

## SECTION A: EXECUTIVE SUMMARY

### 1.1 Introduction and Background

The Emadlangeni Municipality undertook a review of its Integrated Development Plan (IDP) to achieve the following;

- To ensure that the document is still in line with the needs of the community.
- Inform the preparation of the annual budget.
- To empower communities and ensure integrated planning in the Municipality; and
- Inform the institutional planning of the Municipality.

The IDP as a legislative requirement has a legal status and it super cedes all other plans that guide development at local government level. It carries both the mission and vision for the Municipality with clear objectives and strategies linked to the term of office for Councilors.

The IDP for the period 2011/12 for Emadlangeni Municipality seeks to have the following impacts:

- A programme specifying the time frames for the different planning steps;
- Integrated and sustainable settlement;
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP drafting process;
- Environmental Sustainability; and
- Mechanisms and procedures for vertical and horizontal alignment and therefore a strengthening of inter-governmental relationships.

As part of the IDP preparation process, Council resolved to establish an IDP Steering Committee which comprise the Emadlangeni Management Committee, Ward Councillors, the Municipal Manager and the IDP Manager.

The IDP Representative Forum (IDP RF) was constituted as part of the preparation phase of the IDP and will continue its functions throughout the annual IDP Review processes. The proposed composition of the IDP RF include the EXCO members, Councilors, Traditional leaders, Ward Committee Chairpersons, Senior municipal officials, Stakeholder representatives of organized groups, resource persons, other community representatives, National and Provincial Departments' regional representatives, NGO's, Parastatal organisations, Tourism Association and Agricultural Association.

During this IDP process the main roles and responsibilities allocated to each of the role players have been set out.

Four major functions can be aligned with the public participation process namely:

- Needs orientation and prioritization;
- Appropriateness of solutions;
- Community ownership; and
- Empowerment.

The Emadlangeni Municipality seeks to actualize and make real the principles of the Constitution, the Freedom Charter and the KwaZulu-Natal's Citizen's Charter through the IDP. As such, through the IDP and its processes, the Municipality seeks to:

- Actively engage with citizens of the Municipality and its partners;
- Operate fairly and be accessible to everyone;
- Promote choice within the area;
- Continuously develop and improve the quality of life of all its citizens;
- Effectively and efficiently utilize resources allocated to it; and
- Improve the opportunities and quality of life in the communities it serve.

## 1.2 Who are we?

Emadlangeni Local Municipality (KZ 253) is surrounded by Newcastle East (52km), 68km west of Vryheid, South West from Dundee and North East from Volksrust/Wakkerstroom. It consists of a vast rural area when compared to other Municipalities in the District but has a low percentage of Economic Activity in the area.

Emadlangeni Local Municipality consists of approximately 1400 commercial farms areas surrounding the town. Table 1 below is a table briefly summarizing the key facts and figures for the Municipality as per the Community Survey of 2007 and the Amajuba Baseline Data Study. Additional information in this regard will be highlighted under the Analysis Phase of this report

Table 1: Summary of the basic facts and figures

Basic facts	Basic figures			
	Stats SA 2001	Amajuba Backlog 2005	District Study	Stats SA Community Survey 2007
Total population	32 277	35 962		23 263
Total number of households	6 189	5 663		5 211
Amajuba District Municipality	468 037	491 102		442 266
% of total population urbanized	10%	19.6%		22.8%
% of total population living in rural areas	90%	80.4%		77.2%
Age profile				
0-9	23%	6.1%		22.1%
10-19	22%	14.4%		20.5%
20-29	19%	33.2%		18.6%
30-39	12%	39.6%		15.6%
40-49	10%	6.7%		9.0%
50+				14.1%
% Household with no income	39.28	17.7%		51.5%

(Sources: Stats S.A. Community Survey 2007, Amajuba Backlog Study, 2005 and HIS Global Insight 2008)

## 1.3 What are the issues we face?

### Economic Growth

In terms of the Community Survey 2007, 77% % of the population is rural, and 42% are under the age of 19. 13.6% of the adult population has no education and only 1.7% of the population older

than 20 years of age with a higher education qualification. This poses significant challenges for managing the municipality and specifically growth of the economy in the municipality.

## HIV/AIDS

In 2006, Amajuba DM had the highest HIV prevalence estimates amongst antenatal clinic attendees in the province at 46%. This figure was well above the comparative figures for most of the districts in the province. The figure for Amajuba however decreased to 39.4% in 2007. Although still high, this figure is exceeded in at least three other districts in the province. The management of the impact of HIV/AIDS is a key challenge that faces the municipality

## Infrastructure and Services

The Emadlangeni municipality has an extensive area under its jurisdiction and although infrastructure of good quality exists in town, minimum infrastructure exists in rural areas. A key challenge for the municipality is to fulfill its legislative mandate in providing access of basic services to all the constituents within the municipality.

### **1.4 What opportunities do we offer?**

The following areas of growth potential have been identified in the IDP, namely:

- The further development of the Balele Nature Reserve at Utrecht;
- The development of the Emadlangeni fly-fishing Meander;
- The development of housing projects including the formalization of Kingsley, Groenvlei, Clouds End Housing, and Housing development in and around Utrecht which will result in the expansion of the rates base;
- Soya production in Emadlangeni on large scale for processing at facilities being established near Newcastle;
- The further development of the dairy industry to focus on the export of milk, cheese, powder milk, yogurt and fruit juice at the facilities being established near Newcastle.
- Reviving of mining activities by assisting the applications of mining licenses in the area.

### **1.5 What are we doing to improve ourselves?**

Emadlangeni Municipality is putting appropriate systems in place to build capacity and deliver services to communities.

This is achieved through the Municipality's alignment of the various line function departments, as well as the District Municipality, in order to provide residents with access to basic services. The Municipality is also devoting substantial energy and resources to kick-start the local economy with innovative projects as identified in 1.5 above.

### **1.6 What can you expect from us over the next 5 Years?**

The approach that needs to be followed is that Emadlangeni Municipality together with Amajuba District Municipality balance the provision of basic services, with the need to create economic opportunities for Local Economic Development. With greater potential incomes and levels of

employment, community members are better able to pay for services and this making the roll-out of services quicker and more effective.

## 1.7 The Performance Management System

### In terms of answering the question of “How will our performance be measured?”

Section I of the IDP deals with the reviewed PMS. Section 2.4 under Section B deals with the structures created by the Municipality where the progress on the implementation of the budget and IDP are regularly presented to community members and interested parties.

## 1.8 The 2011/12 review

### 1.8.1 Issues to be addressed in the IDP review

The issues to be addressed in this round of the IDP Review are summarized as follows:

- (i) **Assessment issues**
  - a. Comments received from the various role-players in the assessment of the IDP.
  - b. Shortcomings and weaknesses identified through self-assessment.
- (ii) **Review of the Strategic elements of the IDP in terms of Priorities of Council and the Objectives of Management**
  - a. Review of the Strategic elements of the IDP; and
  - b. Review of elements of the Spatial Development Framework.
- (iii) **Inclusion of new information where necessary**
  - a. Addressing areas requiring additional attention in terms of legislative requirements not addressed during the previous years of the IDP Review Process (ie. MFMA)
  - b. Alignment of the IDP with newly completed Sector Plans at District Municipal level;
  - c. Review of the Strategic elements of the IDP;
  - d. The alignment of the Performance Management System (PMS), in terms of Chapter 6 of the MSA, with the IDP;
  - e. The update of the Financial Plan, the list of projects (both internal and external funded), and the 3-year capital investment framework.

The following comments were received from the MEC for Co-operative Governance and Traditional Affairs on the 2010/11 IDP, namely:

Table 2: Comments from the MEC on the 2010/11 IDP

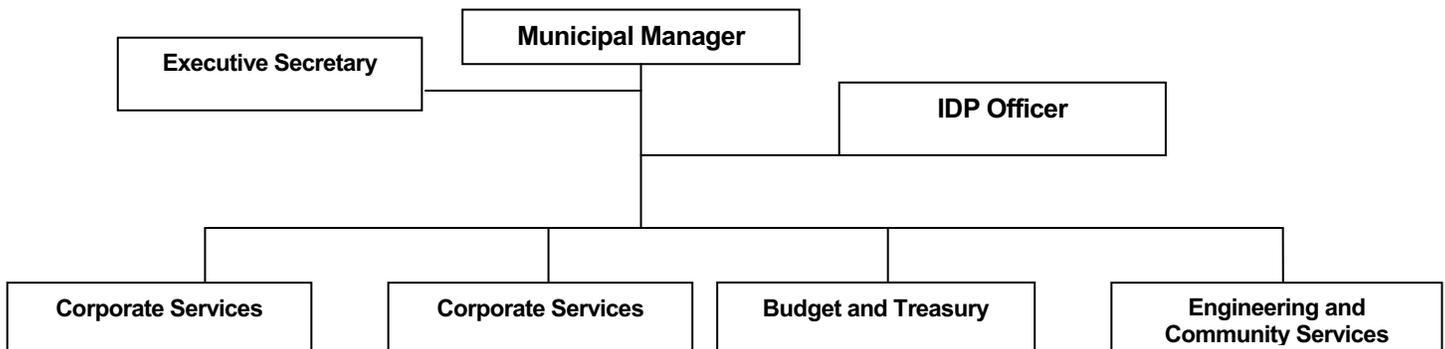
Focus Area	MEC's Comment	Response
Municipal Transformation and Institutional Development	<ul style="list-style-type: none"> <li>• Inclusion of the fully functional PMS.</li> <li>• Organisational structure indicating vacant or occupied posts.</li> <li>• Implementation of HR policies.</li> </ul>	<ul style="list-style-type: none"> <li>• PMS Scorecards developed and attached at Section I.</li> <li>• Organisational structure at Appendix K. Key vacant posts identified in Section B.</li> <li>• Status of HR policies in Section B.</li> </ul>

Service Delivery and Infrastructure Development	<ul style="list-style-type: none"> <li>An Indication of holistic planning which are lacking in the municipality.</li> <li>Status of sector plans</li> <li>Provision of free basic services</li> </ul>	<ul style="list-style-type: none"> <li>CIP outdated and to be reviewed however, ADM has provided an overview of infrastructure needs and how these backlogs will be addressed.</li> <li>Sector Plans at Section E.</li> <li>Provision of Free Basic Services covered under Section B and budget allocation is covered under Section H.</li> </ul>
Local Economic Development	<ul style="list-style-type: none"> <li>Status of the draft LED plan</li> <li>Implementation of LED</li> </ul>	Draft LED Plan reviewed and attached as Appendix K.
Financial Viability and Management	<ul style="list-style-type: none"> <li>Preparation of financial plan</li> <li>Linking projects and PMS</li> <li>Auditor General Comments</li> </ul>	<ul style="list-style-type: none"> <li>Financial Plan included in Section H.</li> <li>PMS scorecards developed and attached in Section I.</li> </ul>
Good Governance and Public Participation	<ul style="list-style-type: none"> <li>Inclusion of the communication strategy</li> <li>Mainstreaming special groups</li> </ul>	Addressed in Section B
Spatial Framework	<ul style="list-style-type: none"> <li>Alignment of the SDF with NSDP and PSEDS</li> <li>Spatial of the capital investment framework</li> <li>Inclusion of the Environmental Management Plan</li> </ul>	SDF attached at Annexure J1.

1.8.2 Institutional Arrangements

- Departmental Structure**  
The institutional structure for the IDP is summarized below and an analysis of it is undertaken in Section B with the full organogram contained in Appendix K.14

Figure 1: Emadlangeni Institutional Structure



The Heads of each department mentioned above, roles as well as responsibilities are directly linked to the Performance Management System in terms of Section 57 of the Municipal Systems Act. This is turn monitors and reports the performance as suggested in legislation.

