any specific point in time.

8.7 CURRENT DEBTORS COLLECTION RATE

The municipality had a debt collection period of 160 days in 2018 as compared to 44 days in 2017. The result of this assessment is concerning. This is an indication that revenue collection requires urgent attention.

8.8 ASSET MANAGEMENT

The assets management system was effectively implemented during the year. Council had approved Asset Management Policy for implementation. The Fixed

Assets Register is in place and is balanced on a monthly basis. Despite the inadequate funding to maintain assets, the assets are in a functional condition.

8.9 CASHFLOW MANAGEMENT AND INVESTMENTS

The cash flow position has improved as compared to the previous year. The municipality had a positive cash flow balances for both 2018 and 2017 financial years. Cash flow is being monitored on a regular basis to ensure budget savings. Budget and Finance Committee comprising all HODs is in place to meet every week to monitor the projected cash-flow against actual cash flows.

8.10 MSCOA

The Municipality adopted mSCOA in 2016/2017 financial year using Venus system. The budget was submitted successfully. On a monthly basis the submission is successful. The integration with other subsystems was done for most of the required business processes. We still have to ensure integration with the asset register and GIS. We are upgrading the Venus system to Solar that will cater for all fifteen standard business processes.

8.11 ASSESSMENT BY THE ACCOUNTING OFFICER ON AREARS ON MUNICIPAL TAXES AND SERVICE CHARGES

Table 104: Total debtors balance as at 30 June 2018

Description	Gross debtors	Provision for impairment	Net debtors
Current receivables from exchange transactions.	R94 716 238	R80 891 523	R13 824 715
Current receivables from non-exchange transactions.	R8 055 298	-	R8 055 298
Current receivables from exchange	R1 595 713		R1 595 713

Description	Gross debtors	Provision for impairment	Net debtors
transactions.			
Non-current receivables from exchange transactions.	R 12 438 779		R12 438 779
Current receivables from exchange transactions - VAT Receivables.	R 20 029 280		R20 029 280
Total	R136 835 308	R80 891 523	R55 943 785

The total net debtors amount to R55 943 785 as at 30 June 2018 representing a 15% increase as compared to net debtors amount of R48 515 523 as at 30 June 2017.

The increase in net debtors balance of approximately R7.43 million over the reporting period is attributable to the following factors:

- Eskom increased deposit paid on all active accounts over the reporting period based on their assessment of risk relating to having an account. This results to an increase in deposit paid to Eskom.
- Change in consumers' behaviour towards payment of water services. The negative behaviour was caused by draught experience by the municipality over the period of time.
- The current economic recession climate.

The increase in the level of debt did not negatively impact upon service delivery. However, the Council is concerned about sufficient cash reserves in order to meet financial obligations as this was highlighted during assessment of cost coverage ratio. Council will maintain efficient debtors collection and credit control systems and procedures to improve current revenue collection rate that is concerning as well.

8.12 LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

There were no public private partnerships during 2017-18 financial year.

The municipality has signed multi-year contracts with various service providers for construction of infrastructure works including other related management services.

The Schedule of Long Term Contracts is attached as an Annexure.

8.13 REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

Chapter 2 section 4C(ii) of the Municipal Systems Act allows a municipality to impose surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties.

As a result the municipality collects revenue for provision of water and sanitation services to its consumers Revenue performance is as follows:

Table 105: Revenue collection performance by Vote

Vote Description	Revenue Collection Performance by Vote				R'000	
	2016-2017	Current year:2017-2018			Year variance: 2017-2018	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - COUNCIL	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES	-	-	-	-	-	-
Vote 3 - FINANCE	R6 095.00	R6 848	R6 848	R9 472	R28	R28
Vote 4 - COMMUNITY DEVELOPMENT	-	-	-	-	-	-
Vote 5 - PLANNING & WSA	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES	R505 927.00	R449 830	R469 830	R470 130	R4	R0
Vote 7 - WATER PURIFICATION	-	-	-	-	-	-
Vote 8 - WATER DISTRIBUTION	R7 731.00	R15 683	R20 683	R9761	R61	R112
Vote 9 - WASTE WATER	R3 561.00	R8 208	R8 208	R4674	R76	R76
Total Revenue by Vote	R523 314.00	R480 569	R505 569	R494 037.00	R168	R215

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

8.14 REVENUE COLLECTION PERFORMANCE BY SOURCE

Table 106: Revenue collection performance by Source

Description	Year -1				Year 0 Variance	R'000
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	-	-	-	-	-	-

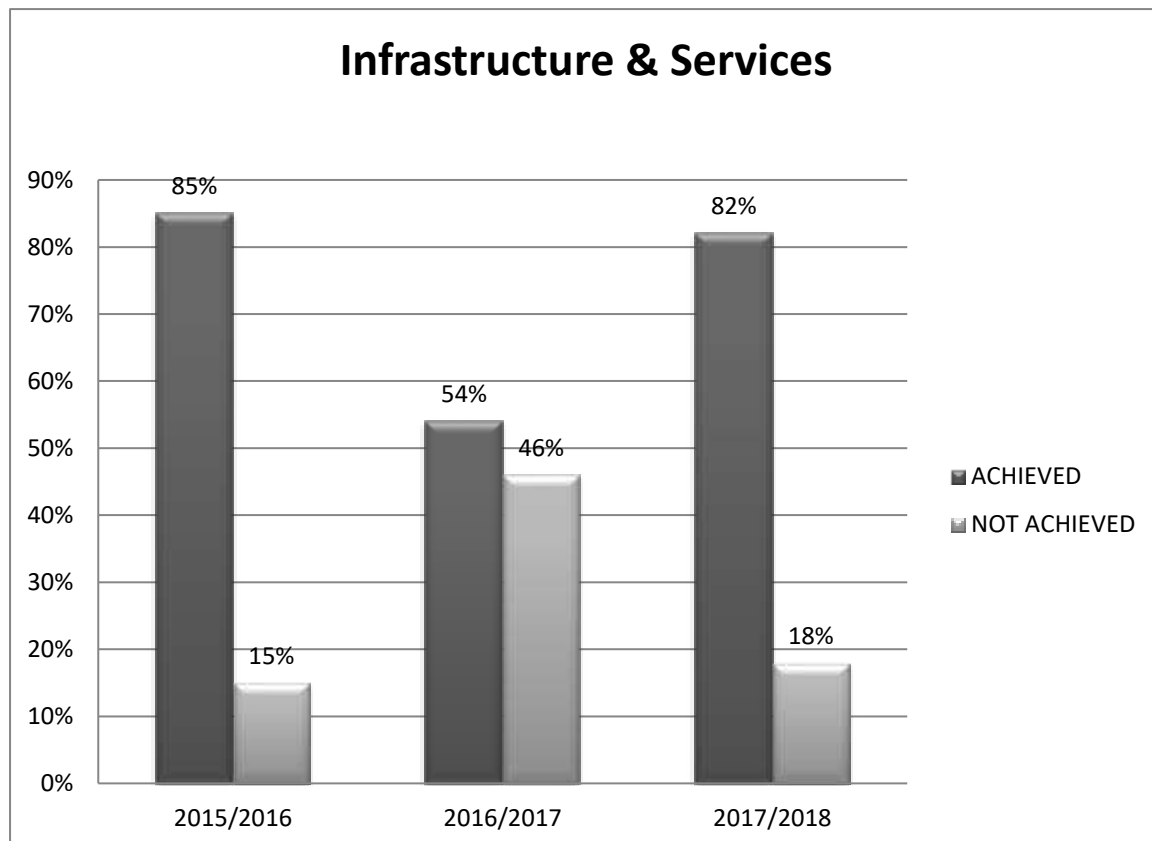
Description	Year -1				Year 0 Variance	R'000
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates - penalties & collection charges	-	-	-	-	-	-
Service Charges - electricity revenue	-	-	-	-	-	-
Service Charges - water revenue	R 7 731.00	R15 683.00	R20 683.00	R9761	R60.67	R111.89
Service Charges - sanitation revenue	R3 561.00	R8 208.00	R 8 208.00	R4674	R75.61	R75.61
Service Charges - refuse revenue	-	-	-	-	-	-
Service Charges - other	-	-	-	-	-	-
Rentals of facilities and equipment	R135.00	R113.00	R113.00	R145	R22.07	R22.07
Interest earned - external investments	R6 095.00	R 6 650.00	R6 650.00	R9 345	R28.84	R28.84
Interest earned - outstanding debtors	-	R85.00	R85.00	R127	R33.07	R33.07
Dividends received	-	-	-	-	-	-
Fines	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-
Agency services	-	-	-	-	-	-
Transfers recognised - operational	R 356 848.00	R391 492.00	R 391 492.00	R392 439	R0.24	R0.24
Other revenue	R 1 335.00	-	R 1 300.00	R1 853	R100.00	R29.84
Gains on disposal of PPE	-	-	-	-	-	-
Environmental Protection	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	R375 705.00	R422 231.00	R 428 531.00	R418 344.00	R320.50	R301.57

CHAPTER 9: PERFORMANCE REVIEW AND KEY CHALLENGES

9.1 PERFORMANCE ANALYSIS

9.1.1 Infrastructure And Services

Figure 43: Infrastructure and Services



This KPA covers the following key focus areas (powers&functions): Water&sanitation, Municipal District Roads, Municipal Health Services, Disaster Management, Municipal District Airports and District Solid Waste Management.

In 2015/16 the Zululand District Municipality achieved 85% for Infrastructure, 54% in 2016/17 and 82% in 2017/18. One of the core functions of the municipality is to provide bulk water and sanitation. The significant decline in 2016/17 came as a result of the protracted drought experienced due to climate change across the country. It can be observed from the graph above that the common service delivery trend however returned to normal in the 2017/2018 financial year. Despite the massive funding shortfall in relation to the capital investment framework for water&sanitation infrastructure, service delivery continued at a reasonably high rate to communities around Zululand.

All targets were met in respect of disaster management.

With regards to municipal district roads, the allocation and gazetting of roads belonging to the district is still in process and cannot therefore perform this function.

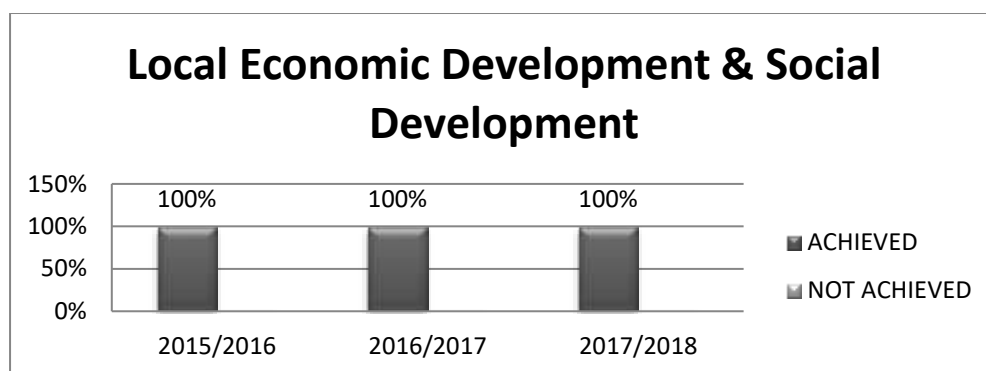
There are no regional solid waste sites.

There is one municipal district airport based in Ulundi operated and maintained by the municipality. There are no significant issues impacting on performance during this period.

9.1.2 Social Development & Local Economic Development

This KPA contains the following focus areas: social development and LED.

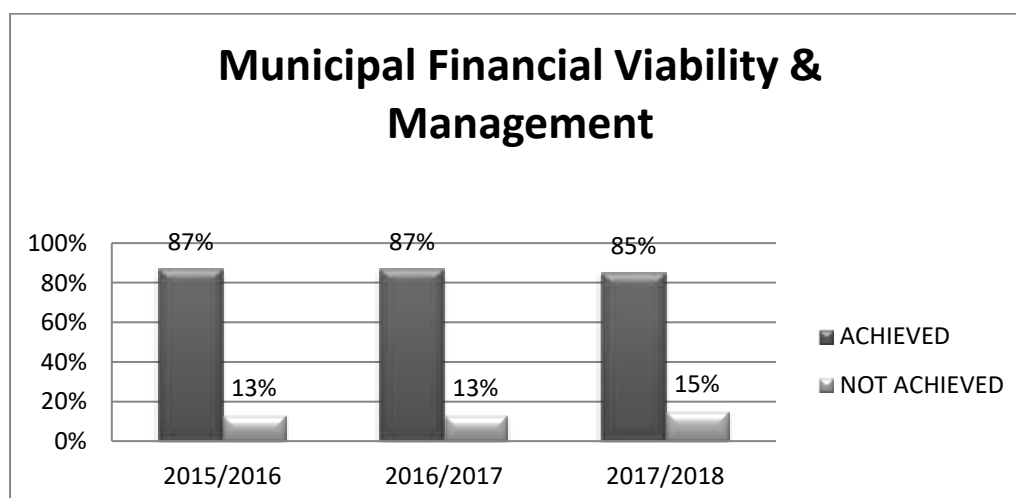
Figure 44: LED and Social Development



All targets were achieved in this KPA which includes indicators the measure policy development, job creation, creating community awareness, quality of life and inspections. No challenges are recorded.

9.1.3 Municipal Financial Viability And Management

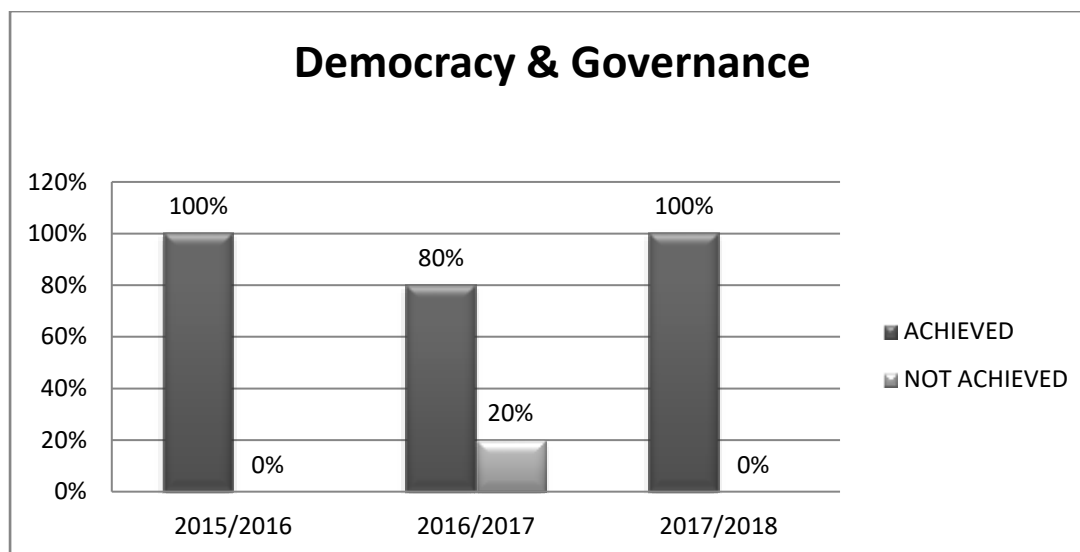
Figure 45: Municipal Financial Viability and Management



Performance in term of this KPA has been consistent over the past 3 financial years. Key challenges include clearing of audit queries, debtor management and supply chain procurement appeals. In order to rectify the latter, the municipality has made provision for senior Procurement Personnel to beef up the SCM unit in the 2018 financial year. Debt recovery services have been procured to assist the municipality to recover debt from the community and stakeholders. Controls have been strengthened to limit the number of recurrent issues in audit assessments. A legal person has also been appointed by the municipality in the current financial year to assist with legal advice.

9.1.4 Democracy and Good Governance

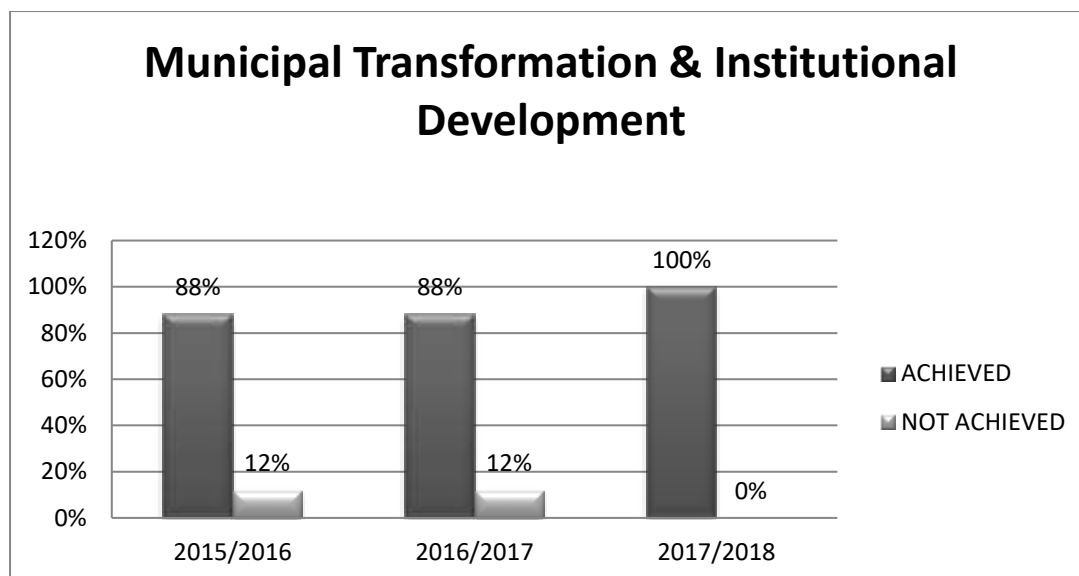
Figure 46: Democracy and Governance



The slump in performance registered in the 2016/17 financial year was as a result of the vacancies experienced after the third quarter when senior manager contracts were not renewed. The risk management plan was also not submitted to the Municipal Manager as per target. In the 2017/18 financial year second quarter, all senior manager posts were filled.