- **IDP Representative Forum meetings**

Emadlangeni's Integrated Development Planning Representative Forum (IDPRF) forms the basis for the overall public participation on the IDP. The Emadlangeni local community is represented widely in this forum and with sufficient attendance being experienced. This forum includes the following stakeholders; Councilors, Traditional representatives (Amakhosi), Ward committee representatives, Senior Municipal Officials, National and Provincial Departments (regional representatives) and NGO's. Listed below is the proposed IDPRF meetings (as illustrated in the Process Plan) and the actual dates of which the meetings took place.

Below are the dates of the proposed RF meetings as scheduled in the Process Plan.

- 12 May 2010
- 10 September 2010
- 26 November 2010
- 19 February 2011
- 20 May 2011

RF meeting were not held as scheduled however, budget and IDP were considered at the budget roadshows.

- **IDP Steering Committee meetings**

The Integrated Development Planning Steering Committee (IDPSC) comprises of the Municipal Manager, Heads of Departments, Councilors and the IDP Manager. The Steering committee is responsible for the overall alignment, monitoring and evaluation of the review process. It is the technical and advisory support committee for the IDP.

Listed below are the proposed and actual dates set as per the Process Plan for the IDP Steering Committee.

- 24 August 2010
- 20 October 2010
- 15 February 2011
- 22 May 2011

- **IDP and Budget Public Participation meetings**

The IDP and Budget Public Participation meetings served as consultation with the broad public. The meetings provided a platform to brief communities, receive comments from the public and suggestions that is considered in the 2011/2012 financial year. The table below consists of the proposed and actual dates of these meetings.

Table 3: Budget public meetings dates

Proposed Date	Actual Date	Area	Ward No.
19 September 2010	19 September 2010	Nhlazadolo Luthilunye	3 1
21 October 2010	21 October 2010	Mgundeni Groenvlei	1 4
28 October 2010	28 October 2010	Luthilunye	1
02 November 2010	02 November 2010	Vaal Bank	4
15 November 2010	15 November 2010	Town Hall	2
23 November 2010	23 November 2010	Blue Mountain	4
29 November 2010	29 November 2010	Ndlamlenze	1
1 December 2010	1 December 2010	All	
06 December 2010	07 December 2010	Ndwakazane Nkululekweni	3 1
13 December 2010	13 December 2010	Dorothea	1
22 April 2011	22 April 2011	Public meeting	2
25 April 2011	25 April 2011	Public meeting	1
May 2011	May 2011	Public meeting	3 and 4

- **Joint Coordinating Committee**

The joint coordinating committee was established early 2009 and consists of the following members – Municipal Mayor, Municipal Manager, Planning staff, 5 Traditional Councils as well as a representative from Cooperative Governance and Traditional Affairs will meet on a regular basis.

The IDP will form part of the agenda of the quarterly meetings and projects and the implementation thereof will be discussed.

- **Alignment with Service Providers**

The alignment of the Emadlangeni IDP with Sector departments and their Medium Term Expenditure Frameworks (MTEFs) remains a challenge. The following sector departments are roleplayers to the IDP process;

- Department of Health
- Department of Economic Development
- Department of Education
- Eskom
- Department of Public Works
- Department of Housing
- Department of Transport
- Department of Agriculture
- SEDA

More information on the different Departments functional plans and budgets, are as illustrated on the Section E of the IDP.

- **District Alignment with the Emadlangeni Municipality**

Support from the Amajuba District Municipality in the overall alignment of the IDP review process is to be commended on. Two committees currently exist promoting this function i.e. IDP and PMS Committee and the Development Planning Forum. Meetings take place bimonthly with the IDP and PMS Committee ensuring alignment of the three local and the District's IDP. The Development Planning Forum addresses all other planning matters that include the SDF, LUMS and statutory planning requirements.

- **Compliance with the Process Plan**

A Process Plan was prepared and adopted by Council in July 2010. It is compiled as part of the IDP reviewing process and serves as a management tool in the reviewing of the IDP. The Process Plan, in accordance with the legislative requirements, sets out the following:

- A programme identifying planning activities and associated timeframes;
- Mechanisms and procedures for participation and consultation;
- The institutional arrangements to manage the IDP; and
- Plans and planning requirements binding the municipality in terms of legislation.

## 1.9 Financial Plan

The following table summarises the income and expenditure for the Municipality in the next three year MTEF:

Table 4: Income and Expenditure

Year	Revenue	Capital Projects	Expenditure
2011/12	36 252 000	8 684 000	43 928 000
2012/13	37 638 000	10 558 000	47 512 000
2013/14	40 591 000	10 558 000	50 888 000

Further details are contained in Section H of the IDP.

## SECTION B: SITUATIONAL ANALYSIS

### 2.1 Introduction

Emadlangeni Municipality (KZ253) is located in the Amajuba District Municipality in the North-western corner of KwaZulu-Natal. Its area in kilometer squared is the largest in the district and comprises 3539km<sup>2</sup>. Newcastle (KZ252) and Dannhauser (KZ254) are respectively 1855km<sup>2</sup> and 1516km<sup>2</sup> in extent.

The main transportation route that links the district to the outer areas is the N11 (alternative route from Durban to Johannesburg but only a small section of this road borders on the western side of Emadlangeni). The R34 that runs through the district from west to east divides Emadlangeni into northern (Utrecht, Groenvlei, Blue Mountain) and southern areas (Kingsley, Waterval). The railway line is the main link from Durban harbor to Gauteng but again passes Emadlangeni only on its western and southern borders. The railway link between Utrecht and Newcastle is no longer in use due to the decline in coalmining in Emadlangeni.

Emadlageni has 5.26% of the total population for the district spread over 51.22% of the District's area. This relays to a 6.57 people per km<sup>2</sup>.

The summary of the current reality for Emadlangeni Municipality is contained below and provides a comparison of statistics obtained from Stats SA as well as a backlog study undertaken by the Amajuba District Municipality.

Table 5: Basic facts and figures

Basic facts	Basic figures		
	Stats SA 2001	Amajuba District Backlog Study 2005	Stats SA Community Survey 2007
Total population	32 277	35 962	23 263
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10-19	22%	14.4%	20.5%
20-29	19%	33.2%	18.6%
30-39	12%	39.6%	15.6%
40-49	10%	6.7%	9.0%
50+			14.1%
% Household with no income	39.28	17.7%	51.5%

Sources: Census 2001, IHS Global Insight 2008, Community Survey 2007.

## 2.2 IDP Process

### 2.2.1 Background

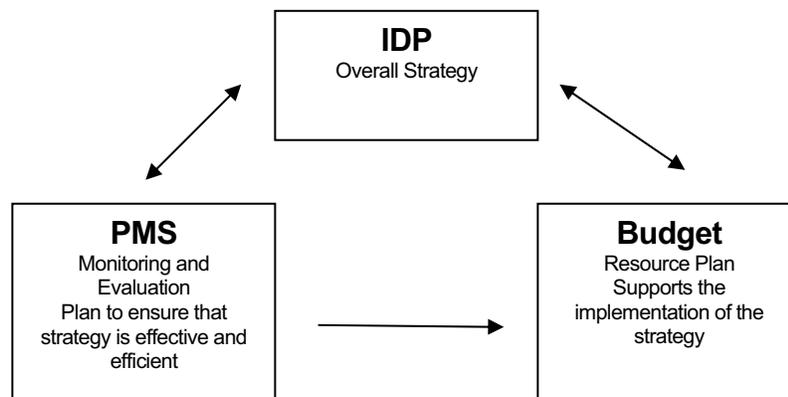
In terms of Section 25(1) of the Municipal Systems Act (Act 32 of 2000), each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which:

- Links, integrates and coordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which the annual budget is based; and
- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

The IDP adopted by a municipal council in terms of these sections of the act remains in force, although it may be amended, until an IDP is adopted by the next elected council. This IDP is the last review cycle of the current IDP process and will be implemented in the 2011/12 financial year.

The IDP remains the strategic planning instrument to guide and inform the planning, budgeting, performance management and decision making activities in the municipality. The diagram below summarises how the three processes link with one another.

Figure 2: IDP, Budget and PMS linkages



Another important function of the IDP is to guide the budgets of sector departments (National and Provincial) where their services and resources are required, in terms of needs and priorities identified in the IDP. In addition to guiding organs of state, the IDP should be an informative document to encourage, and guide potential investment in the municipal area.

### 2.2.2 Legislative Requirements

The Municipal Systems Act (Act 32 of 2000), together with the Local Government: Municipal Planning and Performance Management regulations, 2001 (R796 24 August 2001), set out the core components of the IDP's and the requirements for the public participation in their drafting.

The core components of the IDP as per the Municipal Systems Act include;

- Long term vision
- Assessment of existing levels of services.
- Development priorities and objectives
- Development Strategies
- Operational Strategies
- Disaster Management Plan
- Spatial Development Plan (having guidelines for LUMS)
- Key Performance Indicators and Performance Targets
- A financial Plan (over a 3-year period).

### 2.2.3 Approach in the preparation of the IDP

The approach followed in the preparation of the IDP was again informed by the guidelines prepared by Department Provincial and Local government (DPLG) as set out in the IDP guide packs. The guide packs advocate a process that is integrative, sustainable, issue-driven, people centered, practical and action oriented. The preparation of the IDP was undertaken in a phased manner, the focus of each phase being indicated below:

Phase 1: Analysis

Phase 2: Development Strategies

Phase 3: Projects

Phase 4: Integration

Phase 5: Approval

The format of the IDP is aligned with the Oct 2007 guidelines and the report structured as follows:

Section A: Executive Summary

Section B: Situational Analysis

Section C: Development Strategies

Section D: High Level Spatial Development Framework

Section E: Sector Involvement

Section F: Implementation Plan

Section G: Projects

Section I: Financial Plan and SDBIP

Section J: Annexure

Section K: Appendices

Areas to be addressed in IDP Review 2011/12 are:

**(i) Assessment issues**

- a. Comments received from the various role-players in the assessment of the IDP Review documentation for 2011/12;
- b. Shortcomings and weaknesses identified through self-assessment.

**(ii) Review of the Strategic elements of the IDP in terms of Priorities of Council and the Objectives of Management**

- a. Review of the Strategic elements of the IDP; and
- b. Review of elements of the Spatial Development Framework.

**(iii) Inclusion of new information where necessary**

- a. Addressing areas requiring additional attention in terms of legislative requirements not addressed during the previous years of the IDP Review Process (ie. MFMA)
- b. Alignment of the IDP with newly completed Sector Plans at District Municipal level;
- c. Review of the Strategic elements of the IDP;
- d. The alignment of the Performance Management System (PMS), in terms of Chapter 6 of the MSA, with the IDP;
- e. The update of the Financial Plan, the list of projects (both internal and external funded), and the 3-year capital investment framework.

**(iv) Comments received from the MEC for Local Government and Traditional Affairs on the 2010/11 IDP**

## 2.2.4 Response to the MEC Comments

Table 6: Comments from the MEC on the 2010/11 IDP

Focus Area	MEC's Comment	Response
Municipal Transformation and Institutional Development	<ul style="list-style-type: none"> <li>• Inclusion of the fully functional PMS.</li> <li>• Organisational structure indicating vacant or occupied posts.</li> <li>• Implementation of HR policies.</li> </ul>	<ul style="list-style-type: none"> <li>• PMS Scorecards developed and attached at Section I.</li> <li>• Organisational structure at Appendix K. Key vacant posts identified in Section B.</li> <li>• Status of HR policies in Section B.</li> </ul>
Service Delivery and Infrastructure Development	<ul style="list-style-type: none"> <li>• An Indication of holistic planning which are lacking in the municipality.</li> <li>• Status of sector plans</li> <li>• Provision of free basic services</li> </ul>	<ul style="list-style-type: none"> <li>• CIP outdated and to be reviewed however, ADM has provided an overview of infrastructure needs and how these backlogs will be addressed.</li> <li>• Sector Plans at Section E.</li> <li>• Provision of Free Basic Services covered under Section B and budget allocation is covered under Section H.</li> </ul>
Local Economic Development	<ul style="list-style-type: none"> <li>• Status of the draft LED plan</li> <li>• Implementation of LED</li> </ul>	Draft LED Strategy with implementation plan reviewed and attached as Appendix K.
Financial Viability and Management	<ul style="list-style-type: none"> <li>• Preparation of financial plan</li> <li>• Linking projects and PMS</li> <li>• Auditor-General Comments</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Plan included in Section H.</li> <li>• PMS scorecards developed and attached in Section I.</li> </ul>

Good Governance and Public Participation	<ul style="list-style-type: none"> <li>• Inclusion of the communication strategy</li> <li>• Mainstreaming special groups</li> </ul>	Addressed in Section B
Spatial Framework	<ul style="list-style-type: none"> <li>• Alignment of the SDF with NSDP and PSEDS</li> <li>• Spatial of the capital investment framework</li> <li>• Inclusion of the Environmental Management Plan</li> </ul>	SDF attached at Annexure J1.