9.1.5 Municipal Transformation And Institutional Development

In 2015/16 and 2016/17, the municipality did not perform well in terms of utilising the budget allocated for skills development due to oversight. In 2017/18 the target was achieved.

Figure 47: Municipal Transformation & Institutional Development

9.1.6 Performance Of Service Providers

The performance of service provider is monitored via Service Level Agreements signed between the municipality and service providers. The end user department in the municipality provides monthly reports to the SCM unit. Service providers who fail to perform are reported to SCM and the necessary action is taken including the termination of the contract or cancellation of an order when all remedial measures fail.

Performance in the 2015/16 financial year was mostly satisfactory and good. Performance of service providers directly affects the municipality's performance therefore where remedial measures failed, the service provider services were terminated.

In 2016/17 controls were applied more effectively and service provider performance improved. There were lesser satisfactory performances although terminations increased.

In the year under review, service providers performed better followed by satisfactory performance and closed by poor performance.

Controls will continue to be applied and monitoring closely to ensure that service delivery to communities is not disadvantaged.

9.2 KEY CHALLENGES

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

9.2.1 Water And Sanitation

- **36,4%** of households (63 279) have no access to water. **19%** of households have no access to sanitation

- A capital investment of **R4,1 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**.
- The biggest concentration of backlogs for water and sanitation services is located in the Ulundi (36,8%), Nongoma (58,4%) and Uphongolo(30,2%) Local Municipalities.
- Sparsely populated and dispersed settlements, topography and poor quality of ground water increasing the cost of service delivery.
- Unsustainable and increasing demand on the existing water infrastructure network
- More than **40%** of the population is indigent.
- Consumers in the rural areas are content with the 6KL/PPPD free basic water provided daily and barely exceeds this amount. Hence no revenue is collected in the rural areas
- Spending less than 2% of property plant and equipment on operations maintenance
- Inadequate resources for efficient operations and maintenance

9.2.2 Disaster Management

- Lack of disaster management centre
- Lack of adequate personnel to perform the disaster function
- Lack of adequate and properly equipped vehicles to respond to disasters
- Lack of adequate funding for operational management of the disaster unit
- Limited training of personnel due to budget constraints

9.2.3 District Airports

- Airport will not be self-sustainable in the near future
- Existing infrastructure is world class but maintenance costs are high and deteriorating
- Limited flights operating
- No economic benefit to local and regional community

9.2.4 District Roads

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

9.2.5 Social Development

- **40%** of the population is between the age group **0-14 years [infants]**
- 39% of the population is between the age group 15-34 years [youth]
- 18% of the population is between the age group 35-65+ years [adult]
- 47% of households in ZDM are indigent (earn below R1,600)

- 32% of the population has a disability (see, hear, walk, communicate, remember, self-care)
- 42% of the population lives in extreme poverty
- 54% of households are headed by females
- 8,3% of households are headed by children
- 11% of households earn R0 income
- 19% of the Zululand district population is employed
- 16% of the population forms part of the labour force in the Zululand district
- Labour force participation rate is 32.9%
- 33% of the working age population is employed or actively seeking work
- Unemployment is 31.4%. Provincial average is 26%. Abaqulusi, uPhongolo, Nongoma and Ulundi have the highest unemployment rates.
- Employment rate grew by 11,847 between 2006 and 2015. Population grew by 40,000 during the same period.

9.2.6 Economic Development

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

9.2.7 Financial Administration

- 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
- 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
- The percentage of new revenue collected stands at 60.87%. The norm is 95% or more.
- Municipality is grant dependent [government transfers for capital and operating expenses]

9.2.8 Key Challenges Faced By Local Municipalities Within ZDM

- **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.

- Illegal development: Illegal development of agricultural land between Vryheid and Louwsburg as well as on the R34 corridor creates colossal challenges to the municipality when the people who illegally settled on agricultural land start demanding services from the municipality for which no planning or budgeting has been done. This leads to conflict between residents of the legally established urban areas and the illegal occupiers of land in the battle for scarce resources required to provide infrastructure. It thus happens the municipality is forced to substantially deviate from its medium to long term strategic- and capital investment plans to make provision for these illegal occupiers to the detriment of all the municipality's citizens.
- HIV and AIDS: The number of individuals infected with HIV/AIDS continues to be a 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.

- **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 Municipality's 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.
- **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.

CHAPTER 10: STRATEGIC OBJECTIVES AND DEVELOPMENT STRATEGIES

10.1 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’

10.2 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

10.3 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

10.4 ZULULAND STRATEGIC PLAN

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

13. Economic Infrastructure
14. Transitioning to a low carbon economy
15. Inclusive rural economy
16. Positioning South Africa in the world
17. Human settlements

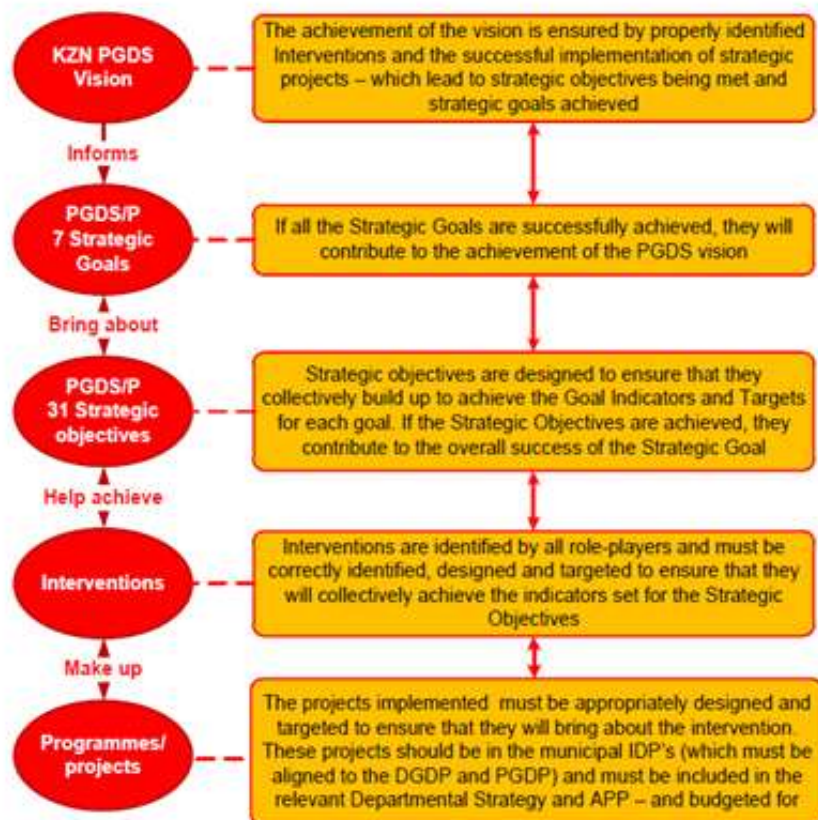
18. Improving education, innovation and training
19. Promoting health
20. Social protection
21. Building safer communities
22. Building a capable state
23. Promoting accountability and fighting corruption
24. Transforming society and uniting the country

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

8. Job Creation
9. Human Resource Development
10. Human and Community Development
11. Strategic Infrastructure
12. Environmental Sustainability
13. Governance and Policy
14. Spatial Equity

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

Figure 48: KZN PGDS Framework



The 2016 Revised PGDS Strategic Framework

Figure 10: PGDS Strategic Framework

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

10.5 GOALS, OBJECTIVES AND STRATEGIES

KPA Ref.	Key Performance Area	SOOG Ref.	Strategic Oriented Outcome Goal(SOOG)	SO Ref.	Strategic Objective(SO)	2019	2020	2021	2022	2023	2024
1	Basic Service Delivery & Infrastructure	SOOG 1.1	All categories of Municipal Infrastructure and water resources are stable and maintained (<i>Water&sanitation, disaster&fire management, district airports& district roads</i>)	SO 1.1.1	Continuously managing all developed infrastructure capital assets to minimize the total cost of owning and operating these assets while delivering the desired service levels & protecting the natural environment (<i>Effective Asset Management, internal&community capacity building, collecting revenue, tariffs, monitoring & evaluation, environmental management</i>)		x	x	x	x	x
		SOOG 1.2	Access to the full package of municipal services offered to the community is efficient, affordable,economical, acceptable quality, sustainable and supports economic growth (<i>build capacity, optimisation</i>)	SO 1.2.1	Build adequate capacity, eliminate operational inefficiencies, streamline and refine processes and systems and establish partnerships with government and private sector to accelerate provision of universal, equitable & consistent access to the municipal services that local communities are entitled to (including schools and clinics) (<i>Mobilise funding, service delivery model, manage indigents</i>)	x	x	x	x	x	x
2	Local Economic&Social Development	SOOG 2.1	Our competitive advantage in agriculture, natural environment, culture and heritage is exploited optimally to create jobs, increase tourism and improve food security (<i>Emerging farmer support, marketing, tourism, agriculture, heritage and culture</i>)	SO 2.1.1	Capacitate and provide emerging famers with support		x	x	x	x	x
				SO 2.1.2	Build the capacity of emerging farmers to market produce through transformation of the local economy and local marketing and harnessing existing commodity value chains		x	x	x	x	x
				SO 2.1.3	Promote the establishment of strategic tourism linkages and attractions of the District, while actively facilitating the development of authentic, focused and sophisticated tourism assets		x	x	x	x	x
				SO 2.1.4	Stimulate and enhance the local agri-tourism industry		x	x	x	x	x
				SO 2.1.5	Develop and promote agricultural, heritage and culture corridors		x	x	x	x	x
		SOOG 2.2	A transformed spatial economy with communities participating in the district economy (<i>Human resource development, skills development, local economy</i>)	SO 2.2.1	Enhance nests of economic activity through a town and village development programme			x			
				SO 2.2.2	Promote skills development aligned with economic sectors to enable communities to participate in the local economy		x	x	x	x	x
				SO 2.2.3	Develop and promote local and district spatial economic zones to enable local and national and international trading and marketing of local goods			x			
		SOOG 2.3	Small scale mining &Industrialisation contributes to the livelihoods of communities (<i>Small scale mining</i>)	SO 2.3.1	Establish and exploit the remaining mining potential in partnership with communities and the private sector			x			
		SOOG 2.4	The health of communities and citizens is improved (<i>Water</i>)	SO 2.4.1	Partner with local or neighbouring institutions to assist in conducting water quality and other sample laboratory test		x	x			

KPA Ref.	Key Performance Area	SOOG Ref.	Strategic Oriented Outcome Goal(SOOG)	SO Ref.	Strategic Objective(SO)	2019	2020	2021	2022	2023	2024
			<i>quality, environmental health, pollution and HIV/AIDS)</i>	SO 2.4.2	Assess environmental health risk, provide information to the public and implement a range of programmes and projects to create partnerships amongst communities, health services, housing department and private sector		x	x	x	x	x
				SO 2.4.3	Collaborating with communities about the needs& methods to reduce pollution (air & land)		x	x	x	x	x
				SO 2.4.4	Reduce the impact of HIV/AIDS by partnering with communities and stakeholders, constantly evaluating, monitor, refine and implementing interventions focused on the scourge		x	x	x	x	x
		SOOG 2.5	Inequalities, exclusions and disparities which engender divisions, distrust and conflict are reduced (<i>Social cohesion, partnerships, vulnerable groups</i>)	SO 2.5.1	Monitor and improve social cohesion through partnerships by enhancing implementation human community development, sports, cultural & social events targeted at vulnerable groups (youth, females, elderly)		x	x	x	x	x
3	Municipal Financial Viability & Management	SOOG 3.1	Municipality is financially viable	SO 3.1.1	Establish and maintain a healthy financial state by maintaining a balance between assets and debt, operational efficiency, managing operating expenditure and increasing revenue			x			
		SOOG 3.2	Sustainable budgeting, cashflow and expenditure management is achieved	SO 3.2.1	Apply sound financial management practises to keep a positive cash balance, coverage and liquidity ratios		x	x	x	x	x
		SOOG 3.3	Statutory compliance and accurate financial reporting is consistent	SO 3.3.1	Manage, monitor and review existing financial systems to support effective budget monitoring and compliance		x				
		SOOG 3.4	To enhance infrastructure, equipment and resources as a tool to fastrack service delivery	SO 3.4.1	Refine procurement systems and processes to respond to the demand for services		x	x	x	x	x
		SOOG 3.5	Culture of fraud and corruption is eliminated	SO 3.5.1	To discourage fraud and corruption through effective monitoring and consequence management		x	x	x	x	x
4	Good Governance&Public Participation	SOOG 4.1	A healthy customer/client relationship,improved accountability and responsiveness to the community is achieved and sustained	SO 4.1.1	Effectively responding to community enquiries with an effective customer care unit		x	x	x	x	x
				SO 4.1.2	Promote transparent and accountable governance through regular community engagements		x	x	x	x	x
				SO 4.1.3	Monitor, review and improve community satisfaction through quality of life surveys			x			
		SOOG 4.2	Statutory compliance is achieved	SO 4.2.1	Systematic review and monitoring implementation of all municipal policies, bylaws, strategies plans and frameworks in line with any applicable legislation		x	x	x	x	x
5	Municipal Transformation&Organizational Development	SOOG 5.1	The municipality is a career of choice	SO 5.1.1	Investing in a workforce that meets service delivery demand by implementing a culture of continuous learning and improvement		x	x	x	x	x
				SO 5.1.2	Working with recognised worker unions active in the municipality to promote and encourage orderly collective bargaining		x	x	x	x	x

KPA Ref.	Key Performance Area	SOOG Ref.	Strategic Oriented Outcome Goal(SOOG)	SO Ref.	Strategic Objective(SO)	2019	2020	2021	2022	2023	2024
		SOOG 5.2	Administrative governance and management that optimises service delivery	SO 5.2.1	Optimise workforce productivity by facilitating a culture of public service and accountability amongst employees		x	x	x	x	x
				SO 5.2.2	Monitoring, review and progressively improve service delivery performance through improvement of business processes and systems, performance auditing, risk management and oversight		x				
				SO 5.2.3	Building adequate infrastructure, equipment and resources to service to interface and respond to the needs of the community		x	x	x	x	x
				SO 5.2.4	Establishing consistency and alignment between the district and locals by regular co-ordination of Integovernmental Relations		x	x	x	x	x
6	Spatial Planning & Environmental Management	SOOG 6.1	Compact human settlements that are socially cohesive	SO 6.1.1	Promoting integrated human settlements in spatial development strategies, frameworks and policies		x	x	x	x	x
		SOOG 6.2	The natural environment is preserved	SO 6.2.1	Promoting and conserving the natural environment through land use management policies, plans and frameworks		x	x	x	x	x

10.6 SPATIAL STRATEGIES

10.6.1 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

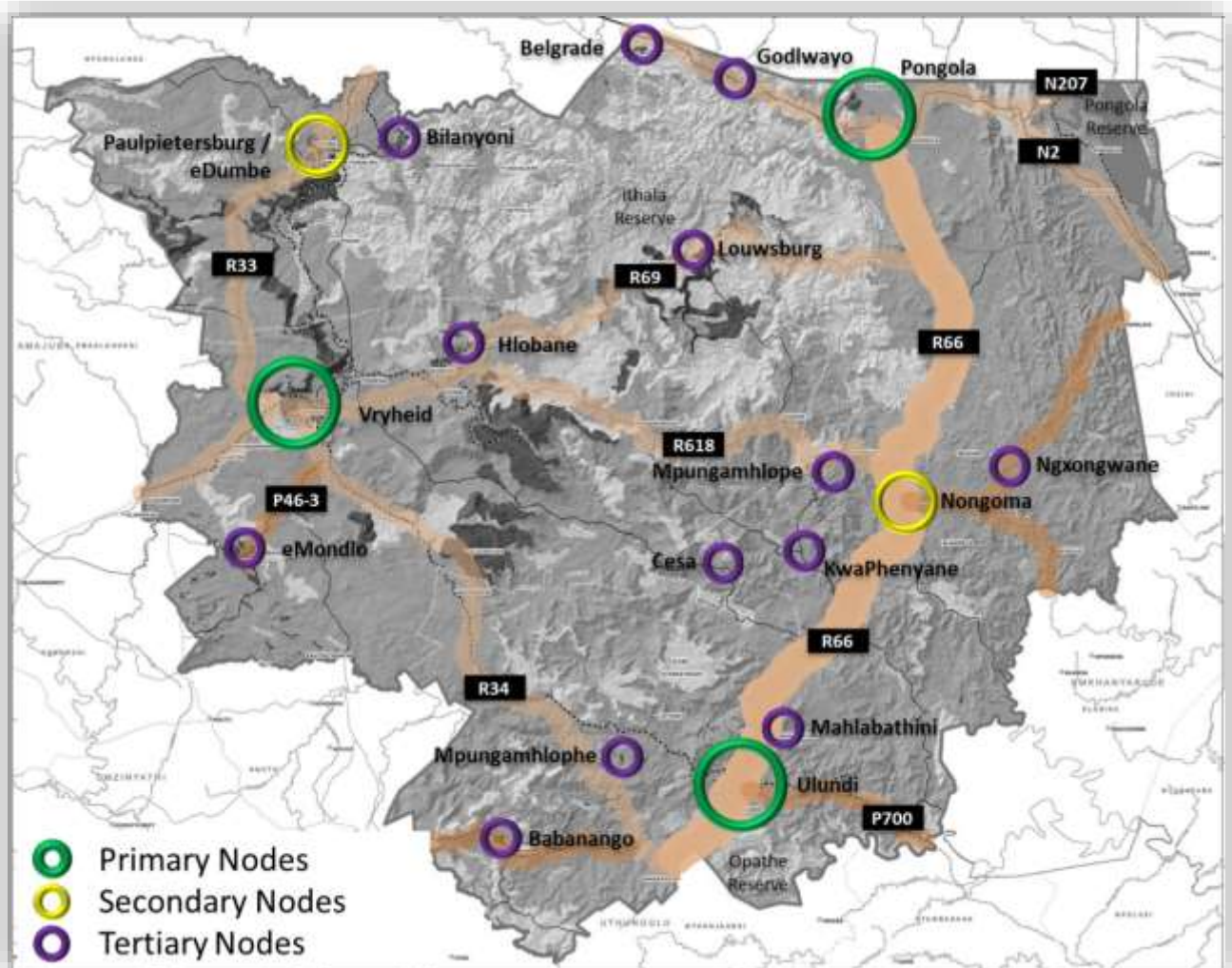
Table 107: Proposed Nodes

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

Name of Municipality	Primary Development Nodes	Secondary Development Node	Tertiary Development Nodes
			<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 27: 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.