### 2.2.5 Process Plan

Adding to the review of the IDP, a Process Plan was compiled and was approved by Council. It is attached at Appendix K13. The review process dealt with the following elements;

- (i) The draft IDP document tabled for Council's consideration and adoption in June 2010.
- (ii) Updating the IDP document based on;
  - Comments from the MEC on the 2010/2011 IDP.
  - The alignment of the IDP with the PMS and the budget.
  - Updating the Municipality's Objectives and Strategies.
  - The councilors, municipal officials and the broad communities were consulted in the review process through the IDPRF and the IDP and Budget Public-Participation meetings.
- (iii) Sufficient communication was kept with Municipal Councilors, Officials and the broad community and consultation during each phase through the Representative Forum meetings.
- (iv) The submission of the draft IDP 2011/12 by the 25<sup>th</sup> March 2011 as stipulated by Cooperative Governance and Traditional was taken into consideration in the Process.

### 2.2.5 Alignment Process

- (i) Amajuba District Framework Plan

The Amajuba District prepared a Framework Plan as part of the IDP review process. The purpose of this framework is to bind and link the three Local Municipalities and the District Municipality in planning and development. The Framework Plan facilitated a process through which proper consultation, co-ordination and planning for the district was ensured.

Key areas for alignment identified for this year's IDP review were:

1. The alignment of the four Spatial Framework Plans and the inclusion of the Local Economic Development plans' initiatives;
2. The integration of the Sector Plans prepared at District level into the IDP;
3. Community participation alignment
4. Project specific alignment

## (ii) District and Local alignment

The IDP and PMS Committee established during the 2007/08 review period remains the main vehicle for alignment between the District and Local Municipalities' IDPs.

## (iii) Sector Department Alignment

During this review the municipality has been engaging the Sector Departments on an ongoing basis through the IDP RF and letters sent to each department. The Amajuba District Municipality has also undertaken this process with the departments and provided this information to the LM's. The challenge to date has been to secure the relevant MTEF information from departments and the majority of this information for sector departments is still outstanding.

## 2.3 Statistical Analysis

### 2.3.1 Demographics

Table 7: Total Population

Area	Population			Households		
	Census 2001	Stats SA Community Survey 2007	2008 Global IHS	Census 2001	Stats SA Community Survey 2007	2008 Global IHS
Emadlangeni LM	32 277	23 263	40,316	6 187	5 211	7,063

Sources: Census 2001, IHS Global Insight 2008, Community Survey

The population and household figures for 2001 and 2007 indicates some differences amongst the various data sources as far as trends are concerned. In terms of total population for Emadlangeni, the 2007 estimate based on the Stats SA Community Survey 2007 is 23 263, whereas the Global Insight estimate for 2007 is 40 316 which is almost twice the number estimated in the Community survey and would thus have implications in terms of service delivery.

### 2.3.2 Densities

The population density of the Amajuba DM (67.7 people per km<sup>2</sup>) is lower than the provincial average of 101.5 people per km<sup>2</sup>.

Emadlangeni has an exceptionally low population density at 9 people per km<sup>2</sup>. The population density of Newcastle is approximately 179 people per km<sup>2</sup> (2.5 times higher than the district density). These figures are also clearly related to the urbanization rate in the district. Amajuba had the highest urbanization rate in the province at a figure of 55.8%.

Emadlangeni's urbanization rate was however very low compared to Newcastle (74.8%) and Dannhauser (22.8%). The areas of high population density are only found in the nodes being Utrecht town, Kingsley and Groenvlei settlements.

2.3.3 Age Profile

Table 8: Age profile

Age	0-9	10-19	20-29	30-39	40-49	50+
<b>Emadlangeni LM</b>	22.1%	20.5%	18.6%	15.6%	9.0%	14.1%
<b>Amajuba averages</b>	24.4%	22.7%	17.8%	12.4%	8.7%	14.0%

Source: Statistics SA: Community Survey 2007

Emadlangeni’s population has a very youthful age structure with 22.1% of the total population 9 years and younger. In addition 42.6% of the total population are 19 years and younger.

This youthful age structure corresponds with the District’s as well as the provincial profile. This has implications in terms of provision of schooling, health care and social services. It also implies that the dependency ratio is high.

2.3.4 Gender Profiles

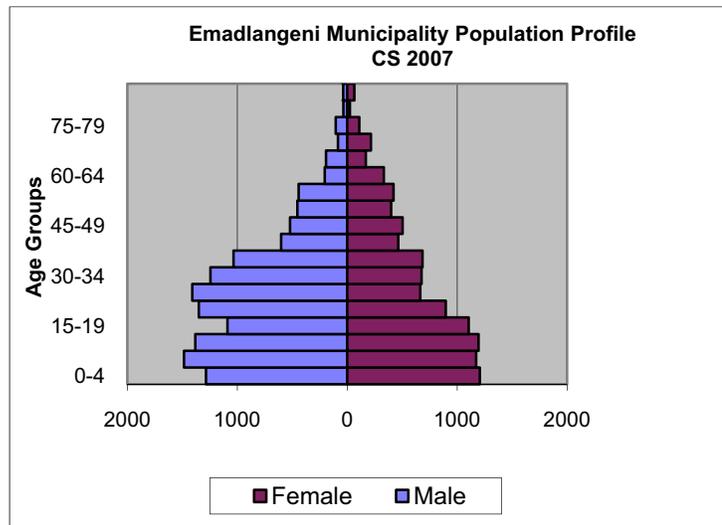
The gender structure for Amajuba District is marginally female dominated with 52.1% of the total population represented by females. The structure is very similar to the provincial profile. Emadlangeni’s gender structure is however male dominated at 55.7%.

Table 9: Population Statistics 2007

Age Categories	Male	Female
0-4	1 285	1 206
5-9	1 485	1 173
10-14	1 382	1 195
15-19	1 090	1 105
20-24	1 350	896
25-29	1 409	664
30-34	1 244	676
35-39	1 035	684
40-44	602	465
45-49	520	504
50-54	454	399
55-59	442	421
60-64	204	333
65-69	193	169
70-74	85	216
75-79	104	109
80-84	35	24
85+	36	65

Stats SA: Community Survey 2007

Figure 3: Population Pyramid 2007



Stats SA: Community Survey 2007

### 2.3.5 Educational Levels

Table 10: Educational levels - 2007

	Amajuba DM	Emadlangeni LM
Higher Education	2.9	1.7
Diploma with Gr12	2.9	3.2
Diploma with less than Gr12	1.7	1.8
Certificate with Gr12	5.1	1.4
Certificate with less than Gr12	3.4	0.6
Grade 11 and 12	24.2	22.6
Grade 10	25.3	21.1
Primary Schooling	26.2	34.0
No Schooling	8.3	13.6

Source: Stats SA Community Survey 2007

Similar to all other district municipalities in KZN, Amajuba DM is faced with the challenge of limited skills levels. Approximately 6% of the adult population older than 20 years of age in Amajuba have some form of tertiary qualification after completing grade 12 (diploma or higher education). Of this percentage, only 2.9% is represented by higher education. Emadlangeni's situation is similar with only 4.9% of the population older than 20 years of age with a tertiary qualification.

### 2.3.6 Economic Profile

#### (i) GDP

The Amajuba DM had the 4<sup>th</sup> largest Gross Domestic Product of the district municipalities in KZN at approximately R11.8 billion in 2007. It places the size of the local economy in the Amajuba District roughly in the same order of magnitude as the Ilembe DM and the Ugu DM.

Within the Amajuba DM, the bulk of the economic activity takes place in the Newcastle LM which accounted for more than 88% of the total GDP in 2007 (R10.4 billion).

#### (ii) Employment status

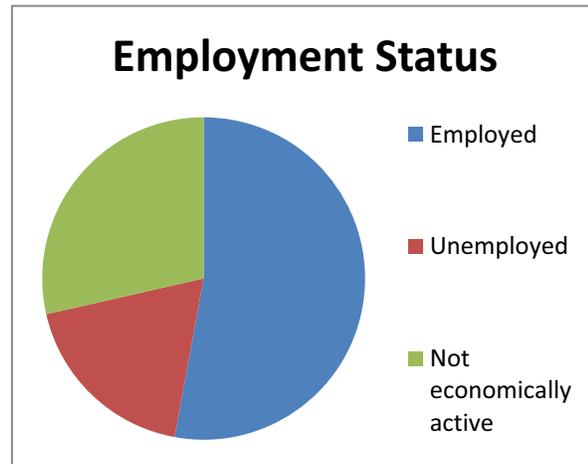
In terms of statistics for employment versus unemployment, Emadlangeni has approximately 53% of the economically active population employed (6 145) compared with 2157 (approximately 18 %) unemployed, and 3318 (approximately 29%) not economically active.

Table 11: Employment Status 2007

Employment status	Gender		Total
	Male	Female	
Employed	3230	2915	6145
Unemployed	921	1236	2157
Not economically active	1461	1857	3318

Stats SA: Community Survey 2007

Figure 4 : Employment Status 2007



Stats SA: Community Survey 2007

## (iii) Employment Sectors

The table below indicates the occupation of the people employed in the Emadlangeni Municipal area. A very small number is professional people; the 'Elementary' sector is the highest with occupations in 'craft and related trades workers' as well as 'skilled agriculture and fishery workers' some of the highest categories

Table 12: Occupation

Occupation	Males	Females
Legislators; senior officials and managers	388	71
Professionals	43	423
Technicians and associate professionals	35	53
Clerks	32	198
Service workers; shop and market sales workers	423	118
Skilled agricultural and fishery workers	400	204
Craft and related trades workers	474	205
Plant and machine operators and assemblers	284	63
Elementary occupations	817	1357
Occupations unspecified and not elsewhere classified	334	225
Not applicable/Institutions	5138	3263
Total	8369	6181

Source: Statistics SA Community Survey 2007

The table below indicates that the industries that are the different employers in the municipality. The major employers are agriculture, manufacturing and wholesale and retail trade.

Table 13: Industry

Industry Classification	Males	Females
Agriculture; hunting; forestry and fishing	382	30
Mining and quarrying	30	25
Manufacturing	342	132
Electricity; gas and water supply	27	9
Construction	78	191
Wholesale and retail trade	283	234
Transport; storage and communication	150	276
Financial; insurance; real estate and business services	230	116
Community; social and personal services	119	581
Other and not adequately defined	532	958
Unspecified	1057	367
Not applicable/Institutions	5138	3263
Total	8369	6181

Source: Statistics SA Community Survey 2007

(iii) Income

In terms of income, the largest proportion of the population being 51.5% receive no income and 11.7% of individuals between the ages 15 and 65 earn approximately R1600 per household per month. This has implications in terms of the implementation of the Indigent Policy and provision of free basic services.