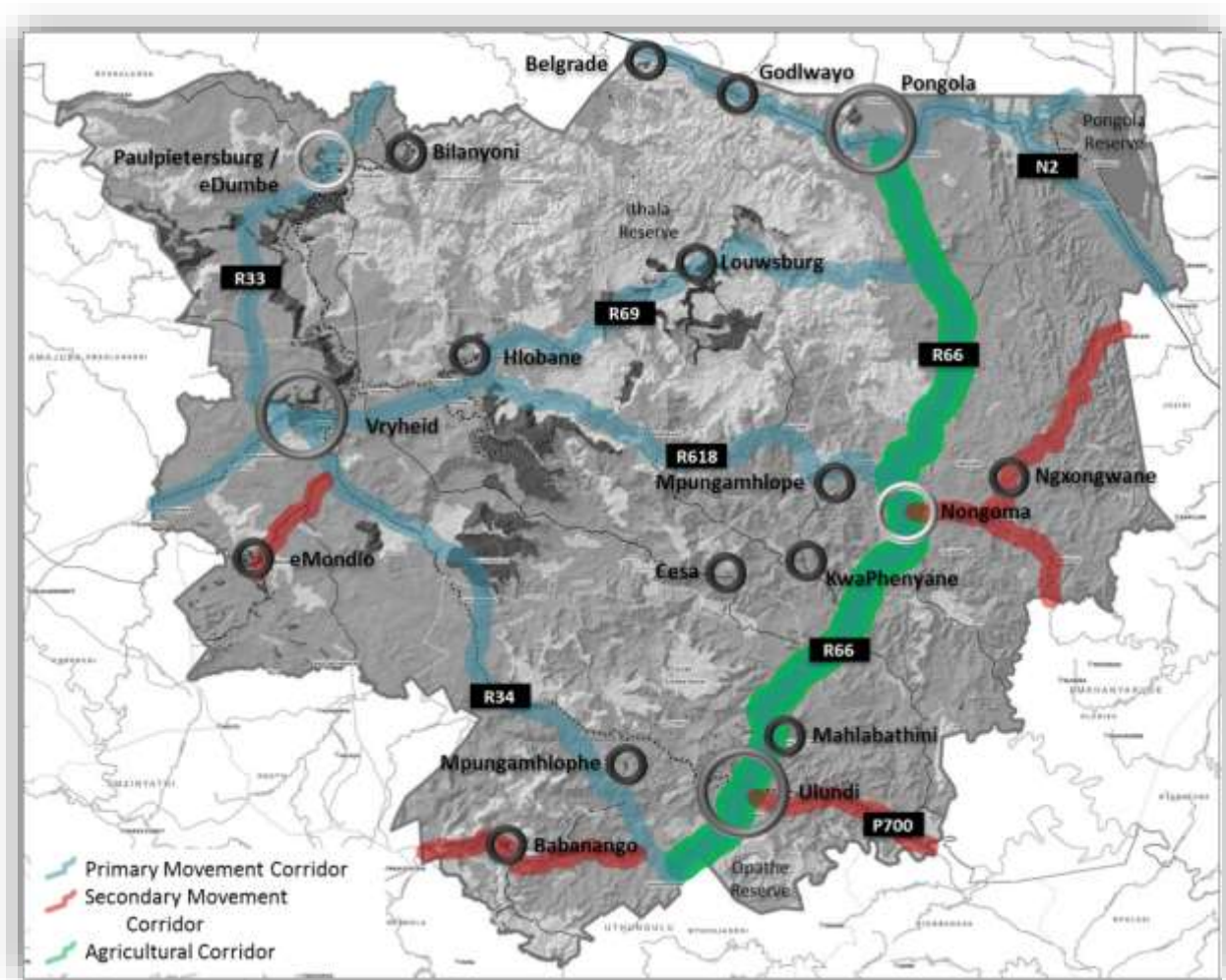
10.6.2 Corridor Development

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 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 28: Movement Corridors

10.6.3 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 Map overleaf 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.

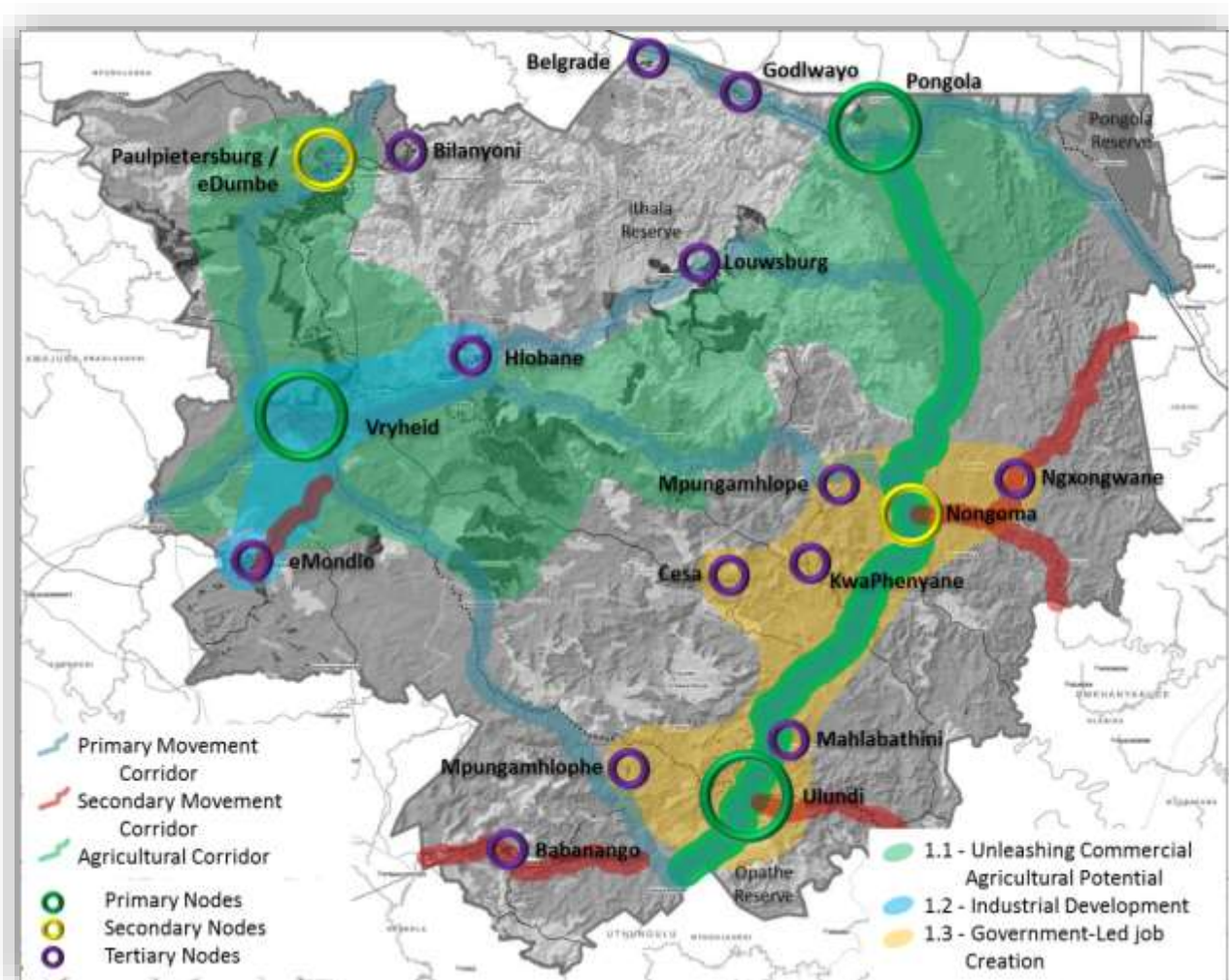
The following objectives are addressed:

- 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 29: Spatial Strategy to Address PGDS Goal 1: Job Creation

PGDS Strategic Goal 2 – Human Resource Development

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

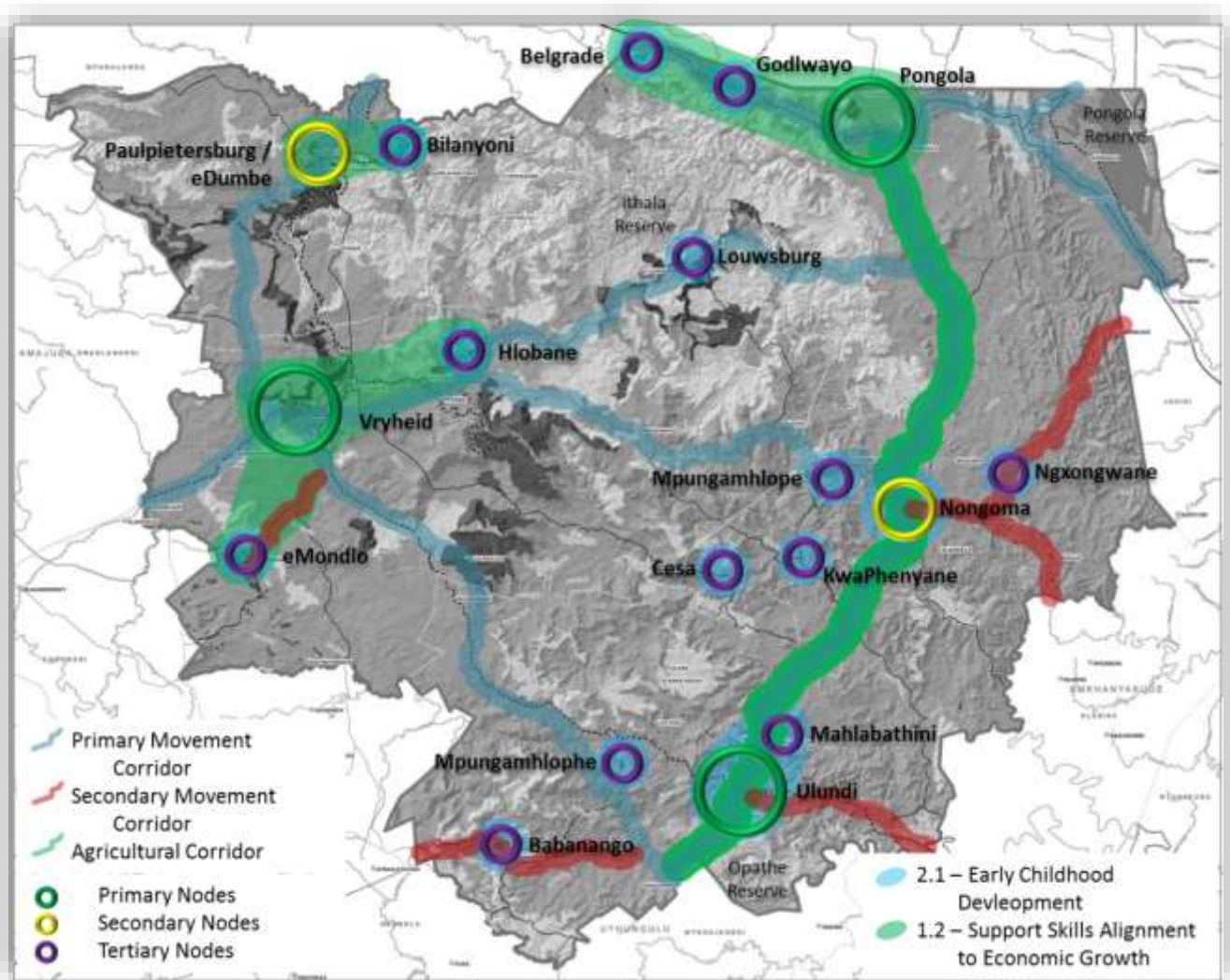
- 2.1 - Improve Early Childhood Development, Primary and Secondary Education
- 2.2 - Support Skills Alignment to Economic Growth

The Map overleaf 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 30: Spatial Strategy to Address PGDS Goal 4: Human Resource Development



PGDS Strategic Goal 3 – Human and Community Development

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

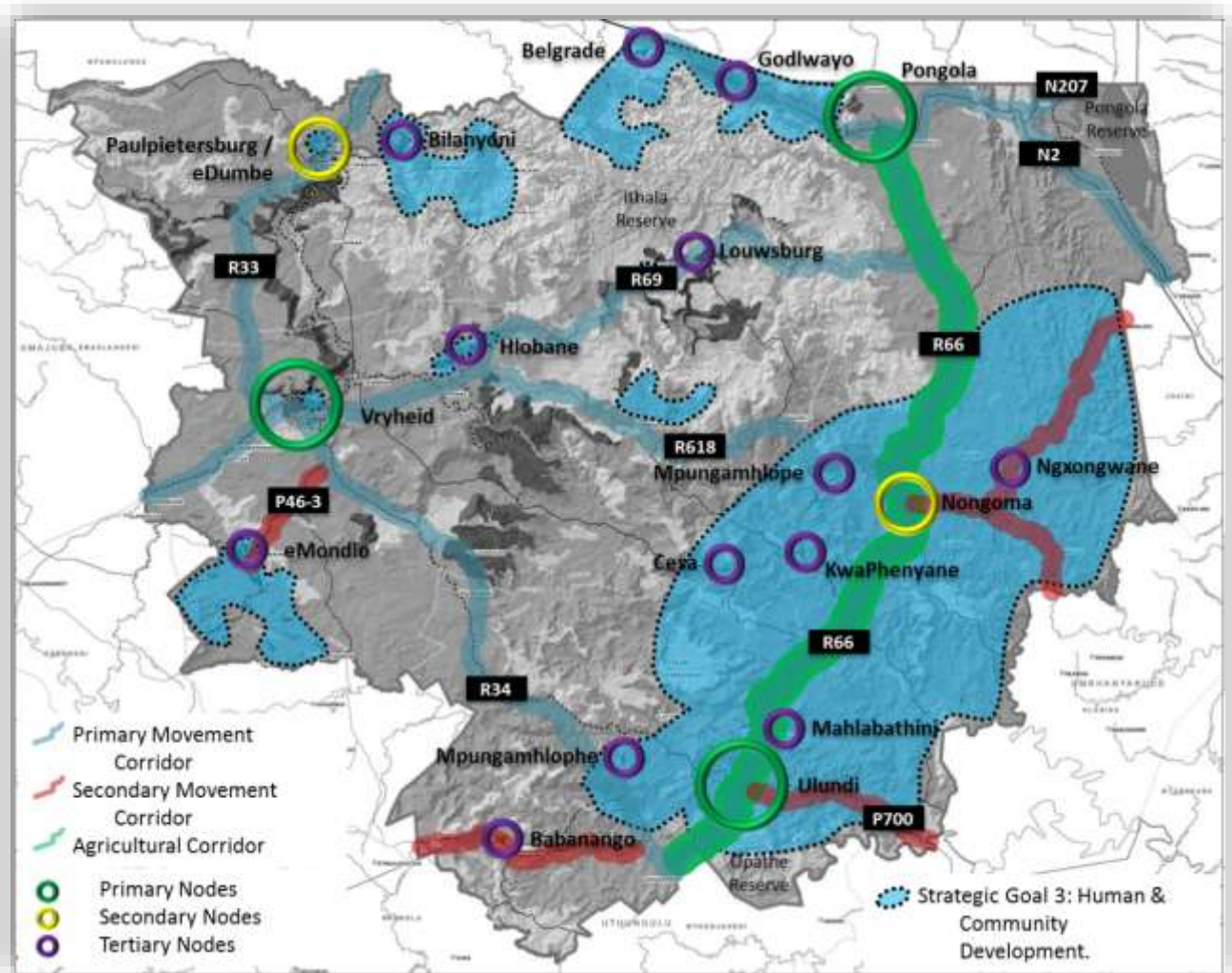
- 3.1 - Poverty Alleviation & Social Welfare
- 3.2 - Enhancing Health of Communities and Citizens
- 3.3 - Safeguard Sustainable Livelihoods & Food Security
- 3.4 - Sustainable Human Settlements
- 3.5 - Enhancing Safety & Security
- 3.6 - Advance Social Cohesion

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 Map overleaf 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 31: Spatial Strategy to Address PGDS Goal 3: Human & Community Development



PGDS Strategic Goal 4 – Strategic Infrastructure

This section and the Map overleaf 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

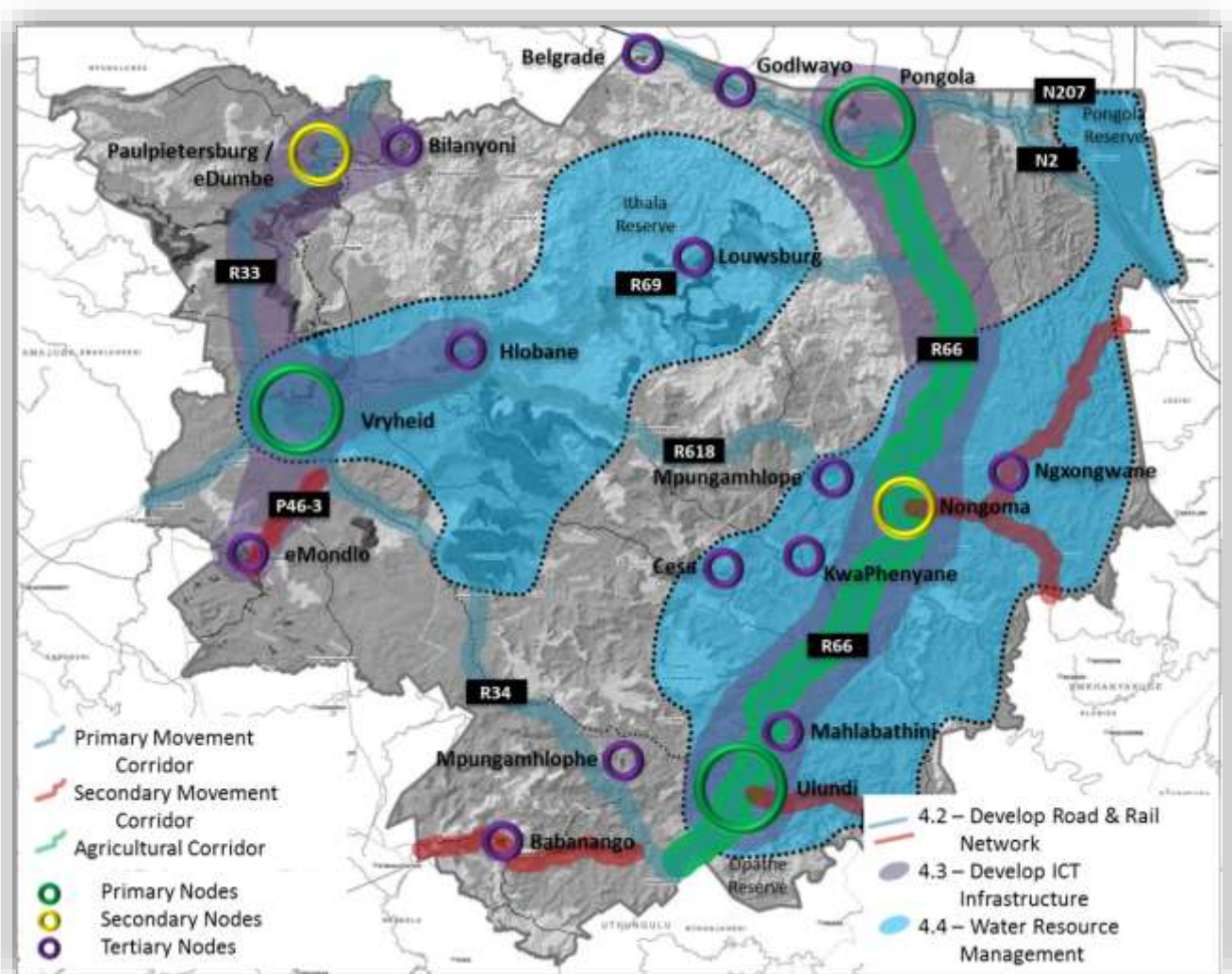
The Map overleaf identifies the strategic intervention areas that will facilitate the economic growth of the municipality, and assist with other strategic goals such as Human development which cannot occur without the necessary infrastructure. The transportation network is the only

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 32: Spatial Strategy To Address Pgds Goal 4: Strategic Infrastructure



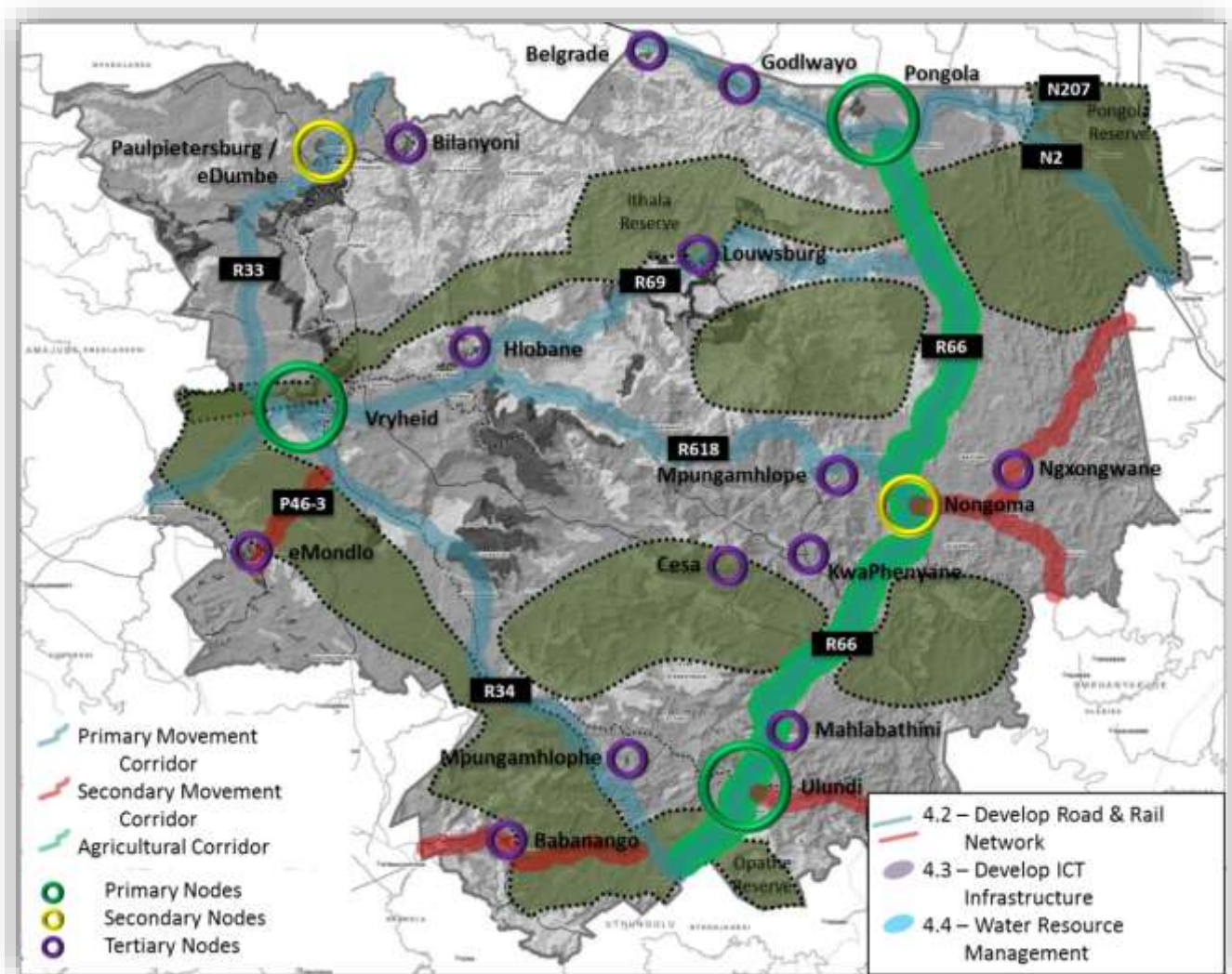
PGDS Strategic Goal L 5 – Response to Climate Change

This section and the Map below discuss and depict the spatial strategies to address Strategic Objective 4: Strategic Infrastructure.

The Map 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 33: Spatial Strategy to Address PGDS Goal 4: Strategic Infrastructure



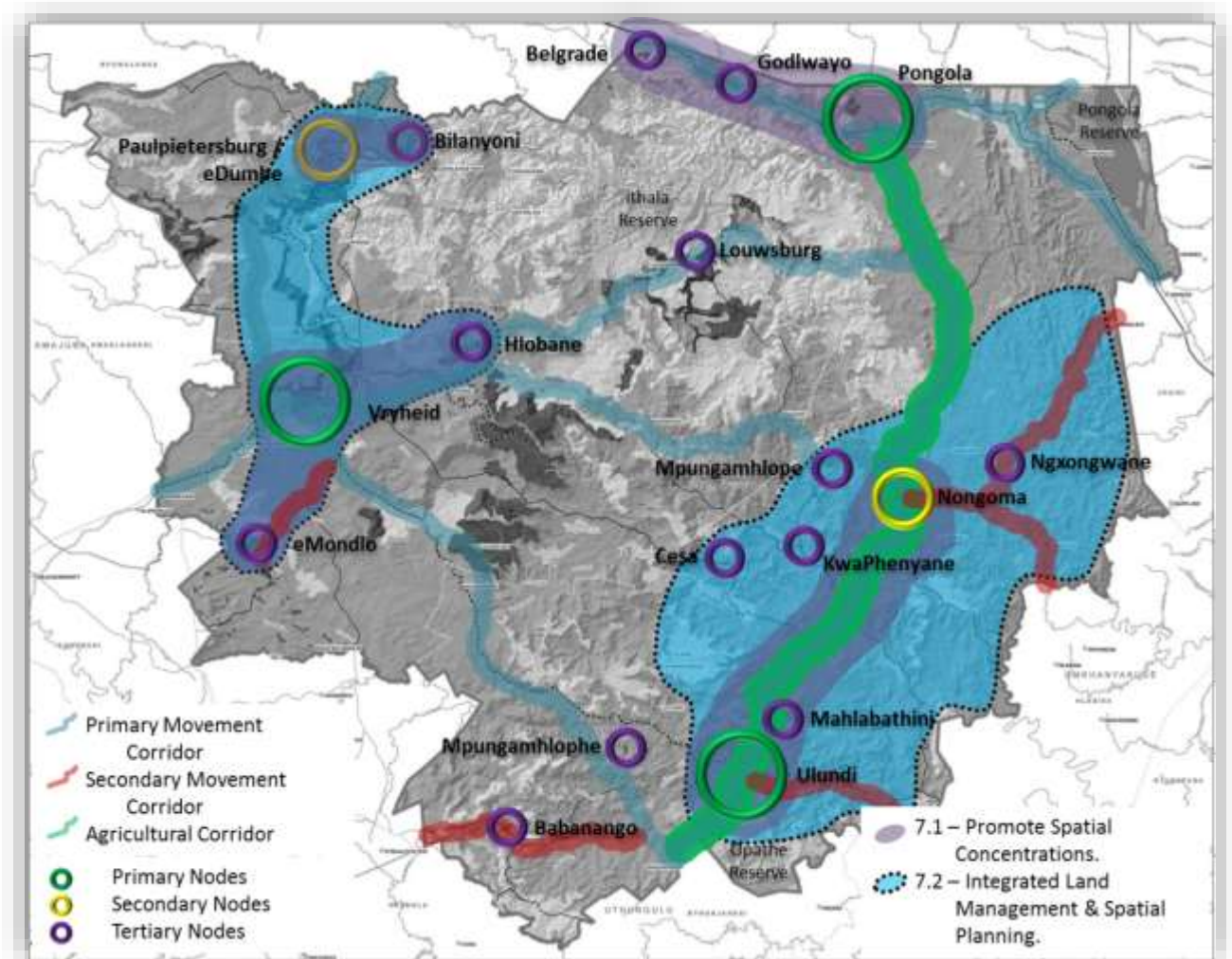
PGDS Strategic Goal 7 – Spatial Equity

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

The following objectives are addressed:

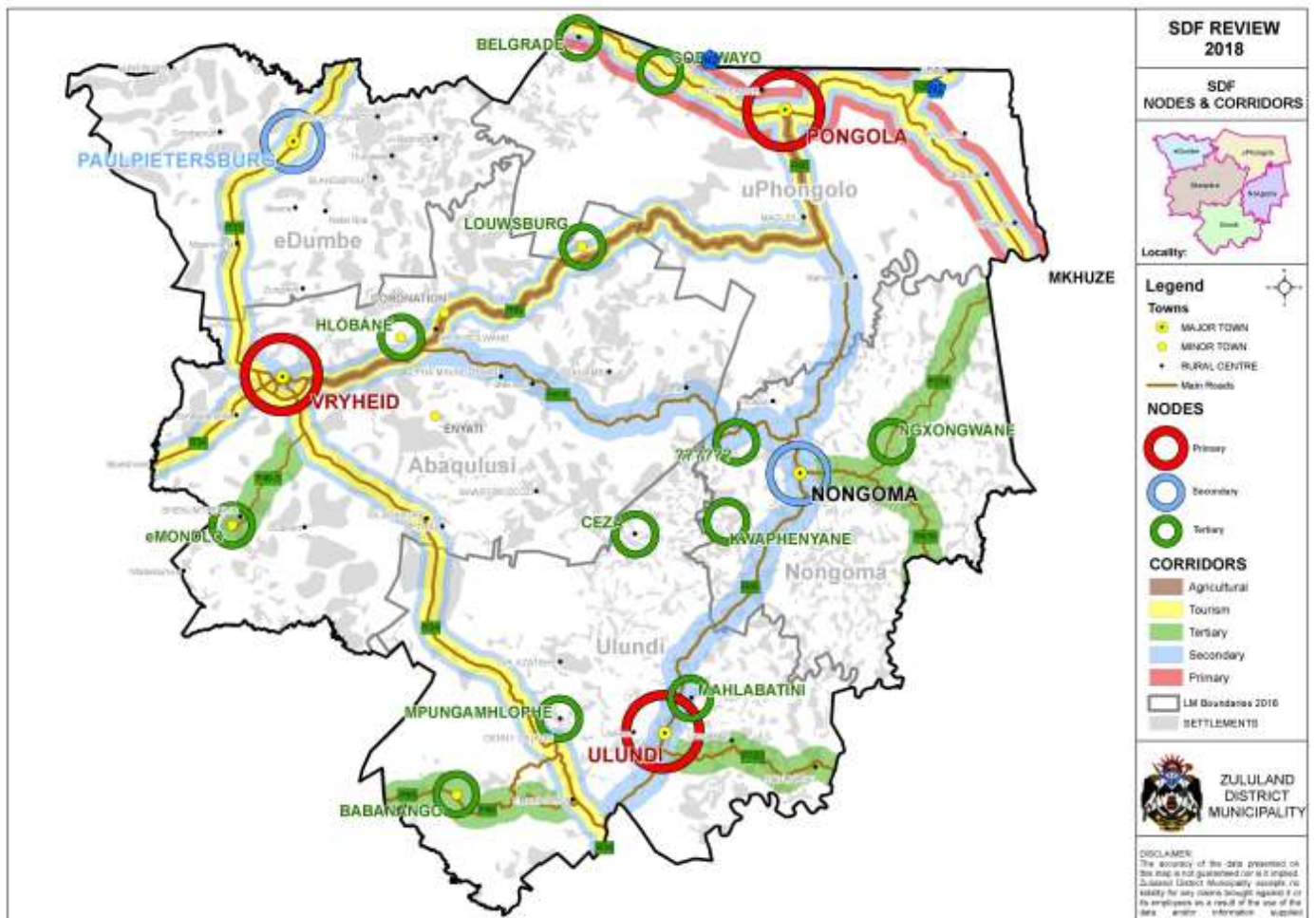
- 7.1 – Promote Spatial Concentration
- 7.2 – Facilitate Integrated Land Management and Spatial Planning