Table 14: Individual monthly income

Income Classifications	Males	Females
No income	2734	3230
R 1 - R 400	255	572
R 401 - R 800	641	813
R 801 - R 1 600	1039	718
R 1 601 - R 3 200	176	101
R 3201 - R 6 400	218	298
R 6 401 - R 12 800	344	223
R 12 801 - R 25 600	128	32
R 25 601 - R 51 200	16	16
R 51 201 - R 102 400	7	-
R 102 401 - R 204 800	-	-
R 204 801 or more	16	13
Response not given	163	133
Total	5736	6147

Source: Statistics SA Community Survey 2007

## (iv) Indigent Population

The Municipality has an indigent policy in place and has recently reviewed the Indigent register which will inform the provision of free basic services. In terms of free basic services Emadlangeni provides 50kW per household per month as well removal of refuse once per week. The Amajuba District provides 6 kl per household per month and free basic sanitation.

## 2.4 Provision of Basic Infrastructure and Services

### 2.4.1 Introduction

The Emadlangeni area has an extensive area under its jurisdiction. Although infrastructure of good quality exists in the town of Utrecht, minimum infrastructure exists in rural areas. A CIP was completed for the municipality but due to the vacant manager technical services post, this is outdated. The post has recently been filled and the CIP will be updated. The DM has an internal backlog monitoring database which has been used in this section in the absence of the updated CIP.

### 2.4.2 Water

Amajuba District Municipality is the Service Authority & Uthukela Water is the Service Provider. In terms of water supply, access to piped water within a dwelling has increased from 21,1% in 2001 to 33,6% in 2007. It is a concern that approximately 30% do not have access to an adequate supply of water.

Table 15: Percentage access to piped water

Type of Water Source	Census 2001	CS 2007
Piped water inside the dwelling	21.1	33.6
Piped water inside the yard	10.3	9.9
Piped water from access point outside the yard	18.7	7.5
Borehole	11.4	13.6
Spring	6.8	6.6
Dam / Pool	6.3	5.3
River / Stream	20.5	18.8
Water vendor	1.6	0.8
Rain water tank	1.3	2.7
Other	2	1.1

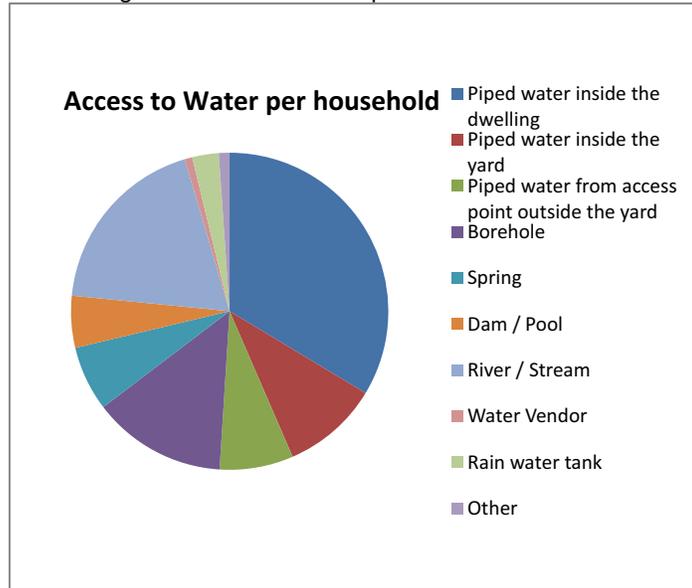
Source: Stats SA Census 2001 and Community Survey 2007

Table 16: Access to Water per Household – 2007

Access to water	Total
Piped water inside the dwelling	1 752
Piped water inside the yard	514
Piped water from access point outside the yard	391
Borehole	711
Spring	345
Dam / Pool	276
River / Stream	982
Water vendor	40
Rain water tank	141
Other	57

Stats SA: Community Survey 2007

Figure 5: Access to Water per Household – 2007



Stats SA: Community Survey 2007

(i) Urban Water Supply:

A water supply infrastructure is in a relatively good condition in Utrecht town.

The following priorities have, however, been identified for the urban areas (1-high and 10-low):

Project	Priority	Status
Enlargement of Raw water sources storage capacity for winter months (Enlarge storage dam)	(1)	<b>This has since been completed)</b>
<i>The list below has been referred to the Water service Provider</i>		
The replacement of water network due to high frequency of failure;	(1)	To be undertaken
Water Demand Management System as stipulated by law	(5)	To be undertaken
Re-equipping of water purification works; and	(3)	To be undertaken
Replacing of existing water meters with pre-paid meters.	(10)	To be undertaken

(ii) Rural Water Supply:

Regarding the rural area, a pressing need exist to provide basic water supply.

Many households are still obtaining their water from rivers and boreholes. It must be noted that many of the rural households form part of the land reform projects and that provision of services, including water, should have been provided through the establishment grant. These funds have as yet not

been budgeted for by the Department of Land Affairs and no clarity can be given to the municipality as and when this will happen.

(iii) Provision of Free Basic Water

The Amajuba District provides 6 kl per household per month to indigent households.

(iv) Addressing the Water Backlogs

The Emadlangeni Bulk water project :R49 220 640

On 11 September 2007 DWAF, approved funding for the provision of a bulk water project pipeline between Newcastle and Utrecht which will make use of excess capacity at the Ngagane Water works, to provide long term infrastructure towards the Newcastle East, including Madadeni, Osiziweni and Amatungwa where significant settlement growth has occurred. The project will utilise the existing 18 km pipeline from Buffalo River to Utrecht. In terms of its impact in Emadlangeni the following communities will be served from the new pipeline:

Table 17: Population and Water Demand that will be addressed by bulk pipeline

Settlement/Town	Households	Population 2007	Population 2027	Water Demand 2007 (kl/day)	Water Demand 2027 (kl/day)
Amatungwa, Utrecht	475	3 800	5 118	95	307
Berouw, Utrecht	250	2 000	2 700	50	162
Utrecht Housing (1000 new sites)	-	-	8 000	-	480
Utrecht Town	270	1 055	4 100	2 200	3 000
Town	995	6 855	19 918	2 345	3949

Source: Amajuba Internal Monitoring Database 2010/2011

Current status as at the end of October 2010:

This project is subdivided into 4 phases:

Phase 1:

- The tender closed on the 7 August 2010,
- Contractor commenced on the 16 November 2009 and
- Project is expected to be complete by Jan 2011

Phase 2:

- Tender was awarded in Feb 2010 and completion is expected by Feb 2011

Phase 3 and 4:

- Design stage.

Emadlangeni Feasibility: R600 000

Funding was approved by DWA for feasibility and planning in respect of pipelines and reticulation, related to Emadlangeni Bulk in order to access MIG funds.

Current status: Oct 2010

- Emadlangeni Bulk /reticulation feasibility study: 100 % complete.
- Awaiting finalisation of farmer agreements and adoption by Council.

Emadlangeni Rural water Supply phase1:R 13 380 000

On the 16 July 2010, DWA approved funding for the development of water resources within Emadlangeni. This project is for the supply of a basic water supply to an estimated 4287 households within the Emadlangeni area. Most of the Beneficiaries are labour tenants are on privately owned farmlands with access to no or little water supply.

Table 18: Emadlangeni Rural Water Scheme

Ward/Area	Population	Number of households
1	7348	760
2	295	31
3	3355	370
4	7664	892
Amatungwa /Berow	5800	725
Housing Projects	12072	1509
<b>TOTAL</b>	<b>36534</b>	<b>4287</b>

Source: Amajuba Internal Monitoring Database 2010/2011

## 2.4.3 Sanitation

In terms of access to proper sanitation, access to flush toilets has increased from 18.2 % in 2001 to 34 % in 2007. There has also been a significant increase in the number of VIP toilets which indicates positive service delivery. It is a concern that approximately 24% do not have access to sanitation facilities.

Table 19: Percentage access to sanitation

Households	2001	2007
Flush Toilet (connected to sewerage System)	18.2	34
Flush Toilet (with septic tank)	9.2	3.7
Dry Toilet facilities	-	3.5
Chemical toilet	1.7	7.2
Pit toilet with ventilation (VIP)	4.4	27.3
Pit toilet without ventilation	28.4	-
Bucket toilet system	0.5	-
None	37.6	24.4
<b>Total</b>	<b>100</b>	<b>100</b>

Stats SA Community Survey 2007

## (i) Provision of Free Basic Sanitation

The Amajuba District provides free basic sanitation to indigent households.

## (ii) Addressing the Backlogs

Emadlangeni Rural Sanitation Project

Table 20: Emadlangeni Rural Sanitation Project

Estimated Number Households	Ward	Comments
760	1	Planning Stage
56	2	Planning Stage
370	3	Planning Stage
892	4	Planning Stage
725	Amatungwa/Berouw	Planning Stage
4312	Total	

Source: Amajuba Internal Monitoring Database 2010/2011

This project is for the supply of a rural sanitation to 23 716 people with an estimated 4312 households within the Emadlangeni area. The estimated costs, as per DWAF Guideline is R 5160 per unit. These projects are currently in the planning stage.

Proposed Human settlement Agreement entered into between Amajuba DM and Human settlements for the Emadlangeni LM Area.

A comprehensive feasibility study is currently been planned in order to assess the following:

- Assess feasibility of supplying VIP's to the Emadlangeni local Municipality.
- To establish the profile of the beneficiary
- Show economic viability and cost estimate details in order to ensure operational viability.
- Institutional sustainability
- To improve the health and hygiene situation in Emadlangeni especially in the disadvantaged communities,
- Assess the indigent policy in terms of Sanitation provision
- Community participation,
- The promotion of improved sanitation, health and hygiene, and
- Assess the groundwater protocol that would technical advice on implementation of programme

## 2.4.4 Source of Energy

The Statistics SA Community Survey 2007 data was used as source to indicate the energy use of households in the Municipality's area of jurisdiction.

## (i) Source of Energy for Lighting

41% of the population makes use of electricity as the main source for lighting. Therefore 59% of households are not electricity users.

The use of candles for lighting is however the most used form of energy at 53%.

Table 21: Comparison of Energy used for Lighting Household (%) – 2001 - 2007

Energy Usage Lighting	Electricity	Gas	Paraffin	Candles	Solar	Other
Census 2001	29.1	0.5	4.2	65.3	0.2	0.6
Community Survey 2007	40.6	0.4	3.5	52.7	0.3	2.5

Stats SA: Census 2001 and Community Survey 2007

### (ii) Source of Energy for Cooking

Electricity is not the mains source of energy for cooking as only 38% indicated this source.

The highest use being wood as energy source for cooking, 43%. This is not a environmentally friendly situation and alternative sources should be identified.

Table 22: Comparison of Energy used for Cooking per Household (%) – 2001 - 2007

Energy Usage Cooking	Electricity	Gas	Paraffin	Wood	Coal	Animal dung	Solar	Other
Census 2001	25.2	3.6	4.8	48.9	9.9	7.2	0.1	0.3
Community Survey 2007	37.6	3	9.8	42.9	5.7	1	-	-

Stats SA: Census 2001 and Community Survey 2007

### (iii) Source of Energy for Heating

Wood is again the highest source for heating at 46%. As stated above the use of wood is not environmentally friendly and this source will not be sustainable in the long run.

36% of Households indicate that electricity is used for heating.

Table 23 : Comparison of Energy used for Heating per Household (%) – 2001 - 2007

Energy Usage Heating	Electricity	Gas	Paraffin	Wood	Coal	Animal dung	Solar	Other
Census 2001	24.2	1.6	2.8	51.2	12	7.1	0.1	0.9
Community Survey 2007	36.1	0.3	6.7	46.1	8.8	0.8	-	1.1

Stats SA: Census 2001 and Community Survey 2007

## (iv) Provision of Free Basic Electricity

The Emandlangeni Municipality provides 50kWh per household per month and has allocated R 847 000 in the 11/12 financial year to this end.

## (v) Addressing Backlogs

According to the Amajuba Backlog Study 2005, 2791 households in Emadlangeni do not have access to basic level of services. This figure include farm labourer housing that was previously not included. According to the State President's speech (2010), all households have to be electrified by 2012. With the current funding allocations, this will take in the region of 9 to 10 years to address the current backlogs.