Map 34: Spatial Strategy to Address PGDS Goal 7: Spatial Equity



10.6.4 Conceptual Spatial Development Framework

Map 35: Conceptual Spatial Development Framework



CHAPTER 11: ENVIRONMENTAL MANAGEMENT & SPATIAL DEVELOPMENT FRAMEWORK

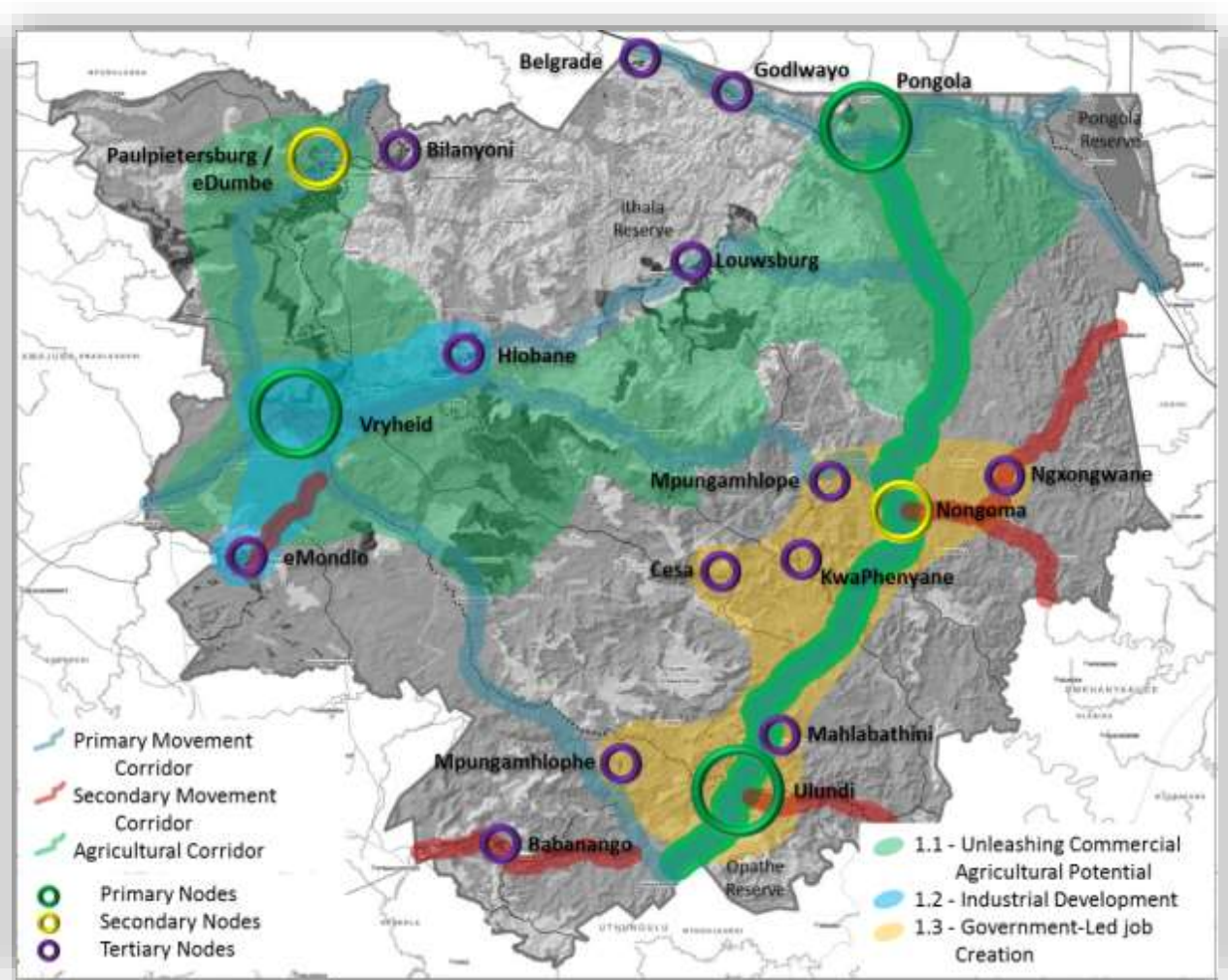
11.1 SPATIAL DEVELOPMENT FRAMEWORK

11.1.1 Provincial Growth and Development Strategy

Table 108: Alignment of ZDM Strategies to PGDS

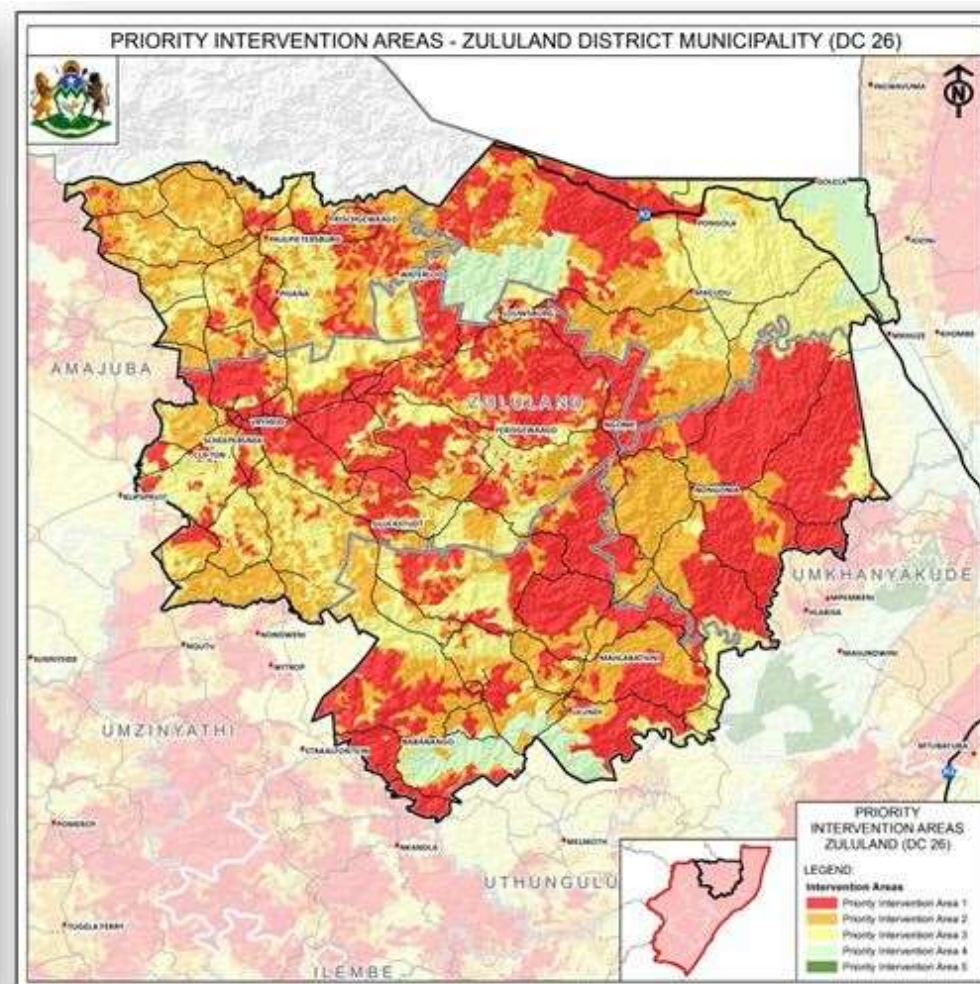
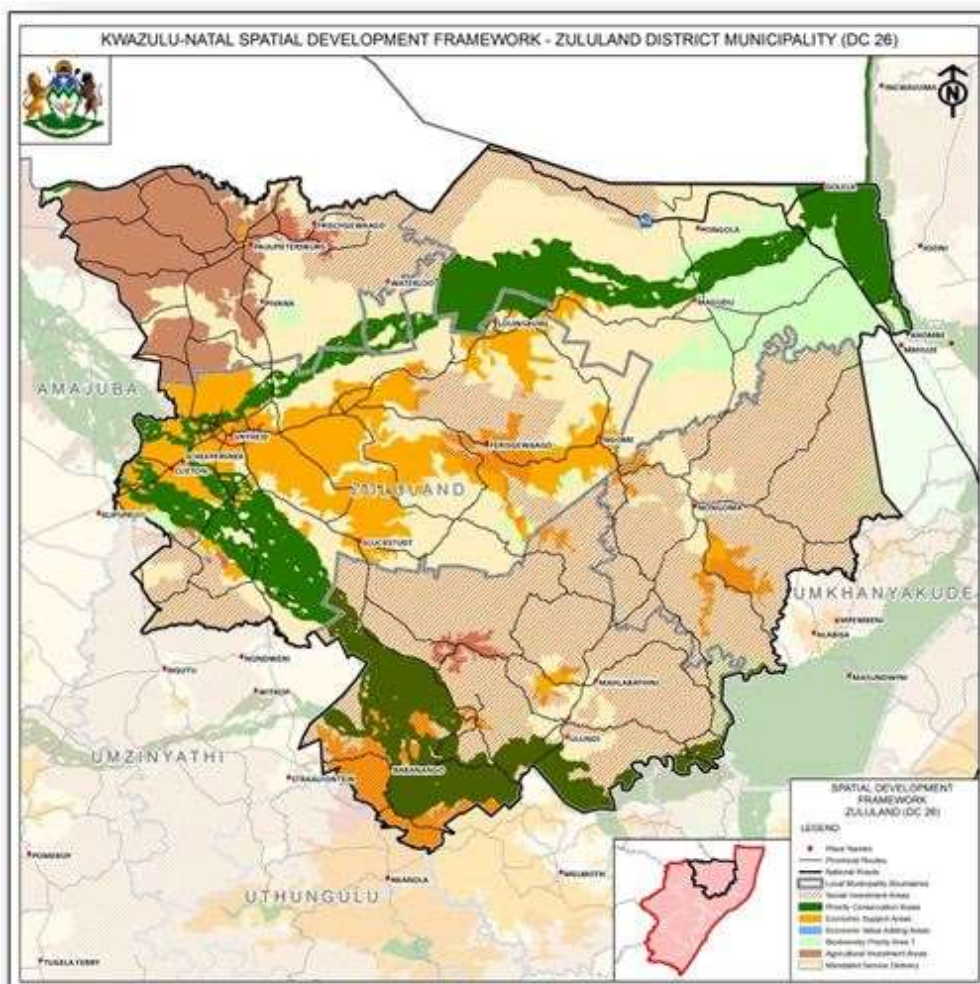
No.	PGDS Strategic Goal	Application thereof at ZDM DM Level through appropriate Strategies
1	Job Creation	<ul style="list-style-type: none"> • Applying labour intensive methods in all project implementation • Investigate the feasibility of Fresh Produce Markets and Abattoirs • promote tourism in the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

Map 36: Spatial Strategy to Address PGDS Goal 1: Job Creation



11.1.2 Priority Intervention Areas

Map 37: Zululand District Municipality - Priority Intervention Areas (as per the KZN PGDS)

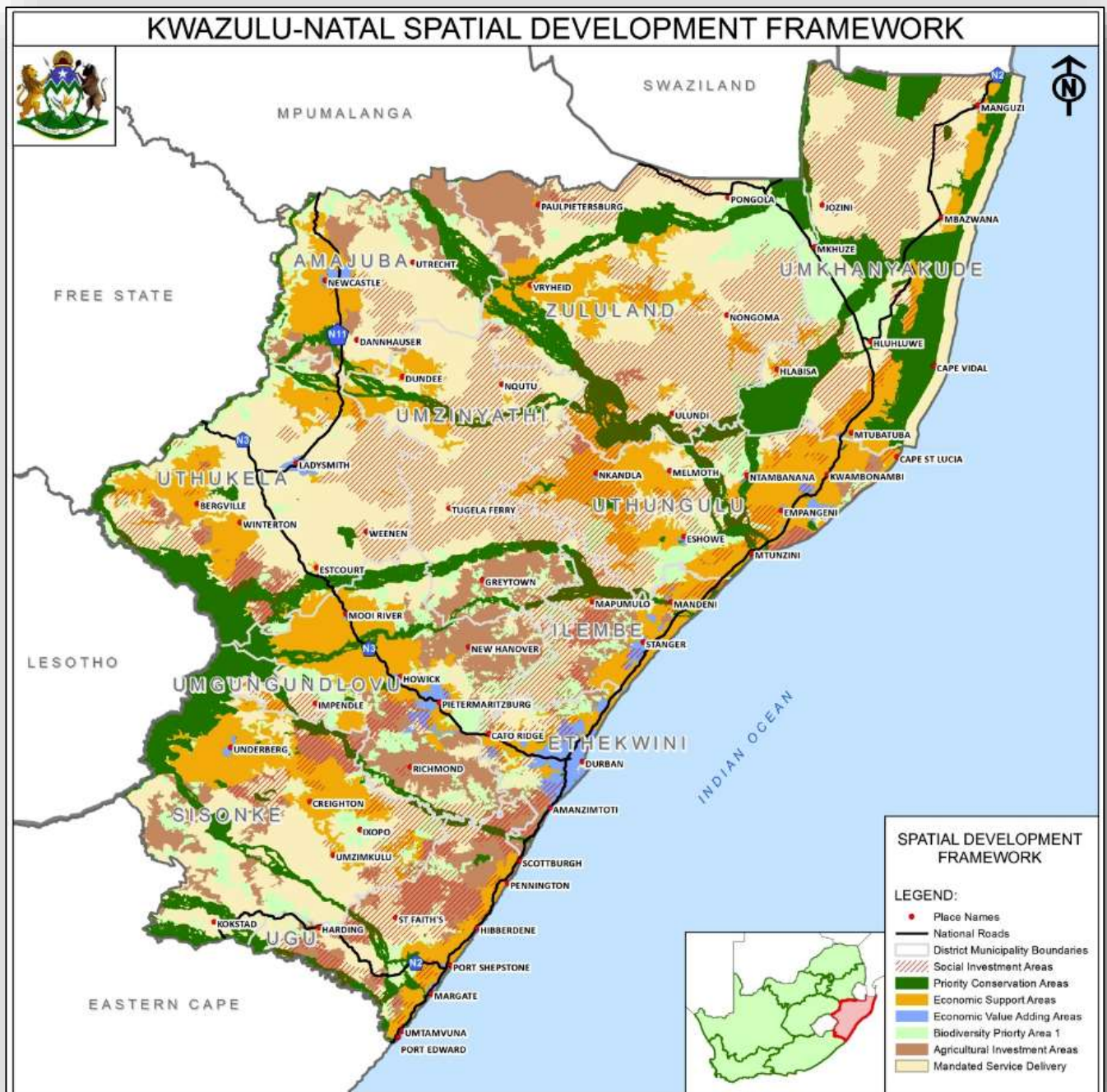


In promoting growth and development within the Zululand District as well as supporting the proposed spatial structure and areas in need of intervention, some of the following provincial catalytic projects are envisaged within the district:

- 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

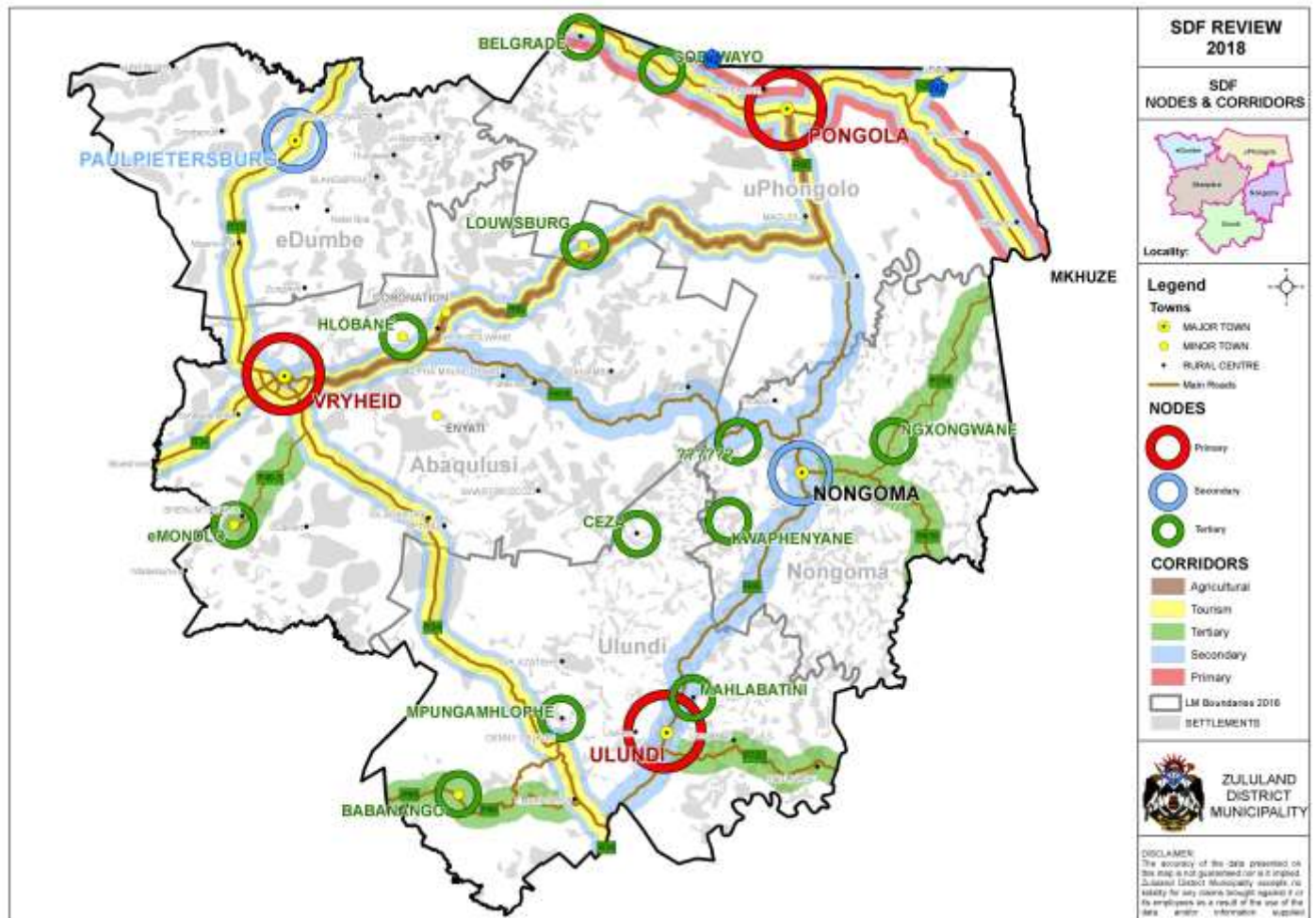
11.1.4 Provincial Spatial Development Framework

Map 39: KZN Spatial Development Framework



11.1.5 Spatial Development Framework (SDF)

Map 40: Final ZDM SDF



CHAPTER 12: IMPLEMENTATION PLAN

12.1 MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT

Table 109: Municipal Transformation and Organisational Development Implementation Plan

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
Municipal Transformation & Organizational Development	Building adequate infrastructure, equipment and resources to service to interface and respond to the needs of the community	8 vacant posts filled by 30 June 2020	24	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
	Investing in a workforce that meets service delivery demand by implementing a culture of continuous learning and improvement	Number of Municipal Employees trained as per Workplace Skills Plan by 30 Jun 2020	25	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

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
		Percentage of municipality's skills budget allocated actually spent on implementing its workplace skills plan (MPPMR (10)(f))	26	Output	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
		HR Plan submitted to MM by 30 June 2020	27	Output	To be measured in the 4th quarter	To be measured in the 4th quarter	To be measured in the 4th quarter	HR plan submitted to MM by 30 Jun 2020

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
	Working with recognised worker unions active in the municipality to promote and encourage orderly collective bargaining	Employment Equity Report submitted to MM for approval by 30 Jun 2020	28	Output	Measured in the third quarter	Measured in the third quarter	Final Employment Equity Report submitted to MM by 30 Mar 2020	Measured in the third quarter
		Number of people from employment equity target groups employed in three highest levels of Management in compliance with a municipality's employment equity plan (MPPMR (10)(e))	29	Output	3 people from employment equity target groups employed by 30 Sept 2019	3 people from employment equity target groups employed by 30 Dec 2019	3 people from employment equity target groups employed by 30 Mar 2020	3 people from employment equity target groups employed by 30 June 2020

12.2 SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT

Table 110: Infrastructure & Services Implementation Plan (ZDM SDBIP)

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
Basic Service Delivery & Infrastructure	Continuously managing all developed infrastructure capital assets to minimize the total cost of owning and operating these assets while delivering the desired service levels & protecting the natural environment (<i>Effective Asset Management, internal&community capacity building, collecting revenue, tariffs, monitoring & evaluation, environmental management</i>)	Final 2020/2021 WSDP submitted to Council for approval by specified date	1	Input	To be measured in the 3rd & 4th quarter	To be measured in the 3rd & 4th quarter	Draft 2020/2021 WSDP submitted to Council for approval by 30 March 2020	Final 2020/2021 WSDP submitted to Council for approval by 30 June 2020
		% of households with access to basic level of water (Reticulation-new household connections) (MPPMR (10)(a))	2	Output	0.09	0.08	0.12	0.09

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
		% of households earning less than R1600 pm with access to free water (Note: Rudimentary) (MPPMR (10)(b))	3	Output	0.03	0.03	0.04	0.04
		% of households with access to basic level of sanitation as per WSDP (MPPMR (10)(a))	4	Output	Not measured this quarter	0.07	0.05	0.23
		% of households earning less than R1600 pm with access to free basic sanitation (MPPMR (10)(b))	5	Output	Not measured this quarter	0.07	0.05	0.23

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
		Number of water quality tests conducted as per the approved strategy	6	Output	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
		Percentage of a municipality's budget actually spent on identified projects for a particular financial year in terms of the municipality's IDP (MPPMR (10)(c))	7	Output	20% of municipality's budget spent on identified projects by 30 Sept 2019	30% of municipality's budget spent on identified projects by 15 Dec 2019	70% of municipality's budget spent on identified projects by 30 Mar 2020	100% of municipality's budget spent on identified projects by 30 Jun 2020

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
	Build adequate capacity, eliminate operational inefficiencies, streamline and refine processes and systems and establish partnerships with government and private sector to accelerate provision of universal, equitable & consistent access to the municipal services that local communities are entitled to (including schools and clinics) <i>(Mobilise funding, service delivery model, manage indigents)</i>	Business plan to secure capital to implement refurbishment and rehabilitation of airport infrastructure submitted to MM by 30 Jun 2019	8	Input	Draft concept plan by 30 September 2019	Cost concept & table to portfolio committee by 30 December 2019	Draft Business Plan submitted to MM by 30 Mar 2020	Business Plan submitted to MM by 30 Jun 2020
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KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
		Advertise for expression of interest towards making the airport functional by 30/03/2020	9	Process	Draft concept plan by 30 September 2019	Draft concept plan tabled to portfolio committee by 30 December 2019	Advertise for Expression of Interest by 30/03/2020	Not measured in this quarter
		Final 2020/2021 Disaster Management Plan submitted to Council for approval by 30 Jun 2019	10	Input	Identify key areas to review & table to portfolio committee by 30 September 2018	Conduct Situational Analysis and Strategies by 30 December 2018	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
		20 Disaster Management Awareness campaigns held by 30 Jun 2020	11	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

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
		No of Disaster Management Workshop held by 30 Jun 2020	12	Output	To be measured in the fourth quarter	To be measured in the fourth quarter	To be measured in the fourth quarter	1 Disaster Management Workshop held 30 Jun 2020
		1 Disaster Management Forums held by 30 December 2019	13	Output	To be measured in the second quarter	1 Disaster Management Forums held by 30 December 2019	measured in the second quarter	measured in the second quarter
		Number of food production site inspection reports produced per quarter	14	Process	25 production site inspection reports on file by 30 Sept 2019	25 production site inspection reports on file by 30 Dec 2019	25 production site inspection reports on file by 30 Mar 2020	20 production site inspection reports on file by 30 Jun 2020
		Number of mortuary inspection reports produced per quarter	15	Process	12 mortuary inspection reports on file by 30 Sept 2019	12 mortuary inspection reports on file by 30 Dec 2019	12 mortuary inspection reports on file by 30 Mar 2020	12 mortuary inspection reports on file by 30 Jun 2020

12.3 LOCAL ECONOMIC DEVELOPMENT

Table 111: Local Economic Development Implementation Plan

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
Local Economic & Social Development	Promote the establishment of strategic tourism linkages and attractions of the District, while actively facilitating the development of authentic, focused and sophisticated tourism assets	Number of tourism awareness and training workshops held per year	16	Process	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
		Number of Tourism forums held per quarter	17	Output	1 Tourism forums held during the quarter	1 Tourism forums held during the quarter	1 Tourism forums held during the quarter	1 Tourism forums held during the quarter
	Promote skills development aligned with economic sectors to enable communities to	Number of jobs created through LED initiatives and capital projects (MPPMR)	18	Process	50 jobs created through LED initiatives and capital projects by 30 Sep 2019	50 jobs created through LED initiatives and capital projects by 30 Dec 2019	50 jobs created through LED initiatives and capital projects by 30 Mar 2020	50 jobs created through LED initiatives and capital projects by 30 June 2020

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
	participate in the local economy	(10)(d))						
		Number of people participating in ZDM Community Capacity Building Programmes by 30 Jun	19	Output	35 people participating in ZDM Community Capacity Building Programme by 30 Sept 2019	Measured in the first and third quarter	30 people participating in ZDM Community Capacity Building Programme by 30 Mar 2020	Measured in the first and third quarter
	Monitor and improve social cohesion through partnerships by enhancing implementation human community development, sports, cultural & social events targeted at vulnerable groups (youth, females, elderly)	Number of Schools/Early Childhood development centres(ECDs) inspected per quarter	20	Process	25 Schools/Early Childhood development centres(ECDs) inspected by 30 Sept 2019	25 Schools/Early Childhood development centres(ECDs) inspected by 15 Dec 2019	25 Schools/Early Childhood development centres(ECDs) inspected by 30 Mar 2020	25 Schools/Early Childhood development centres(ECDs) inspected by 30 Jun 2020
		Number of District Youth Council Meetings held per	21	Output	1 district youth council meeting held by 30 Sept 2019	1 district youth council meeting held by 15 Dec 2019	1 district youth council meeting held by 30 Mar 2020	1 district youth council meeting held by 30 Jun 2020

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
		quarter						
		Number of quality of life Council Meetings held per quarter	22		1 quality of life council meeting held by 30 Sept 2018	1 quality of life council meeting held by 15 Dec 2018	1 quality of life council meeting held by 30 Mar 2019	1 quality of life council meeting held by 30 Jun 2019
	Reduce the impact of HIV/AIDS by partnering with communities and stakeholders, constantly evaluating, monitor, refine and implementing interventions focused on the scourge	Number of HIV/AIDS awareness campaigns held per quarter	23	Process	2 HIV/AIDS awareness campaigns held by 30 Sept 2019	2 HIV/AIDS awareness campaigns held by 15 Dec 2019	2 HIV/AIDS awareness campaigns held by 30 Mar 2020	2 HIV/AIDS awareness campaigns held by 30 Jun 2020

12.4 MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT

Table 112: Financial Viability Implementation Plan

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
Municipal Financial Viability & Management	Establish and maintain a healthy financial state by maintaining a balance between assets and debt, operational efficiency, managing operating expenditure and increasing revenue	Outstanding service debtors recovery rate to revenue per quarter	30	output	0.25	0.25	0.25	0.25
	Refine procurement systems and processes to respond to the demand for services	Number of successful appeals per quarter	31	output	0	0	0	0
		Processing time of invoices per quarter	32	output	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

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
	Manage, monitor and review existing financial systems to support effective budget monitoring and compliance	Reviewed Financial Statements submitted by 31 Aug 19	33	Process	Reviewed Financial Statements submitted by 31 Aug 19	Measured in the first quarter	Measured in the first quarter	Measured in the first quarter
		Final 2020/2021 budget submitted to Council for approval by 30 Jun 2019	34	Process	Measured in the third quarter	Measured in the third quarter	Draft 2020/2021 Budget tabled to Council by 30 Mar 2020	Final 2020/2021 Budget tabled to Council by 30 June 2020
		Quarterly SDBIP reports for 2019/2020 submitted to Mayor by the end of each quarter	35	Process	Quarterly SDBIP report submitted to Mayor by 19-Oct-19	Quarterly SDBIP report submitted to Mayor by 19-Jan-20	Quarterly SDBIP report submitted to Mayor by 19 April 2020	Quarterly SDBIP report submitted to Mayor by 19 July 2020

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
		Annual report 2017/2018 submitted to Council by 30 Jan 2019	36	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
		Percentage of accounts adjustments effected per quarter	37	output	3%	3%	3%	3%
		Budget inputs for adjustment budget submitted to CFO by 15 Dec 2019	38	input	Measured in the second quarter	Budget inputs for adjustment budget 2018/19 submitted to CFO by 15 Dec 2019	Measured in the second quarter	Measured in the second quarter

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
		Maintain unqualified audit opinion from the Auditor General	39	outcome	Measured in the second quarter	Achieve a unqualified audit outcome	Measured in the second quarter	Measured in the second quarter
		Number of Audit committee meetings held per quarter	40	output	1 Audit committee meetings held by 30 Sept 2018	1 Audit committee meetings held by 15 Dec 2018	1 Audit committee meetings held by 30 Mar 2019	1 Audit committee meetings held by 30 Jun 2019
		Percentage of audit queries addressed from the AG report by end of the financial year	41	output	Not measured in this quarter	5% audit queries addressed from the AG by 15 Dec 2018	45% audit queries addressed from the AG by 30 Mar 2019	100% audit queries addressed from the AG by 30 Jun 2019
	Apply sound financial management practises to keep a positive cash balance, coverage and liquidity ratios	Cost Coverage ratio achieved per quarter (MPPMR (10)(g))	42	outcome	3	3	3	3
		Debt Coverage Ratio achieved per quarter (MPPMR (10)(g))	43	outcome	3	3	3	3

12.5 GOOD GOVERNANCE & PUBLIC PARTICIPATION

Table 113: Democracy and Governance Implementation Plan

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Target	Target	Target	Target
Good Governance & Public Participation	Promote transparent and accountable governance through regular community engagements	6 Senior Manager performance agreements signed by 31 July 2019	44	Output	6 Senior Manager performance agreements signed by 31 July 2019	Measured in 1st Quarter	Measured in 1st Quarter	Measured in 1st Quarter
	Systematic review and monitoring implementation of all municipal policies, bylaws, strategies plans and frameworks in line with any applicable legislation	Number of stakeholder alignment meetings held by end of the financial year	45	Output	2 stakeholder meetings held by 30 Sept 2019	2 stakeholder meetings held by 15 Dec 2019	2 stakeholder meetings held by 30 Mar 2020	2 stakeholder meetings held by 30 Jun 2020
		Date of submission of 2019/2020 IDP Framework Plan to Council for adoption	46	Output	30-Sep-18	Measured in the first quarter	Measured in the first quarter	Measured in the first quarter
		Integrated Development plan 2020/2021 submitted to Council for adoption by specified date	47	Input	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

CHAPTER 13: FINANCIAL MANAGEMENT PLAN

13.1 LEGISLATIVE FRAMEWORK

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 the same Act, the municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.

The 2019/2020 annual budget is prepared in accordance with the Local Government MFMA 2003 together with the municipal budget and reporting regulations 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 2020/2021 and 2021/2022 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.

13.2 MEDIUM TERM SERVICE DELIVERY OBJECTIVES AS PER 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 it is 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 in 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 social ills and to develop communities in general and empower youth, gender and vulnerable groups in the district.
- **Institutional development-** The focus on this area is on employment equity with the objective of transforming the municipality and capacity development for efficient and effective service delivery.

- **Financial management**-The objective in this area 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 objective is to promote good governance, accountability and transparency and to operate the municipality at a minimum risk level.

Other focus areas as per Municipal Structures Act include the following:

- Municipal airports;
- Firefighting;
- Disaster management;
- Solid waste;
- Municipal health services;
- District tourism.

The financial implication of the medium-term service delivery objectives as a water services authority is that the municipality spend 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. However, the municipality is now considering the basis charge to be implemented.

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.

13.3 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 Municipal Structures Act constitutes compliance with National, Provincial and Local development goals to eradicate backlogs of the past.

13.4 NATIONAL POLICY KEY IMPERATIVES

After the State of the Nation Address by the President and the Budget speech by the Minister of finance key priorities were noted and became our policy imperative. National treasury subsequently issued MFMA Circular no. 94 to give guidance on these imperatives.

13.4.1 The General Inflationary Outlook and the Impact On Municipality's Residents and Businesses

Table 114: Macroeconomic performance and projections, 2018-2022

Fiscal Year	2018/19 Estimates	2019/20	2020/21 forecast	2021/22 Forecast
CPI Inflation	4.7%	5.2%	5.4%	5.4%
Real GDP Growth	0.7%	1.5%	1.7%	2.1%

13.4.2 Division of Revenue Act

Table 115: Grants

GRANT	2018/2019	2019/2020	2020/2021	2021/2022
EQUITABLE SHARE	424 766 000	464 560 000	502 754 000	545 500 000
FMG	1 000 000	1 465 000	1 200 000	1 200 000
EPWP	5 908 000	8 818 000		
SHARED SERVICES	300 000	550 000	550 000	600 000
SPATIAL DEVELOPMENT FRAMEWORK SUPPORT	0	1 250 000	0	0
ECONOMIC DEVELOPMENT(MAJOMELA MANUFACTURING CENTRE)		4 250 000	4 463 000	4 708 000
TOURISM (THOKAZI ROYAL LODGE)		5 000 000	5 290 000	5 581 000
TOURISM STRATEGY	700 000		735 000	776 000
OPERATING COSTS OF ART CETRES	1 911 000	1 911 000	1 911 000	1 911 000
MIG	220 762 000	225 574 000	238 887 000	258 040 000
RBIG	131 498 000	163 774 000	133 774 000	200 000 000
WSIG	115 000 000	100 000 000	105 000 000	110 000 000
RRAMS	2 364 000	2 504 000	2 648 000	2 794 000
TOTAL	904 209	979 656	997 212	1 129 910

	000	000	000	000
--	-----	-----	-----	-----

The Act allocates grants to municipalities. The growth level in this year's allocation is the average rate of 7.6 per cent across the board. Allocation made towards the municipality are tabled below.