The project list below provides a list of electrification projects coordinated with the DME/ESKOM list, to address the rural back log. A number of the connections in the projects have been adjusted to allow for additional connections that will be created by housing development in the area before electrification will take place. A number of housing development projects have also been included where the project is done by the local municipality but are situated in the ESKOM area of supply

Table 24: List of Electrification Projects

Project	Priority	Number of connections
Izimbuthu 403 con	1	205
Emxhakeni/vaalbank 700 con	2	700
Inkululeku 75 con	3	75
Kingsley land reform 750 con	4	750
Nzima land reform 25 con	5	25
Nzimane 25 con	5	25
Wit-mfolizi 145 con 5	5	145
Thabalala land reform 120 con	6	120
<b>Total Rural Backlog</b>	<b>2045</b>	

Source: Amajuba Internal Monitoring Database 2010/2011

## 2.4.5 Refuse Removal

Emadlangeni has a comparative large number of households without access to formal refuse removal. The spread of the rural population within Emadlangeni Municipality contributes to the difficulty of providing this service. 47% of households reported that they have not got access to a formal dumpsite and have created their own dumping site and method. A mere 1.6% of households indicated that they make use of a communal refuse dump.

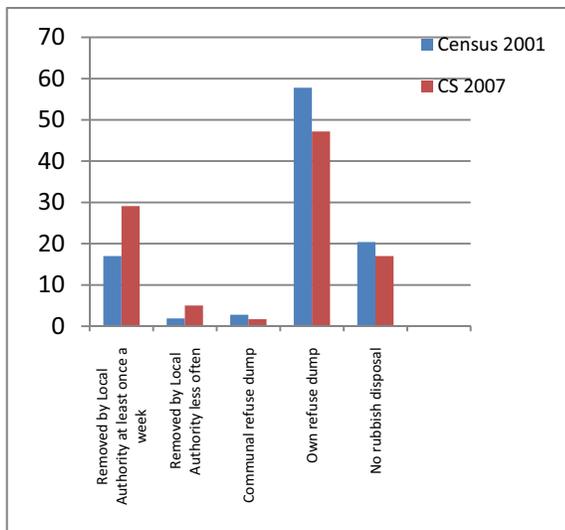
The above statistics indicate a desperate situation and a potential disaster environmentally wise. A high priority should be given to the environmentally sustainable management of waste.

Table 25: Percentage of Household by Type of Refuse Disposal

	Census 2001	CS 2007
Removed by Local Authority at least once a week	17	29.1
Removed by Local Authority less often	1.9	5
Communal refuse dump	2.8	1.7
Own refuse dump	57.8	47.2
No rubbish disposal	20.4	17

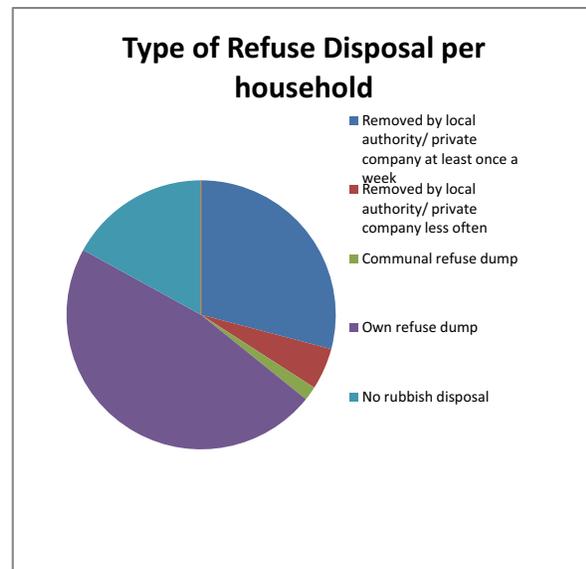
Stats SA: Census 2001 and Community Survey 2007

Figure 6: Refuse removal



Stats SA: Census 2001 and Community Survey 2007

Figure 7: Refuse removal



Stats SA: Community Survey 2007

A detailed analysis of the refuse collection and waste management in general in the district is contained in the Integrated Waste Management Plan compiled by Amajuba DM, dated 2003. The Solid Waste Plan recommended that the most viable refuse collection option was for the status quo to remain whereby there is no regional disposal site and that the local municipalities collect refuse in their municipal area.

The Amajuba District Municipality has proposed that an educational campaign be launched to teach and sensitize households re this subject. Emadlangeni supports this proposal.

(i) Provision of Free Refuse Removal

The Emadlangeni municipality removes 1 bin per week for indigent households and has allocated R 127 000 in the 11/12 financial year to this end.

## 2.4.6 Roads

According to the Amajuba Baseline study conducted in 2005 about 75% of the households have a basic level of road service and only 10% of households walk more than 5km or 30 minutes to the main road.

Table26: Accessibility to roads per household

Standards	Household	% distribution
Below basic level of service (backlog)	572	10.1
Basic level of services	3998	70.6
Above basic level of service	1093	19.3
<b>Total</b>	<b>5663</b>	<b>100</b>

Source: Amajuba Baseline Data Study, 2005

According to a study, the poor conditions of the internal tarred roads were highlighted and a maintenance strategy put in place which has resulted in about 90% of the roads being re-sealed. A need exist to extend this study to include all gravel roads. The main roads through town, namely Voor and Van Rooyen streets, must be resurfaced.

A further need also exists to finalize the take over from the provincial roads department as the department is not maintaining the roads in town known as main roads.

The IDP has also identified the need to tar the Knight's Hill and Burger's Passes as well as the road from the erstwhile Utrecht TLC to Groenvlei and on to Wakkerstroom. The rural hinterland to the north of the municipality is fairly inaccessible as trucks cannot negotiate either of the passes. Once tarred, the northern timber growing areas of the municipality will be more strongly linked to the urban core.

## 2.4.7 Housing

A Housing Plan has been prepared which identify backlogs and targets for delivery. The plan has been prepared some time ago and will require review and updating. A high percentage for Emadlangeni inhabitants, reside in traditional dwellings or structures. This indicates a large number of individuals concentrated in rural areas. This also indicates a potential housing backlog within the Municipality. Adding to this, a large of people live in brick structures on separate stands or yards but this figure is not as high as the former category.

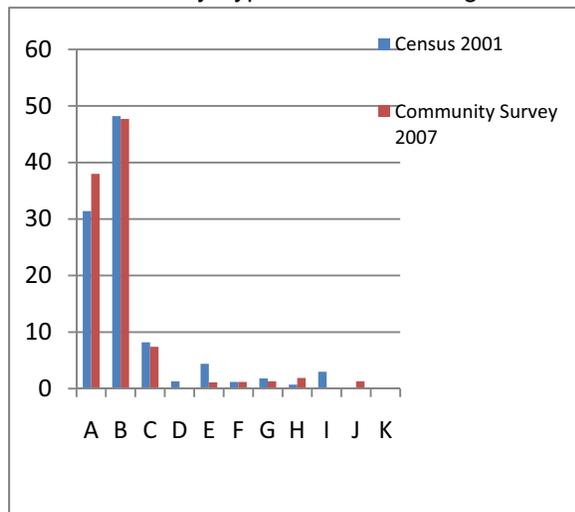
Overall this indicates that the Municipality has a large area of land and mostly subserviced. The reason for low level services is partly due to the low population /km making service provision expensive.

Table 27: Percentage Distribution of Households by Type of Main Dwelling

Category	Type of Dwelling	Census 2001	Community Survey 2007
A	House or brick structure on a separate stand or yard	31.4	38.0
B	Traditional dwelling/ hut/ structure	48.2	47.7
C	Flat in block of flats	8.2	7.4
D	Town / cluster/ semi-detached house	1.3	-
E	House/ flat/ room in back yard	4.4	1,1
F	Informal dwelling/ shack in back yard	1.2	1.2
G	Informal dwelling/ shack not in back yard (eg in informal/ squatter settlement)	1.8	1.3
H	Room/ flatlet not in back yard but on a shared property	0.7	1.9
I	Caravan or tent	3.0	-
J	Workers' hostel	-	0.2
K	Other	-	0.2

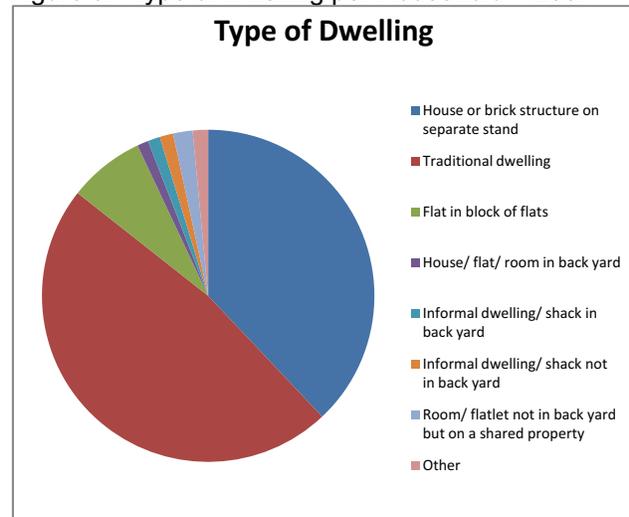
Stats SA: Census 2001 and Community Survey 2007

Figure 8: Comparison of Percentage Distribution of Households by Type of Main Dwelling



Stats SA: Census 2001 and Community Survey 2007

Figure 9: Type of Dwelling per Household – 2007



Stats SA: Community Survey 2007

#### 2.4.8 Health Care Facilities

The Emadlangeni sub-district consists of 1 district hospital, 1 prison hospital, 2 provincial fixed clinics (gate clinic), 2 mobile provincial clinics, 2 EMRS bases and 1 forensic mortuary.

Mobile clinics provide 8 hour services Mon – Fri and the gate clinic provides 8hour services Mon – Sun. One fixed clinic provides 12 hour services

The district hospital, namely Niemeyer mentioned above offers district level services. Patients needing regional level, advanced and specialized health care are referred to Madadeni and Newcastle hospitals.

Access to hospital services is thus reasonable although many people are forced to travel more than 10km to make use of the facilities.

The clinic at Groenvlei is complete and operational. Mobile clinics also visit 35 points throughout the municipality. Although ambulances are dispatched from Newcastle, they now have a depot here at Niemeyer Memorial Hospital. This means response time has improved.

##### (i) HIV/AIDS

- In 2006, Amajuba DM had the highest HIV prevalence estimates amongst antenatal clinic attendees in the province at 46%. This figure was well above the comparative figures for most of the districts in the province.
- The figure for Amajuba however decreased to 39.4% in 2007. Although still high, this figure is exceeded in at least three other districts in the province.
- The Amajuba DM has been the district with the strongest decrease in infection rate between 2006 and 2007 amongst all districts.
- The National HIV Prevalence Survey however only provides district level comparisons from 2006 onwards, and it was this not possible to trace trends at district level further back than 2006.

It is important to factor into planning the impacts associated with this epidemic. The epidemic, for example, will affect infrastructure planning by reducing the projected number of people, impact on households requiring services such as their ability to pay for these services and increase demand for health care facilities and social services.

#### 2.4.9 Education Facilities

There are 49 schools in the Emadlangeni municipal area with 19 schools offering Grades 1 to 7. According to the IDP, all schools need additional classrooms and the upgrading of facilities. Due to their location, some schools do not even have access to basic infrastructure services including access roads. Accommodation of teachers in the rural areas is also a big problem. Educators are forced to travel far and during the rainy season, many of the schools are inaccessible.

#### 2.4.10 Extended Public Works Programme

The EPWP is one of the South African Government's short-to-medium term programmes aimed at the provision of additional work opportunities coupled with the training of participants. It is a national

programme covering all spheres of government and state-owned enterprises. Former President Mbeki formally announced the programme in his State of the Nation Address in February 2003.

The EPWP involves creating temporary work opportunities for the unemployed, using public sector expenditure. It builds on existing best-practice government infrastructure and social programmes either by deepening their labour absorption or extending them.

Given that most of the unemployed are unskilled, the emphasis is on relatively unskilled work opportunities. All of the work opportunities generated by the EPWP are therefore combined with training, education or skills development, with the aim of increasing the ability of people to earn an income once they leave the programme.