13.4.3 The Revenue Budget

An increase of 6 % is proposed to be effected on Tariffs.

The assumed collection rate based on the current collection level is expected to be 85% of billable revenue, taking into account that there are debtors paying for prior years and the revised revenue enhancement strategy.

13.4.4 Employee Related Costs

The South African Local Government Council last year entered into a three-year salary and wage collective agreement. A propose increase of 7.1% as per the Salary wage agreement will be effected on employee related costs.

13.4.5 Cost Containment Measures

Cost containment measures continue as our resolution. Hence the budget is largely informed by this. We continue to make it our practice a call by the State President to eliminate expenditures on the following:

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

13.4.6 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:

Table 116: Budget Related Policies

Name of policy	Description	Last review	Next review
Supply Chain Management Policy	To provide a policy framework within which the Accounting Officer & CFO	May 2008	NA

Name of policy	Description	Last review	Next review
	can institute supply chain management system of highest possible ethical standard.		
Occupational Health & Safety Policy	To ensure that health and safety of all ZDM Employees and its community is prioritised.	May 2008	NA
Policy on the use of & Application of Information Technology	The ancillary objective of this policy is to provide guidance to all current and future users of the computerised network.	May 2008	NA
Draft Banking & Investment Policy	The investment policy of the municipality is aimed at gaining the optimal return on investments, without incurring undue risks, during those periods when cash revenues are not needed for capital or operational purposes.	May 2017	NA
Fixed Asset Management Policy	To guide and manage the movable or immovable assets that are owned by or under the control of the municipality	May 2017	NA
Cash Management Fund & Reserves	This policy aims to set standards and guidelines towards ensuring financial viability over both the short and long term and includes funding as well as reserves requirements. It also ensures the operating and capital budgets of Council are appropriately funded and reserves are maintained at the required levels.	May 2017	NA
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.	May 2017	NA
ICT Policy	The policy provides guidelines for introducing and maintaining ICT in a controlled and informed	May 2017	NA

Name of policy	Description	Last review	Next review
	manner, while addressing the key elements of control and security.		
Management & Disposal of Asset Policy	The purpose of the Asset Disposal Policy is to provide a framework for the disposal of the municipality's assets that are not needed to provide the minimum level of basic municipal services and that are surplus to the municipality's requirements.	May 2017	NA
Risk Management Policy	The policy intends to guide the municipality in identifying, outsourcing, mitigating or managing strategic or operational risk in its mandated functions.	May 2017	NA
Subsistence & Travelling Allowance Policy	This policy sets basis for payment of subsistence and travel allowance for such official travelling.	May 2017	NA
Supply Chain Management Policy	The supply chain management policy provides for an effective system of strategic and operational procurement of goods and services according to law and standards.	NA	NA
Credit Control Policy	This policy serves to document the key elements of Credit Control and Debt Collection to be applied and monitored.	May 2017	NA
Indigent Policy	The Indigent Policy is intended to guide the national initiative to improve the lives of indigents and to improve access to Free Basic services. It provides a high level framework to guide the national initiative to improve the lives of the indigent.	May 2017	NA

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

Attached are the annual budget document for 2019/20& MTREF, Schedule of Tariffs and Budget Related Policies for 2019/20 financial year. As per the adopted Key deadline schedule. The Council is expected to approve the annual budget for 2019/20& MTREF before 31 May 2019.

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

13.5 MAIN BUDGET SUMMARY

Table 117: Main Budget Summary

	2018/19	2019/20	2020/21	2021/22
Revenue	1 055 655 105.00	1 039 915 200	1 065 385 935.00	1 203 607 358.00
Expenditure	639 758 502.00	602 200 961	550 292 374.00	592 168 569.00
Contribution to Capital	412 896 603.00	437 714 239	515 093 561	611 438 789
Capital Grants and Transfers	408 113 417.00	437 714 239	480 809 000	570 834 000
Capital Expenditure	408 113 417.00	437 714 239	480 809 000	570 834 000
Internally funded assets	4 783 184.00	0	0	0
Total Budget Revenue	1 055 655 105.00	1 039 915 200	1065385935	1 203 607 358
Total Budget Expenditure	1 055 655 105.00	1 039 915 200	1 065 385 935	1 203 607 358
	-	-	-	-

The total movement in budget is 1%

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 highlighted sections. Firstly, the operating budget will be reviewed. Thereafter, the Capital budget will be subjected to review.

13.6 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:

Table 118: Budgeted Financial Performance (Revenue and Expenditure)**DC26 Zululand - Table A4 Budgeted Financial Performance (revenue and expenditure)**

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Revenue By Source											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	17 653	13 282	-	20 923	38 723	38 723	38 723	35 000	36 890	38 882
Service charges - sanitation revenue	2	7 792	7 054	-	8 267	10 267	10 267	10 267	14 528	15 313	16 140
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		169	135		119	176	176	176	180	190	200
Interest earned - external investments		3 617	6 095		6 996	9 996	9 996	9 996	10 000	7 000	8 000
Interest earned - outstanding debtors		28	82		89	-	-	-	-	-	-
Dividends received						-	-	-	-	-	-
Fines, penalties and forfeits		-	-		71	160	160	160	90	95	100
Licences and permits		-	-		-	-	-	-	-	-	-
Agency services		-	-		-	-	-	-	-	-	-
Transfers and subsidies		372 665	354 619		434 585	434 585	434 585	434 585	486 554	523 062	566 896
Other revenue	2	5 170	1 980	-	96 048	96 548	96 548	96 548	1 351	1 816	2 333
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		407 094	383 246	-	567 098	590 456	590 456	590 456	547 703	584 366	632 551

13.6.1 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 **R6 million** has been set aside as a provision for working capital reserve (provision for non- collection). The municipality has provided for revenue forgone amounting to R10million, the R49,5 million service charges are exclusive of revenue forgone. 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 the moment the cost of production is higher than the revenue recovered and not all levels of category have increased.

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	6%
30-40kl	10%
>40kl	15%

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 **R10** million 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

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 2019/2020 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 toilets are handed over to the community and the expenditure is 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 etc.

13.7 OPERATING EXPENDITURE

Table 119: Operating Expenditure

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework	
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21
Expenditure By Type										
Employee related	2	162 210	–	182 250	190 100	190 100	190 100	200 126	209 316	220 922
Remuneration of councillors		6 634	6 825		7 722	8 222	8 222	8 222	7 940	8 368
Debt impairment	3	–	–		7 769	7 769	7 769	7 769	6 000	6 324
Depreciation	2	55 435	–	83 194	66 403	66 403	66 403	60 403	63 665	67 103
Finance charges										
Bulk purchase	2	82 214	–	83 431	98 340	98 340	98 340	30 441	32 085	33 817
Other material	8	38 223	57 910		23 745	15 165	15 165	15 165	9 875	10 409
Contracted services		81 254	–	178 345	162 117	162 117	162 117	173 757	138 294	156 896
Transfers and subsidies		–	–	–	–	–	–	–	–	–
Other expenditure	4, 5	91 518	–	55 577	56 498	56 498	56 498	113 659	81 832	86 974
Loss on disposal of PPE										
Total Expenditure		517 487	64 734	582 797	612 693	604 613	604 613	609 542	549 006	590 813

13.7.1 Employee Related Costs

The employee related costs comprise **34%** of the total operating budget inclusive of councilor's remuneration. The primary reason for the increase is an annual increment of 7.1% including the notch increases. The 7.1% is not affected to all allowances and contribution e.g. medical contribution, car allowances etc. This is above the norm of **30%**.

13.7.2 Councilor's Allowances

A 7.1% increment for Councilor's remuneration is provided for and also taking into account the upper limits in 2018/19. In 2019-2020 there was a higher allocation for sitting allowance for special sittings of councilors, in 2019-2020 we have provided according to planned sittings.

13.7.3 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.

13.7.4 Depreciation

This is a non-cash item budgeted for as per the stipulation of the new accounting standards. The depreciation is estimated based on the current asset available and the one we have budgeted.

The increase is based preliminary 2018/2019 financial statements and 2019-2020 budget year. The depreciation calculation takes into account assets that are still in progress but will be completed in the following financial years.

13.7.5 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 2018-2019 and previous. For example, ESKOM. It is assumed that electricity tariffs of Eskom will increase as from 1 July 2019, as approved by NERSA. The municipality have increased the budget by 5.2%.

13.7.6 Other Materials

Other material has decreased because some of items that were allocated to other material in 2019-2020 were not forming part of material but maintenance. In this financial year, it is in the correct maintenance vote.

13.7.7 Contracted Services

Contracted services have increased due to the fact that not every item that we provide is done internally including maintenance, security etc.

13.7.8 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 needs of the community.

13.7.9 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 2020/2021 will be completed during the financial year as there were budgeted for, the depreciation of such projects as per general recognized accounting practice.

13.7.10 Repairs and Maintenance

Buildings

The budgeted amount is for the maintenance of municipal buildings.

Vehicles

The municipality is in progress trying to find the better way of maintaining and repairing the vehicles. Municipality is considering even leasing fleet.

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 and Sanitation.

13.8 CAPITAL BUDGET

Table 120: Capital Budget Summary

	2018/19	2019/20	2020/21	2021/22
Capital Grants and Transfers	408 113 417.00	437 714 239	480 809 000	570 834 000
Capital Expenditure	408 113 417.00	437 714 239	480 809 000	570 834 000
Internally funded assets	4 783 184.00	0	0	0
	-	-	-	-

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. The increase in capital project result from the increase in grants allocation from national treasury.

13.9 KEY ZULULAND DISTRICT MUNICIPALITY BUDGET PRINCIPLES

A change from the norm in proposing this budget a strategic session was held where key proposals were put forward. For the success to this budget key principles had to be agreed upon that trying to turn around the performance of this municipality.

13.9.1 Revenue Collection

- Data cleansing using TransUnion,
- Rural billing,
- Schools database,
- Incentives proposal,

- Dedicated Task team,
- Call centre,
- Debt collection SP intensify,
- Water Metering replacement,
- Other revenue streams.

13.9.2 Tariff Rates Increase

- Cost reflective tariff.

13.9.3 Vat Refunds

- Support for reserves on:
 - Retention,
 - WSSA debt,
 - Dept. WS.

13.9.4 Salaries Budget

- The expenditure is above normal due to the implementation of the organogram that was approved after the budget was approved.
- There are posts which were advertised and filled outside budget.

13.9.5 Overtime

- Overtime has been unavoidable. The December 2018 office closure was demanded by staff to be a public holiday with an intension to claim overtime.
- Limited reaction teams to alternate for customer care and emergency repairs requests.

13.9.6 Standby

- There is also idle staff whenever the plant is broken. Also, when the teams are sharing the transport. Those that are on standby or shift submit claims for overtime as a team. Yet one or two people actually perform the work.
- Expand reaction teams.

13.9.7 Travelling Claims

- Over 100% increase on expenditure for councillors' travel claims.
- Policy intervention needs to be looked at.
- Claims be supported by approval of invitation by Speaker.
- Confirmation of ownership of vehicles.
- Only ZDM activities will be acknowledged and attended by relevant portfolio.

13.9.8 Wssa Contract

- The municipality has been unable to service old outstanding debt to WSSA. We need to commit to address the outstanding balance to boost our ability to remain a going concern organisation.
- We still struggle to afford maintenance of the current invoices running at R4,8 million a month.
- Seeing that the cost might escalate, the tender was withdrawn. The expenditure towards water maintenance is on a month to month. This will mean irregular expenditure.
- Insourcing some of the services provided by capacitating the current personnel.

13.9.9 Water Tankers

- The budget for water tankers is fully spent yet six months still to travel. Not less than R3.8 million a month is spent on this. This is a service provided as an emergency. It is not sustainable. It also lacks efficiencies. No guarantee that a water tanker is paid for what it delivered.
- Over and above this, calls for intervention often come to put up temporary measures like JOJO tanks. These are not normally get budgeted for.
- Bulk water delivery schemes are not functional in most areas. Investigation points to the fact that water schemes are not achieving their design purpose, vandalism and illegal connections. Water sources are poor. Other bulk schemes remain as work in progress for years and going into phases. All this contribute to maintenance costs that is poorly budgeted.
- Insourcing this function:

Current expenditure	R45 000 000-00
Proposed 20 trucks @ R1200 000-00	
Proposed 3 TLBs @ R700 000-00	R2 100 000-00
Proposed 3 honey suckers @ R700 000-00	R1 800 000-00
Proposed 1 lowbed truck @ R400 000-00	R400 000-00
Proposed 15 Bakkies @ R350 000-00	R5 250 000-00
TOTAL	R33 850 000-00
Savings	R11 150 000-00

Therefore, a lease to own agreement will be arranged.

13.9.10 Contracts

- Contract that are not critical to running of the organisation, (Contract register).
- Review all contracts.

13.9.11 Public Participation

- The participation process is a compliance issue. The latest public participation was done using a different mode. The use of event coordinator was saving the municipality in logistics. Quite a number of benefits. Yet, one of the mandates is to develop local economy, which this mode might compromise this mandate or the organisation will lack accountability on. This budget is exhausted.
- Prioritise programs.

13.9.12 Role Of Agency And LED

- The delay in implementing some projects assisted to ensure that the budget is re-allocated to support other prioritised programmes. One such key LED intervention is the order for tractors, which is set to clear all the balance.
- Transfer all LED budget to ZDM Agency R 7 600 000-00

13.9.13 Abaqulusi Water Provision

- The water challenges at AbaQulusi municipality came as a surprise to the very strained cash flow of the municipality. Cash is needed upfront to assist.
- Negotiated solution was to deduct from their invoice for expenditure incurred.

13.9.14 Security

- Assisted by a number of engagements it was noticed that VIP security got marginally reduced. However, PPE security was blocked by SCM processes being objected.
- While they are delays in tribunal appeal processes, sites need to be protected. Emergency measures were temporarily engaged. The premium is a bit costly which take all the savings achieved. This budget is not enough to take care of this allocation.
- Policy intervention.

13.9.15 Department of Water and Sanitation

- While the matter is being addressed in court, the payment plan has to be honoured. The current debt needs to be maintained from escalating. The monthly invoices are getting higher year on year.
- Cost of doing business is unsustainable especially if purified water cannot be sold at cost recovery tariff at least.
- VAT refund to support the cash backed principle.

13.9.16 Retention

- This is the amount of money that is normally not budgeted for, yet cash needs to be available when due. Due to low levels of cash, no ring fencing was done to pay these amounts when they become due.
- VAT refund to support the cash backed principle.

13.9.17 Operations and Maintenance Expenditure

- Now and again emergency arise which requires repairs on plant and borehole engines. An emergency intervention had to be found after the suspension of ZDM/003 tender process. We need to support this by the budget enough to complete the year.
- Insourcing on water tankers.
- Reduce scope for WSSA.
- Capacity to staff skills.
- Ensure monitoring.

13.9.18 Vehicle

- Due to the ageing of vehicles increased repairing is inevitable. What is disturbing is the constant breakage on these vehicles which leads to high cost of hire of equipment while they remain in the garage.
- Lease or buy.

13.9.19 SALGA Games

- Unexpected expenditure was incurred to secure accommodation. Uniform was also above estimate. To secure this year's accommodation will need more budget.
- Only portfolio councillors.
- Prioritise mayoral cup.

13.9.20 Grant Ring Fencing

- Cash backed reserves.

13.9.21 MSCOA

- 15 business processes.

13.9.22 SCM (Procurement Cycle)

- Automation of procurement.

13.9.23 Emergency Repairing and Maintenance

- Expand on reaction teams.

13.9.24 Vehicle Repair

- Replacement of fleet accompanied by competent fleet person.