Rural Roads Projects is implemented in terms of the Extended Public Works Program and training of a skills group is in progress.

#### 2.4.11 Community facilities

##### (i) Cemeteries

A new cemetery site for Utrecht was established and registration completed.

A process of establishing a District cemetery commenced with the initial identification of the need for a cemetery and the decision that the cemetery is a District Municipality requirement. Window areas have been identified and prioritized with the decision to initially develop a cemetery in the window area with the highest priority. The exact site within the window area to be analyzed for the establishment of cemetery still needs to be identified. However, through Emadlangeni IDPRF and meetings with Amakhosi residing in Land Reform areas there were another six additional windows identified but subject to the geo-tech study results. This was due to the sprawling nature in which people have been settled in farms and Land Reform areas and also to avoid extra cost for transporting the dead bodies. This process is still on-going and in planning phase.

##### (ii) Sports and recreation facilities

There are disparities with regards to sports grounds and community halls between the urban and rural areas and as it has been noted that many of the existing facilities are not maintained.

The Amajuba District Municipality has received funds from Department of Sports and Recreation for the development and upgrading of sports stadiums and requested local municipalities to prioritize projects. The Emadlangeni municipality has prioritized the following projects:

- Construction of a sport stadium in Bendsdorp, Utrecht.

## 2.5 Spatial and Environmental Analysis

### 2.5.1 Spatial Analysis

#### (i) Utrecht Urban Area

At present the largest concentration is at Utrecht town. The town is made up of five residential areas namely :

- Utrecht town;
- Bendsdorp;
- Goedehoop;
- Balgray; and
- Imzinhlope.

The development of the Khumalo land reform projects adjacent to the town increases the urban fence of the town. This development is due to its density not a pure agricultural establishment with approximately 900 families settled on the land. It is more of a settlement development. This will impact on the needs of the Khumalo community as well as the social infrastructure in town.

#### (ii) Land Reform Settlements

The following Land Reform projects will have an impact on the spatial development of the area.

- Khumalo settlement adjacent to Utrecht for 600 households;
- Khumalo settlement east of Waterval prison for 104 households;
- Shabalala settlement around Groenvlei for 300 households;
- Nzima settlement at Strydfontein for 300 households; and
- Mabaso settlement of Pivaanswaterval for 300 households.

#### (iii) Transportation

The Emadlangeni Municipality is well accessible and has well developed transportation links. The R34 which bisects the urban area links the Local Council with Newcastle to the west and Vryheid to the east. The main district roads are reasonably well maintained and link Utrecht with Wakkerstroom, Paulpietersburg, Osizweni, Volksrust and Ingogo.

Internally access roads between various areas have been developed. The only area which has limited access to the rest of the district is the area of NkosiNzima. Access to this area is via a gravel road which is situated between Wakkerstroom and Piet Retief.

#### (iv) Rural Service System for Emadlangeni

The system is based on three primary components, namely:

- A service "Hub"
  - ✓ A Hub is a distribution and co-ordination point
  - ✓ a greater variety, higher order and more permanent range of services which is present at a satellite.
- Satellites
  - ✓ A Hub is served by a series of satellites which deliver supplementary services.
- Sub-satellites
  - ✓ Satellites are served by the sub-satellites to deliver supplementary services.

Taking into account the development of the land reform projects together with the topography of the area, one can develop the following rural service system :

- Service Hub: Utrecht Town.
- Satellite: Amanthungwa Trust.
- Sub-satellites: Groenvlei; Kingsley; Nzima; Mabaso; and Blue Mountain.

## 2.5.2 Environmental Analysis

### (i) Wetlands

There are three wetlands of key importance in the Emadlangeni Municipality (Begg, 1989), namely:

- Groenvlei;
- BoschoffsVlei; and
- Blood River Vlei.

These wetlands require conservation as they form an integral part of the catchments of the major river systems in the municipalities. Any impacts of any future development up-stream or adjacent to these wetlands must be considered prior to its approval.

### (ii) Special Environmental Management Areas

The northern "highland" areas of the Balelesberg have been identified as a Special Environmental Management Area due to its biodiversity value. Both the KZN Wildlife 'Systematic Conservation Plan for KZN' and the Enkangala Grassland Trust 'Enkangala Systematic Conservation Plan' have identified large portions of the area above 1700 m north-east through to north-west (as far as Wakkerstroom) of Utrecht as being 'irreplaceable' or of very high national and provincial conservation value.

The highlands also form the catchment areas for the Buffalo, Blood, Slang, Pongola and Bivane Rivers and catchment management is therefore of the utmost importance to the economy of South Africa. Land uses (such as afforestation and overgrazing) that reduce water production should not be permitted within this area.

### (iii) Mine Rehabilitation

Mines which were identified as needing rehabilitation by SiVest (2003, p114) are:

- Welgedacht Colliery (Utrecht and Umgala Sections), now known as the KANGRA Coal Properties LTD; and
- Balgray Colliery

They have since been rehabilitated, In terms of Section 38 of the Minerals Act, 1991, the rehabilitation of the surface of land concerned in any mining operation is to be carried out by the holder of the mining permit/ authorisation. This is to be carried out in accordance with an approved Environmental Management Plan, to the satisfaction of the Director: Mineral Development.

Policy stipulates the process for mine closures in order to be granted a certificate in terms of Section 12 of the Minerals Act, 1991. The objectives of mine closures are stated as follows:

- The safety and health of humans and animals are safeguarded from hazards resulting from mine operations.
- Environmental damage or residual environmental impacts are minimised to such an extent that it is acceptable to all involved parties.
- The land is rehabilitated to, as far as it is predictable, its natural state, or to a predetermined and agreed standard or land use which conforms with the concept of sustainable development.
- The physical and chemical stability of the remaining structures should be such that risk to the environment is not increased by naturally occurring forces to the extent that such increased risk cannot be contended with by installed measures.
- The optimal exploration and utilisation of South Africa's mineral resources are not adversely affected.
- Mines are closed efficiently and cost effectively.
- Mines are not abandoned but closed in accordance with this policy.

In ceasing operations, included in the EMP shall be a closure plan, which includes:

- The conditions for closure negotiated through the lead agent (the Department of Mineral and Energy Affairs) with the regulatory authorities;
- The manner in which the holder of a prospecting permit or mining authorisation intends dealing with its decommissioning and closure phases;
- The practical aspects of the execution of the requirements of the closure process which shall be negotiated on the basis of site specific BATNEE (Best (proven) Available Technology not Entailing Excessive Cost) as defined by the Aide-Memoir;
- The closure objectives
- Details of identified residual impacts including their synergistic effects, and
- Details of the financial arrangements for post-closure management or maintenance of rehabilitation measures, if required.

A number of mines in the area closed prior to the promulgation of this legislation. There is therefore a need for a more detailed study to be completed, which identifies the problematic mines as well include an assessment of the status and future plans of the District.

## **2.6 Institutional Analysis**

### **2.6.1 Organisational Structure**

#### **(i) Council**

The municipality comprises of seven Councilors. Currently there are 5 portfolio committees established by Council in terms of Section 79, of the Municipal Structures Act, 1998 namely:

- Local Labour Forum Committee;
- Engineering Portfolio Committee;
- Finance Portfolio Committee;
- Tourism, Culture and LED Portfolio committee/Planning and Development Portfolio Committee; and
- Corporate Portfolio Committee.

## (ii) Municipal Staff

The Organisational Structure has been adopted by the Council. There are four departments in the Emadlangeni Municipality, namely:

- Department of Engineering Services;
- Office of the Municipal Manager
- Department of Corporate Services; and
- Department of Financial Services.

The functions of these departments are set below.

Table 28: Departments and Functions

Department	Functions
<b>Office of the Municipal Manager</b>	Municipal Management; Municipal Planning (IDP and PMS); and Municipal Finance Management.
<b>Corporate Services</b>	<p><b>Administration:</b> it is responsible for child care facilities; billboards and display of advertisements in public places; licensing of dogs; licensing and control of undertakings that sell liquor to the public; facilities for accommodation; municipal administration; property administration; security and cleaning; libraries; human resources; legal services; business licenses; information technology; communication</p> <p><b>Protection:</b> it is responsible for fire-fighting services; noise pollution; public places; street trading; traffic and parking; disaster management ; control of public nuisances; municipal public transport; public safety; motor licensing ;roadworthy testing; and municipal policing</p>
<b>Budget and Treasury Offices</b>	<p><b>Income:</b> is responsible for Revenue Management; Debt Management and internal control.</p> <p><b>Expenditure:</b> is responsible for expenditure management; procurement; materials; insurance; internal control and properties.</p>
<b>Engineering Services</b>	<p><b>Community services:</b> is responsible for Building Regulations; Pounds; Local Tourism; Town Planning and Land use management; promotion of local economic development and facilitation of housing development.</p> <p><b>Electrical:</b> is responsible for electricity and gas reticulation and street lighting.</p> <p><b>Civil Services:</b> is responsible for air pollution; municipal airports; municipal public works; stormwater management; cemeteries; funeral parlours and crematoria; cleansing; fence and fences; burial of animals; local sports facilities;; markets; municipal abattoirs; municipal parks and recreation; municipal roads; and refuse removal, refuse dumps and solid waste.</p>

## 2.6.2 Staff Component of the Municipality

The municipality consists of a workforce of **97 people** of which **56 are permanent, 34 contract workers and 7 temporary employees**. Eighty-two percent of the workforce is black and eighteen percent are white. The largest percentages (66%) of the white workforce are employed in the higher occupational levels whilst only 0.3% of the black population is from the higher occupational levels. A copy of the full organogram is attached at Appendix 14

## 2.6.3 Filling of Key Vacant Posts

A summary of the key vacant posts and budget to fill these posts is indicated below

Table 29: Key vacant posts to be filled

Department	Vacant position	Challenges	Budget	Priority
Technical	Grader Operator	Scarce skill	R80 880	2
Technical	Roads Foreman	Scarce skill	R 8 088	6
BTO	Buyer	To be filled soon	R 8 088	1
Community	X2 traffic officers	Scarce skill	R 8088 x 2	3
Community	X2 Caravan Park Cleaners	To be filled soon	R 54 048	5
Community	General Worker: Parks and Garden	To be filled soon	R 54 048	4

## 2.6.4 Municipal Powers and Function

The powers and functions of the Municipality are described in the table below.

Table 30: Powers and Functions

Function	Authorisations	Definition
<b>Schedule 4</b>		
Air pollution	Yes	Any change in the quality of the air that adversely affects human health or well-being or the ecosystems useful to mankind, now or in the future.
Building regulations	Yes	The regulation, through by-laws, of any temporary or permanent structure attached to, or to be attached to, the soil within the area of jurisdiction of a municipality, which must at least provide for: <ul style="list-style-type: none"> <li>▪ Approval of building plans;</li> <li>▪ Building inspections, and</li> <li>▪ Control of operations and enforcement of contraventions of building regulations.</li> </ul> If not already provided for in the national and provincial legislation.
Child care facilities	Yes	Facilities for early childhood care and development which fall outside the competence of national and provincial government pertaining to child care facilities.
Electricity reticulation	Yes	Bulk supply of electricity, which include for the purposes of such supply, the transmission, distribution and, where applicable, the generation of electricity, and also the regulation, control and maintenance of the electricity reticulation network, tariff policies, monitoring of the operation of the facilities for adherence to standards and registration requirements, and any other matter pertaining to the provision of electricity in the municipal areas.
Fire Fighting	Yes	In relation to District Municipality "Fire fighting" means: Planning, co-ordination and regulation of fire services; specialised fire fighting services such as mountain, veld and chemical fire services; co-ordination of the standardisation of infrastructure.