CHAPTER 14: 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 15: ORGANISATIONAL PERFORMANCE

15.1 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

15.2 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 121: 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

RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
	Municipality formally adopted the IDP	Council; Exco; MM; HODs
Disclose requirements of the IDP	MM to submit copy of IDP to the MEC for local Govt within 10 days of its adoption by Council	MM
	Copy of IDP to MEC must contain : Summary of process adopted; Statement confirming that IDP development process has been complied with and a copy of the adopted framework	MM
	Municipality to give notice to Public, within 14 days of IDP adoption and makes copies available for Public inspection	Planning; Depts
	Municipality to publicize, within 14 days of IDP adoption, a summary of the Plan	Depts
Proposals on the IDP received from the MEC	If proposals received from MEC, proof must be obtained that : 1) IDP has been adjusted if proposals agreed to 2) Reasons have been provided to MEC where proposals not agreed to	Council; Exco; MM; HODs
Proposals for amending the IDP	If IDP amended, proof to be held that proposals were introduced by a member or committee of the Council	Council; Exco; MM; HODs
Amending the IDP	Proof must be obtained that notice was given by Municipality to all Council members before amendment adopted	Planning
	Proof must be obtained that prior to IDP amendment being adopted, public notice was issued for public comment allowing at least 21 days to comment on the proposed amendment	Planning; Depts
	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

2. DEVELOPMENT OF A FRAMEWORK FOR THE PMS		
RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
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

3. PROCESS FOR SETTING & REVIEWING KPIS

RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
	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	MM; HOD's

5. TRACK PERFORMANCE OF STAFF AND SERVICE PROVIDERS

RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
	the required intervals	
	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(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

6. DEVELOPMENT OF A MONITORING FRAMEWORK		
RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
	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 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

7. INTERNAL CONTROLS		
RESPONSIBILITY	KEY ACTIONS	PARTY(IES) RESP. FOR ACTIONING
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

15.3 ZDM SDBIP

Table 122: Implementation Plan (ZDM SDBIP 2019/2020)

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
Basic Service Delivery & Infrastructure	Continuously managing all developed infrastructure capital assets to minimize the total cost of owning and operating these assets while delivering the desired service levels & protecting the natural environment	Final 2020/2021 WSDP submitted to Council for approval by specified date	1	Input			Final 2019/2020 WSDP was submitted to Council for approval by 30 May 2019	To be measured in the 3rd & 4th quarter	To be measured in the 3rd & 4th quarter	Draft 2020/2021 WSDP submitted to Council for approval by 30 March 2020	Final 2020/2021 WSDP submitted to Council for approval by 30 June 2020	Final 2020/2021 WSDP submitted to Council for approval by 30 June 2020	Planning	Certified council resolution	✓
	(Effective Asset Management, internal&community capacity building, collecting revenue, tariffs, monitoring &	% of households with access to basic level of water (Reticulation-new household connections) (MPPMR (10)(a))	2	Output	Y	WSA std: 25kl per day or 6kl per household per month, within 200m, Minimum flow rate of 10l/minute	0.74	0.09	0.08	0.12	0.09	0.38	Technical	Design report, interim report and or Engineers certificate of completion	✓

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
	<i>evaluation, environmental management)</i>	% of households earning less than R1600 pm with access to free water (Note: Rudimentary) (MPPMR (10)(b))	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	0.03	0.03	0.04	0.04	0.14	Technical	Design report, interim report and or Engineers certificate of completion	✓
		% of households with access to basic level of sanitation as per WSDP (MPPMR (10)(a))	4	Output	Y	toilet which is safe, reliable, environment ally sound, easy to keep clean, provides privacy and protection	0.95	Not measured this quarter	0.07	0.05	0.23	0.35	Technical	Design report, interim report and or Engineers certificate of completion	
		% of households earning less than R1600 pm with access to free basic sanitation (MPPMR (10)(b))	5	Output	Y		0.95	Not measured this quarter	0.07	0.05	0.23	0.35	Technical	Design report, interim report and or Engineers certificate of completion	

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
		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	
		Percentage of a municipality's budget actually spent on identified projects for a particular financial year in terms of the municipality's IDP (MPPMR (10)(c))	7	Output	Y		100% of municipality's budget spent on identified projects	20% of municipality's budget spent on identified projects by 30 Sept 2019	30% of municipality's budget spent on identified projects by 15 Dec 2019	70% of municipality's budget spent on identified projects by 30 Mar 2020	100% of municipality's budget spent on identified projects by 30 Jun 2020	100% of municipality's budget spent on identified projects by 30 Jun 2020	ALL	Certified Ledger expenditure	✓
	Build adequate capacity, eliminate operational inefficiencies, streamline and refine processes and systems and establish partnerships with government and private sector to accelerate provision	Business plan to secure capital to implement refurbishment and rehabilitation of airport infrastructure submitted to MM by 30 Jun 2019	8	Input				Draft concept plan by 30 September 2019	Cost concept & table to portfolio committee by 30 December 2019	Draft Business Plan submitted to MM by 30 Mar 2020	Business Plan submitted to MM by 30 Jun 2020	1 Business Plans submitted to MM by 30 Jun 2020	Corporate	Bussiness Plan / Acknowledgement of receipt by MM's office	

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
	of universal, equitable & consistent access to the municipal services that local communities are entitled to (including schools and clinics) (Mobilise funding, service delivery model, manage indigents)	Advertise for expression of interest towards making the airport functional by 30/03/2020	9	Process				Draft concept plan by 30 September 2019	Draft concept plan tabled to portfolio committee by 30 December 2019	Advertise for Expression of Interest by 30/03/2020	Not measured in this quarter	Advertise for Expression of Interest by 30/03/2020	Corporate	Advert	
		Final 2020/2021 Disaster Management Plan submitted to Council for approval by 30 Jun 2019	10	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 by 30 September 2018	Conduct Situational Analysis and Strategies by 30 December 2018	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	
		20 Disaster Management Awareness campaigns held by 30 Jun 2020	11	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 2020	Corporate	Minutes confirming reports tabled and feedback reports	
		No of Disaster Management Workshop held by 30 Jun 2020	12	Output				To be measured in the fourth quarter	To be measured in the fourth quarter	To be measured in the fourth quarter	1 Disaster Management Workshop held 30 Jun 2020	1 Disaster Management Workshop held by 30 Jun 2020	Corporate	attendance register/ Approved Minutes, agenda	

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
Local Economic & Social Development	Promote the establishment of strategic tourism linkages and attractions of the District, while actively facilitating the development of authentic, focused and sophisticated	1 Disaster Management Forums held by 30 December 2019	13	Output				To be measured in the second quarter	1 Disaster Management Forums held by 30 December 2019	measured in the second quarter	measured in the second quarter	1 Disaster Management Forums held by 30 December 2019	Corporate	attendance register/ Approved Minutes, agenda	
		Number of food production site inspection reports produced per quarter	14	Process				25 production site inspection reports on file by 30 Sept 2019	25 production site inspection reports on file by 30 Dec 2019	25 production site inspection reports on file by 30 Mar 2020	20 production site inspection reports on file by 30 Jun 2020	95 production site inspection reports on file by 30 Jun 2020	Community	Approved inspection reports	
		Number of mortuary inspection reports produced per quarter	15	Process			51 mortuary inspection reports	12 mortuary inspection reports on file by 30 Sept 2019	12 mortuary inspection reports on file by 30 Dec 2019	12 mortuary inspection reports on file by 30 Mar 2020	12 mortuary inspection reports on file by 30 Jun 2020	48 mortuary inspection reports on file by 30 Jun 2020	Community	Approved inspection reports	
		Number of tourism awareness and training workshops held per year	16	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	

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
	tourism assets	Number of Tourism forums held per quarter	17	Output				1 Tourism forums held during the quarter	1 Tourism forums held during the quarter	1 Tourism forums held during the quarter	1 Tourism forums held during the quarter	4 Tourism forums held by 30 Jun	Community	Minutes / Agenda of Meeting	
	Promote skills development aligned with economic sectors to enable communities to participate in the local economy	Number of jobs created through LED initiatives and capital projects (MPPMR (10)(d))	18	Process	Y		200 jobs created through LED initiatives and capital projects	50 jobs created through LED initiatives and capital projects by 30 Sep 2019	50 jobs created through LED initiatives and capital projects by 30 Dec 2019	50 jobs created through LED initiatives and capital projects by 30 Mar 2020	50 jobs created through LED initiatives and capital projects by 30 June 2020	200 jobs created through LED initiatives and capital projects by 30 June 2020	Technical	Monthly progress reports and minutes to meetings, request from community and endorsement from ZDM	
		Number of people participating in ZDM Community Capacity Building Programmes by 30 Jun	19	Output				35 people participating in ZDM Community Capacity Building Programme by 30 Sept 2019	Measured in the first and third quarter	30 people participating in ZDM Community Capacity Building Programme by 30 Mar 2020	Measured in the first and third quarter	65 people participating in ZDM Community Capacity Building Programme by 30 Jun 2020	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	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
	Monitor and improve social cohesion through partnerships by enhancing implementation human community development, sports, cultural & social events targeted at vulnerable groups (youth, females, elderly)	Number of Schools/Early Childhood development centres(ECDs) inspected per quarter	20	Process				25 Schools/Early Childhood development centres(EC Ds) inspected by 30 Sept 2019	25 Schools/Early Childhood development centres(EC Ds) inspected by 15 Dec 2019	25 Schools/Early Childhood development centres(EC Ds) inspected by 30 Mar 2020	25 Schools/Early Childhood development centres(EC Ds) inspected by 30 Jun 2020	100 Schools/Early Childhood development centres(EC Ds) inspected by 30 Jun 2020	Community	Schools/Early Childhood development centres(ECDs) inspection reports	
		Number of District Youth Council Meetings held per quarter	21	Output				1 district youth council meeting held by 30 Sept 2019	1 district youth council meeting held by 15 Dec 2019	1 district youth council meeting held by 30 Mar 2020	1 district youth council meeting held by 30 Jun 2020	4 district youth council meetings held by 30 Jun 2020	Community	Minutes of meetings / Attendance Register	
		Number of quality of life Council Meetings held per quarter	22					1 quality of life council meeting held by 30 Sept 2018	1 quality of life council meeting held by 15 Dec 2018	1 quality of life council meeting held by 30 Mar 2019	1 quality of life council meeting held by 30 Jun 2019	4 quality of life council meetings held by 30 Jun 2019	Community	Minutes of meetings / Attendance Register	
	Reduce the impact of HIV/AIDS by partnering with communities and stakeholders, constantly evaluating, monitor, refine and implementing interventions focused on the	Number of HIV/AIDS awareness campaigns held per quarter	23	Process				2 HIV/AIDS awareness campaigns held by 30 Sept 2019	2 HIV/AIDS awareness campaigns held by 15 Dec 2019	2 HIV/AIDS awareness campaigns held by 30 Mar 2020	2 HIV/AIDS awareness campaigns held by 30 Jun 2020	8 HIV/AIDS awareness campaigns held by 30 Jun 2020	Community	Awareness campaigns report	

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
Municipal Transformation & Organizational Development	scourge														
	Building adequate infrastructure, equipment and resources to service to interface and respond to the needs of the community	8 vacant posts filled by 30 June 2020	24	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	✓
	Investing in a workforce that meets service delivery demand by implementing a culture of continuous learning and improvement	Number of Municipal Employees trained as per Workplace Skills Plan by 30 Jun 2020	25	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 2020	Corporate	Training Reports	✓

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
		Percentage of municipality's skills budget allocated actually spent on implementing its workplace skills plan (MPPMR (10)(f))	26	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	<input type="checkbox"/>
		HR Plan submitted to MM by 30 June 2020	27	Output				To be measured in the 4th quarter	To be measured in the 4th quarter	To be measured in the 4th quarter	HR plan submitted to MM by 30 Jun 2020	HR plan submitted to MM by 30 Jun 2020	Corporate	HR Plan/ Proof of submission to MM	
	Working with recognised worker unions active in the municipality to promote and encourage orderly collective bargaining	Employment Equity Report submitted to MM for approval by 30 Jun 2020	28	Output				Measured in the third quarter	Measured in the third quarter	Final Employment Equity Report submitted to MM by 30 Mar 2020	Measured in the third quarter	Final Employment Equity Report submitted to MM by 30 Mar 2020	Corporate	Acknowledgement of receipt by MM	

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
		Number of people from employment equity target groups employed in three highest levels of Management in compliance with a municipality's employment equity plan (MPPMR (10)(e))	29	Output	Y			3 people from employment equity target groups employed by 30 Sept 2019	3 people from employment equity target groups employed by 30 Dec 2019	3 people from employment equity target groups employed by 30 Mar 2020	3 people from employment equity target groups employed by 30 June 2020	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	✓
Municipal Financial Viability & Management	Establish and maintain a healthy financial state by maintaining a balance between assets and debt, operational efficiency, managing operating expenditure and increasing revenue	Outstanding service debtors recovery rate to revenue per quarter	30	output			0.68	0.25	0.25	0.25	0.25	0.25	CFO	BS902 Billing Report	
	Refine procurement systems and processes to	Number of successful appeals per	31	output			0	0	0	0	0	0	CFO	Supply chain management report /	

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
	respond to the demand for services	quarter												Memo from CFO to MM	
		Processing time of invoices per quarter	32	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	
	Manage, monitor and review existing financial systems to support effective budget monitoring and compliance	Reviewed Financial Statements submitted by 31 Aug 19	33	Process			Reviewed Financial Statements submitted by 31 Aug 18	Reviewed Financial Statements submitted by 31 Aug 19	Measured in the first quarter	Measured in the first quarter	Measured in the first quarter	Reviewed Financial Statements submitted by 31 Aug 19	CFO	AG receipt	✓
		Final 2020/2021 budget submitted to Council for approval by 30 Jun 2019	34	Process			Final 2019/2020 budget submitted to Council for approval by 30 May 2019	Measured in the third quarter	Measured in the third quarter	Draft 2020/2021 Budget tabled to Council by 30 Mar 2020	Final 2020/2021 Budget tabled to Council by 30 June 2020	Final 2020/2021 Budget tabled to Council by 30 June 2020	CFO	Council resolution	✓
		Quarterly SDBIP reports for 2019/2020 submitted to Mayor by the end of each quarter	35	Process			Quarterly SDBIP reports for 2019/2020 submitted to Mayor by 14 July 2019	Quarterly SDBIP report submitted to Mayor by 19-Oct-19	Quarterly SDBIP report submitted to Mayor by 19-Jan-20	Quarterly SDBIP report submitted to Mayor by 19 April 2020	Quarterly SDBIP report submitted to Mayor by 19 July 2020	Quarterly SDBIP report submitted to Mayor by 19 July 2020	CFO	Acknowledgement of receipt by Mayors office	✓

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
		Annual report 2017/2018 submitted to Council by 30 Jan 2019	36	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 2020	CFO/Corporate	Council resolution	✓
		Percentage of accounts adjustments effected per quarter	37	output			0.27%	3%	3%	3%	3%	3%	CFO	Financial report	
		Budget inputs for adjustment budget submitted to CFO by 15 Dec 2019	38	input				Measured in the second quarter	Budget inputs for adjustment budget 2018/19 submitted to CFO by 15 Dec 2019	Measured in the second quarter	Measured in the second quarter	Budget inputs for adjustment budget 2018/19 submitted to CFO by 15 Dec 2019	ALL	Memo	
		Maintain unqualified audit opinion from the Auditor General	39	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	✓
		Number of Audit committee meetings held per quarter	40	output			14 Audit committee meetings held	1 Audit committee meetings held by 30 Sept 2018	1 Audit committee meetings held by 15 Dec 2018	1 Audit committee meetings held by 30 Mar 2019	1 Audit committee meetings held by 30 Jun 2019	4 Audit committee meetings held by 30 Jun 2019	CFO	attendance register/ Approved Minutes to meetings	

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
		Percentage of audit queries addressed from the AG report by end of the financial year	41	output			70% audit queries addressed from the AG	Not measured in this quarter	5% audit queries addressed from the AG by 15 Dec 2018	45% audit queries addressed from the AG by 30 Mar 2019	100% audit queries addressed from the AG by 30 Jun 2019	100% audit queries addressed from the AG by 30 Jun 2019	CFO	Audit Action Plan Report	
	Apply sound financial management practises to keep a positive cash balance, coverage and liquidity ratios	Cost Coverage ratio achieved per quarter (MPPMR (10)(g))	42	outcome	Y		1.25	3	3	3	3	3	CFO	Expenditure report and bank statements	
		Debt Coverage Ratio achieved per quarter (MPPMR (10)(g))	43	outcome	Y		0	3	3	3	3	3	CFO	GS560 report & MoA	
Good Governance&Public Participation	Promote transparent and accountable governance through regular community engagements	6 Senior Manager performance agreements signed by 31 July 2019	44	Output			6 Senior Manager performance agreements signed	6 Senior Manager performance agreements signed by 31 July 2019	Measured in 1st Quarter	Measured in 1st Quarter	Measured in 1st Quarter	6 Senior Manager performance agreements signed by 31 July 2019	Planning	Performance Agreement	✓
	Systematic review and monitoring implementation of all municipal policies, bylaws, strategies plans and	Number of stakeholder alignment meetings held by end of the financial year	45	Output				2 stakeholder meetings held by 30 Sept 2019	2 stakeholder meetings held by 15 Dec 2019	2 stakeholder meetings held by 30 Mar 2020	2 stakeholder meetings held by 30 Jun 2020	8 stakeholder meetings held by 30 Jun 2020	Planning	Minutes of meetings / Attendance Register	

KEY PERFORMANCE AREA	Strategic Objective	Indicator	Indicator No.	Indicator Type	National KPI	Standard	Baseline	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2019/2020	KPI responsibility	Portfolio of Evidence	KPI Applicable to MM
								Target	Target	Target	Target	Annual Target			
frameworks in line with any applicable legislation		Date of submission of 2019/2020 IDP Framework Plan to Council for adoption	46	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	
		Integrated Development plan 2020/2021 submitted to Council for adoption by specified date	47	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	✓

CHAPTER 16: 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: MUNICIPAL BUDGET 2019/2020

ANNEXURE 2: DISASTER MANAGEMENT PLAN