Local tourism	Yes	The promotion, marketing and if applicable, the development, of any tourists attraction within the area of the municipality with a view to attract tourists, to ensure access, and municipal services to such attractions, and to regulate, structure and control the tourism industry in the municipal area subject to any provincial and national legislation, and without affecting the competencies of national and provincial government pertaining to nature conservation, museums, libraries and provincial cultural matters.
Municipal airport	No	A demarcated area of land or water or a building which is used or intended to be used, either wholly or in part, for the arrival or departure of aircraft which includes the establishment and maintenance of such facility including all infrastructure and services associated within an airport, and the regulation and control of the facility, but excludes airport falling within the competence of national and provincial government.
Municipal Planning	Yes	The compilation and implementation of and integrated development plan in terms of the Systems Act.
Municipal Health Services	No	Subject to an arrangement with MECs to do the necessary authorizations, or alternatively, subject to amendments to the Structures Act, Municipal Health Service means environmental health services performed by a district municipality and includes:• Air pollution, Noise pollution; Solid Waste Removal; Water and Sanitation; Licensing and control of undertakings that sell food to the public; Control of public nuisance; and Facilities for the accommodation, care and burial of animals.
Municipal public transport	Yes	The regulation and control, and where applicable, the provision of:• Services for the carriage of passengers, whether scheduled or unscheduled, operated on demand along a specific route or routes or, where applicable, within a particular area• Schedule services for the carriage of passengers, owned and operated by the municipality, on specific routes.
Pontoons and ferries	Yes	Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matter related thereto, and matters falling within the competence of national and provincial governments
Storm water	Yes	The management of systems to deal with storm water in built-up areas
Trading regulations	Yes	The regulation of any area facility and/or activity related to the trading of goods and services within the municipal area not already being regulated by national and provincial legislation
Water (Potable)	No	The establishment, operation, management and regulation of a potable water supply system, including the services and infrastructure required for the regulation of water conservation, purification, reticulation and distribution, bulk supply points, metering, tariffs setting and debt collection so as ensure reliable supply of a sufficient quality and quality of water to households, including informal households, to support life and personal hygiene.
Sanitation	No	The establishment, provision, operation, management, maintenance and regulation of a system, including infrastructure, for the collection, removal, disposal and/or purification of human excreta and domestic waste-water to ensure minimum standard of service necessary for safe and hygienic households.
<b>Schedule 5</b>		
Amusement facilities /Beaches	Yes	A public place for entertainment. The area for recreational opportunities and facilities along the sea shore available for public use and any other aspect in this regard which falls outside the competence of the national and provincial government.

Billboards and the display of advertisements in public places	Yes	The display of written or visual descriptive material, any sign or symbol or light that is not intended solely for illumination or as a warning against danger which promotes the sale and/or encourages the use of goods and services found in: <ul style="list-style-type: none"> <li>▪ Streets;</li> <li>▪ Roads;</li> <li>▪ Thoroughfares;</li> <li>▪ Sanitary passages;</li> <li>▪ Squares or open spaces; and/or</li> <li>▪ Private property.</li> </ul>
Cemeteries, funeral parlours and crematoria	Yes	The establishment, conduct and control of facilities for the purpose of disposing of human and animal remains.
Cleansing	Yes	The cleaning of public streets, roads and other public spaces either manually or mechanically
Control of public nuisance	Yes	The regulation, control and monitoring of any activity, condition or thing that may adversely affect a person or a community
Control of undertakings that sell liquor to the public	Yes	The control of undertakings that sell liquor to the public that is permitted to do so in terms of provincial legislation, regulation and licenses, and includes an inspection service to monitor liquor outlet for compliance to license requirements in as far as such control and regulation are not covered by provincial legislation.
Facilities for the accommodation, care and burial of animals	Yes	The provision of and/or the regulation, control and monitoring of facilities which provide accommodation and care for well or sick animals and the burial or cremation of animals, including monitoring of adherence to any standards and registration requirements outlined in legislation.
Fencing and fences	Yes	The provision and maintenance and/or regulation of any boundary or deterrents to animals and pedestrians along streets or roads.
Licensing of dogs	Yes	The control over the number and health status of dogs through a licensing mechanism.
Licensing and control of undertakings that sell food to the public	Yes	Ensuring the quality and the maintenance of environmental health standards through regulation, a licensing mechanism and monitoring of any place that renders in the course of any commercial transaction, the supply of refreshments or meals for consumption.
Local amenities	Yes	The provision, manage, preserve and maintenance of any municipal place, and building reserved for the protection of places or objects of scenic, natural, historical and cultural value or interest and the provision and control of any such or other facility for public use but excludes such places, land or buildings falling within competencies of national and provincial governments.
Local sport facilities	Yes	The provision, management and/or control of any sport facility within the municipal area.
Markets	Yes	The establishment, operation, management, conduct, regulation and/or control of markets other than fresh produce markets including market permits, location, times, conduct etc.
Municipal abattoirs	Yes	The establishment conduct and/or control of facilities for the slaughtering of livestock.
Municipal parks and recreation	Yes	The provision, management, control and maintenance of any land, gardens or facility set aside for recreation, sightseeing and/or tourism and includes playgrounds but excludes sport facilities.
Municipal roads	Yes	The construction, maintenance, and control of a road which the public has the right to and includes, in addition to the roadway the land of which the road consists or over which the road extends and anything on that land forming part of, connected with, , or belonging to the road.

Noise pollution	Yes	The control and monitoring of any noise that adversely affects human health or well-being or the ecosystems useful to mankind, now or in the future.
Pounds	Yes	The provision, management, maintenance and control of any area or facility set aside by the municipality for the securing of any animal or object confiscated by the municipality in terms of its by laws.
Public places	Yes	The management, maintenance and control of any land or facility owned by the municipality for public use.
Refuse removal, refuse dumps and solid waste disposal	Yes	The removal of any household or other waste and the disposal of such waste in an area, space or facility established for such purpose, and includes the provision, maintenance and control of any infrastructure or facility to ensure a clean and healthy environment for the inhabitants of a municipality.
Street trading	Yes	The control, regulation and monitoring of the selling of goods and services along a public pavement, road reserve and other public places.
Street lighting	Yes	The provision and maintenance of lighting for the illuminating of streets.
Traffic and parking	Yes	The management and regulation of traffic and parking within the area of the municipality including but not limited to, the control over operating speed of vehicles on municipal roads.
Municipal public works		Any supporting infrastructure or services to empower a municipality to perform its functions

### 2.6.5 Municipal Policies and Plans

The following policies have been developed and implemented in the municipality.

Table 31: Summary of municipal policies being implemented

Policy	Status
<b>Human Resources Policies</b>	
Death Responsibility Policy	Adopted and implemented
Recruitment, selection and appointment policy	Adopted and implemented
Council vehicle policy	Adopted and implemented
Delegation Framework	Adopted and implemented
Supply Chain Management Framework	Adopted and implemented
Indigent Policy	Adopted and implemented
Housing Subsidy Policy	Adopted and implemented
Human Resource Development Policy	Adopted and implemented
Code of Conduct	Adopted and implemented
Acting Policy	Adopted and implemented
Placement Policy	Adopted and implemented
Delegation Policy	Adopted and implemented
Workplace Skills Plan	Adopted and implemented
Employment Equity Policy	Adopted and implemented
<b>Financial Policies</b>	
Budget Policy	Adopted and implemented
Virement Policy	Adopted and implemented
Remuneration Policy	Adopted and implemented
Re-imbusement Policy	Adopted and implemented
Travel and Subsistence	Adopted and implemented
<b>Other</b>	

Communication Plan	Draft in place
Property Rates policy	Adopted and implemented
Municipal By-laws	Adopted and implemented
Building works, Building Plans, completion: Policies and Procedures	Adopted and implemented
Ward Committee Establishment Policy	Adopted and implemented
HIV/AIDS and Chronic Illness Policy	Draft in place

(i) Employment Equity

The Municipality adopted an **Employment Equity Plan** on 1 July 2008. In the plan equitable representation goals and affirmative action objectives have been adhered to.

The Employment Equity Plan strives to undo the imbalances inherent in the employment profile. In terms of the implementation of the Employment Equity Plan it must be noted that Emadlangeni is moving in the right direction. This is evident as fifty (50%) percent of the total top management is made up of the designated group while non-designated group and women are twenty five (25%) percent. The middle management is one hundred (100%) percent women. Seventy five (75%) percent of the professional staff is made up of the designated group and twenty five (25%) percent is the women.

2.6.6 Skills Development and Human Resource Development Policy

The Municipality has adopted a Skills Development Plan as well as a Human Resource Development Policy and is currently implementing both.

In terms of the skills development plan the following training programmes have been identified and budgeted for in the 2011/12 financial year:

Table 32: Summary of training and skills development

Training and skills development intervention	Skills Priority no	Total number of staff to be trained	Estimated Cost
Financial	2	5	R 120 000.00
Financial	3	4	R 20 000.00
Financial	4	2	R 20 000.00
Specialist Skills required by legislation	1	12	R 30 000.00
Occupational Health and Safety	5	4	R 15 000.00
Occupational Health and Safety	6	3	R 15 000.00
Management / leadership	7	4	R 40 000.00
ABET	8	36	R 60 000.00
Administration	9	4	R 0.00
Financial	10	4	R 15 000.00
Financial	11	1	R 3 000.00
Specialist technical	12	1	R 6 000.00
Project management /planning	13	2	R 10 000.00
Corporate, Legal and support	14	6	R 15 000.00
Specialist technical	16	1	R 15 000.00
Computer Literacy	15	1	R 100 000.00

Source: Workplace Skills Plan

## 2.7 Good Governance

### 2.7.1 Communication Strategy/Plan

Emadlangeni Local Municipality recently prepared a Communication Plan which is in draft and still to be adopted. Prior to this it has never had a communication strategy or unit hence the important need to develop one. The municipality has a process plan for the budget and IDP in place which forms part of the guideline of our public participation programme eg: public meetings and the Mayors roadshows. We also have a suggestion / complaints box placed at reception at the municipal main offices where comments are received and the Office of the Municipal Manager responds to the comments once a week.

#### (i) Objectives of the Communication Plan

##### Popularize

The Plan should provide the framework to market the Municipality which is located within a game park. This would result job creation and also attract tourists who will contribute to the economic development of the area.

##### Mobilize

The communication plan seeks to mobilize communities, to support and participate in municipal community development programmes.

##### Educate

One of the objectives of our communication plan is to educate the communities about the social, economic and health issues within our municipality. Further the Plan will aim to educate people about the functions of the Emadlangeni Municipality and how they plan to address these issues through the Integrated Development Plan.

##### Mainstream Special Groups

The communication plan will focus on raising awareness of special groups and create structures such as Local AIDS Council, Youth Forum which will mainstream special groups and provide a platform for participation.

##### Oversight

The Communication Plan will ensure that the community performs their oversight function to ensure that the municipality is performing efficiently and effectively.

#### (ii) Challenges of Communication

The challenges of communication are identified below and the action plans contained in the Communication Plan will be developed to address them:

- Facing high technologic challenges in South Africa for developing in particular rural community usage of website could be a problem.

- Poor e- technology of a large segment of the community which inhibits them from accessing the Municipality's website so that they can be better informed of municipal issues.
- Ability to communicate with persons in the deep rural areas, although the members of the ward committees are making every effort to do so.
- Lack of an in depth understanding of municipal issues by a large section of the community which to a certain extent inhibits constructive input into the Municipality's budget, the integrated development plan and the performance management system.
- To improve the budget for communication purpose.
- Lack of proper coordinated communication processes with other local municipalities and the district municipality which is to be addressed through, inter alia, the District Coordinating Forum established in terms of the Intergovernmental Relations Framework Act, No. 13 of 2005.
- Lack of proper coordinated communication processes with National and Provincial departments which will be addressed through the Premier's Intergovernmental Forum established in terms of the Intergovernmental Relations Framework Act, No. 13 of 2005.

(iii) Stakeholder engagement

Table 33: Strategy to ensure stakeholder input

<b>PRIORITY ISSUE</b>	<b>DESIRED OUTCOME</b>	<b>TARGET AUDIENCE OF COMMUNICATION STRATEGY</b>	<b>KEY MESSAGE TO BE COMMUNICATED</b>	<b>TOOLS</b>
Wellbeing of farm dwellers and farm owners	To promote tolerance and wellbeing of all concerned	Farm owners, Farm dwellers, Farmers Association	Unity and tolerance among all people living in farm areas	Public Participation Programmers and Group discussions
Service delivery within traditional authorities	Improved service delivery in Amakhosi areas	Amakhosi and Izinduna	Quality service delivery in rural areas	have meetings with Amakhosi
Awareness on services offered by sector / sister departments	Informed communities on service offering of departments.	Government Departments	Community is aware what each department has to offer	Stakeholder meetings. Flagship programme and IDP Representative Forums
Contribution of private sector towards community development	corporate social responsibility / investment	private sector	Private sector need to give back to communities	Invite them to meetings
More informed communities	To have media that is sensitive to the communication needs of the community.	media	Constructive / positive reporting	Media information sharing sessions.

## 2.7.2 Structures for Communication

- (i) Intergovernmental Relations Structures see IDP Amajuba

The following intergovernmental relations structures exist

- Mayoral Forum
- Municipal Managers Forum
- Amajuba Forum for LED established by District Municipality

(ii) Ward Committees

The Emadlangeni Municipal Council decided to participate in the Ward Committees in April 2005 in terms of resolution no A124/2005 dated 25 April 2005 and the MEC of Cooperative Governance and Traditional Affairs amended section 12 Notice of the establishment of the municipal council with ward system in terms of Resolution no. A322/2005 dated 24 October 2005. In March 2007, ward committee structures were officially established and they were launched in 14 April 2007. All has been noted to be operating fairly well.

## **2.8 Local Economic Development**

The aim of LED is:

- “To create robust and inclusive local economies that exploit local opportunities, address local needs and contribute to national development objectives, such as economic growth, jobs and equity”;
- To eradicate poverty and create sustainable work opportunities;
- To integrate the first and second economies; and
- Creating an enabling environment, building economic capability and facilitating productive networks at the local level.

It is important to realize that LED is an ongoing process, rather than a single project or a series of steps to follow. LED encompasses all stakeholders in a local community, involved in a number of different initiatives aimed at addressing a variety of socio-economic needs in that community.

### **2.8.1 Local Economic Development Opportunities in Emadlangeni**

The purpose of this section of the report is to identify relative competitive advantages within the Emadlangeni Municipality which would serve as the catalyst for local economic development. The Emadlangeni Municipality has significant potential regarding the development of projects through opportunities despite the limitations in terms of infrastructure and the social conditions in the area. It is imperative for the municipality to upgrade their business environments to improve their competitiveness, retain jobs and improve incomes in a way that it attracts external investors. There are many opportunities for collaboration between communities and regional institutions, which need to be put in place and it is essential that the LED strategy has the potential to respond to the ever-changing competitive environment. An important factor is that outside businesses do not locate in an area simply because of available land and cheap labour. The quality of life that families working in the area will experience is the driving element to attract economic development and investment.

## 2.8.2 Economic Development as a Priority Issue

The importance of economic development comes from understanding the underlying state of the municipality. Emadlangeni municipality does not; at this point in time have the necessary “pull-factor” to attract large scale economic development. As such, outside business is not likely to establish in this area. It is important that smaller, internal businesses are established through entrepreneurship, while the municipality focuses on building up and extending the infrastructure network as well as providing the necessary skills development and local economic development structures in the area.

The key to stimulating and growing local economic development in Emadlangeni is to utilise the existing resources and capitalise on this by adding to the value chain of these commodities.

There are three project fields identified for the Municipality. These are:

- Organic Vegetables;
- Tourism; and
- Dairy Farming.

## 2.8.3 LED Implementation and Action

A draft LED Strategy is attached as Appendix 9. In terms of implementation the Amajuba has well established LED structures. The details of which are included in the LED Strategy. An action plan for the development of LED is reflected below and integrated into the IDP strategies and objectives:

Table 34: LED Action Plan

Programme	Activity	Action to be undertaken by Emadlangeni Municipality	Partners	Time Frame	Responsibility
<b>Strategy 1: Develop the Agricultural Sector</b>					
Agricultural Promotion	Promote Agricultural Activities	Facilitate the development of an Agricultural Plan which will identify opportunities for both small scale farming and commercial farmers	Department of Agriculture, Environmental Affairs and Rural Development. KWANALU	2011/12	Engineering and Community Services
		Develop a plan of action aimed at disseminating information to promote agricultural development	Internal	2012/13	Engineering and Community Services
		Facilitate presentations at Council meetings, Community meetings, ward meeting to promote agricultural development	Department of Agriculture, Environmental Affairs and Rural Development. KWANALU	2011/12 2012/13 2013/14	Engineering and Community Services

	Promote Environmental Awareness	Investigate environmentally sustainable agriculture eg organic farming practices.	Internal	2012/13	Engineering and Community Services
		Facilitate presentations to Farmer's Associations on environmentally sustainable practices.	Department of Agriculture, Environmental Affairs and Rural Development.	2011/12 2012/13 2013/14	Engineering and Community Services
Provision of General Infrastructure	Support the development and maintenance of basic infrastructure	Prepare and update a CIP	District Municipality	2011/12	Engineering and Community Services
		Prioritise the maintenance and upgrading of primary routes	Internal	2011/12 2012/13 2013/14	Engineering and Community Services
		Ensure access to electricity in order to improve opportunities for agricultural development.	ESKOM	2011/12 2012/13 2013/14	Engineering and Community Services
		Construct facilities within hubs and satellites that will serve as a centralised fresh produce market and agricultural storage depot	Department of Agriculture, Environmental Affairs and Rural Development Department of Public Works	2013/14 2014/15	Engineering and Community Services
Promote the establishment of agriculture-specific infrastructure	Improve irrigation	Develop a plan to investigate sustainable irrigation practices and improve irrigation potential.	Department of Agriculture, Environmental Affairs and Rural Development	2012/13	Engineering and Community Services
Expansion & Diversification of Agriculture	Support the emerging farmers	Seek partnerships with established farmers to mentor emerging farmers.	Department of Agriculture, Environmental Affairs and Rural Development KWANALU	2011/12	Engineering and Community Services
	Establish Market Linkages	Determine best crops to grow within Emadlangeni Municipality	Department of Agriculture, Environmental Affairs and Rural Development	2011/12	Engineering and Community Services
		Identify potential markets for agricultural products	Department of Agriculture, Environmental Affairs and Rural Development Department of Economic Affairs and Tourism.	2012/13	Engineering and Community Services
		Prepare business plans to supply key	Department of Economic	2012/13	Engineering and Community

		retailers in South Africa.	Affairs and Tourism DBSA SEDA		Services
<b>Strategy 2: Tourism Development</b>					
Identify, revitalise and prioritise existing Tourism Potential	Tourism Awareness	Source funding for a tourism plan	Department of Economic Affairs and Tourism Amajuba District Municipality DBSA	2011/12	Engineering and Community Services
		Coordinate and develop a plan that can look broadly at: <ul style="list-style-type: none"> <li>• Routes</li> <li>• Partners</li> <li>• Infrastructure</li> <li>• Marketing and promotion</li> </ul>	Department of Economic Affairs and Tourism Amajuba District Municipality	2012/13	Engineering and Community Services
		Develop a plan of action aimed at disseminating information to promote tourism	Internal	2012/13	Engineering and Community Services
		Facilitate presentations to tourism associations, bed and breakfast owners, etc	Department of Economic Affairs and Tourism	2011/12 2012/13 2013/14	Engineering and Community Services
	Small Town Revitalisation	Compile and implement an action plan to clean up the town and ensure neatness with a primary focus on the main streets.	Internal	2011/12 2012/13 2013/14	Engineering and Community Services
	Marketing	Formulate a marketing and investment strategy.	DBSA SEDA	2011/12	Engineering and Community Services
		Lobby all interest groups and develop framework for marketing	Department of Economic Affairs and Tourism Amajuba District DBSA SEDA	2011/12	Engineering and Community Services
		Provide proper signage on roads especially to those areas that are tourist attractions.	Department of Transport.	2012/13	Engineering and Community Services
	Expand tourism niche	Identify all tourism activities or potential activities.	Department of Economic Affairs and Tourism	2011/12	Engineering and Community Services
		Develop business plans in order to seek tourism	Department of Economic Affairs and	2011/12	Engineering and Community Services

		partners.	Tourism Amajuba District DBSA SEDA		
		Engage with tourism stakeholders in order to promote tourism.	Internal	2012/13	Engineering and Community Services
	"Twin cities" programme	Seek partnership with Utrecht in Holland in order to revitalise the town.	Utrecht Holland	2011/12	Council and MM
	Communication and Information	Develop a magazine/brochure in conjunction with the District	Amajuba District	2012/13	Corporate Services (Communication and IT)
		Establish and maintain a website	Amajuba District.	2012/13	Corporate Services (Communication and IT)
<b>Strategy 3: Promotion of Capacity Building, Training, Monitoring and Support Services</b>					
Facilitate Skills Development and Training Courses	Facilitate mentoring and training	Develop framework for identification, monitoring and evaluation of skills, particularly from local SMMEs.	Internal	2012/13	Engineering and Community Services
		Coordinate partnerships with established organisations and investors to conduct skills audit and mentor the emerging farmers.	Department of Labour Department of Agriculture, Environmental Affairs and Rural Development	2012/13	Engineering and Community Services
Formulate and Implement Systems for Information Dissemination.	Facilitate Information dissemination	Develop databases will assist to convey information to emerging entrepreneurs.	Internal	2011/12	Corporate Services (Communication and IT)
		Design and disseminate brochures.	Internal	2013/14	Corporate Services (Communication and IT)
		Convey information on notice boards within the municipality buildings	Internal	2011/12 2012/13 2013/14	Corporate Services (Communication and IT)
Small business, tourism and agricultural support	Facilitate access to business support organisations. (Technical, Financial, Labour, Technology)	Facilitate access to ICT Hub.	Amajuba District	2011/12	Engineering and Community Services
		Provide support and advice on accessing funds, preparing business plans and legislative requirements	DBSA SEDA Department of Economic Affairs and Tourism Department of Labour Amajuba District	2011/12	Engineering and Community Services
		Facilitating presentations on agricultural and	DBSA SEDA Department of	2011/12 2012/13	Engineering and Community Services

		tourism business development.	Economic Affairs and Tourism Department of Labour Amajuba District	2013/14	
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## 2.9 Summary of Key Issues and Priority Needs

The key priority needs of Emadlangeni Municipal area and the services that the Municipality needs to render in conjunction with other service providers are:

- Water and Sanitation;
- LED and Job creation;
- Access Roads; and
- Institutional Development

## SECTION C: DEVELOPMENT STRATEGY

### 3.1 Development Strategies

The strategic framework will address the objectives and strategies of the municipality that it needs to achieve in a specific time frame to address key issues identified. The objectives and strategies of the municipality must be in line with the national and provincial guidelines as well as aligned to the Amajuba District Municipality's strategy.

### 3.2 National and Provincial Strategies Guidelines

#### 3.2.1 National Spatial Development Perspective

In endeavoring to achieve the national development vision of a truly united, non-racial, non-sexist and democratic society and in giving effect to the national growth and development objectives, it is inevitable that, due to resource constraints, government will have to make hard choices regarding the allocation of resources between different localities, programmes, spheres and sectors. Policies and principles are some of the tools available to government to provide guidance and direction to those having to make these kinds of difficult decisions in such a way that they do not contradict each other.

The National Spatial Development Perspective (NSDP) describes the national spatial development vision of government and the normative principles that underpin this vision.

The vision and principles serve as a guide for meeting government's objectives of economic growth, employment creation, sustainable service delivery, poverty alleviation and the eradication of historic inequities including spatial distortions.

Government's national spatial development vision is:

South Africa will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives:

- By focusing economic growth and employment creation in areas where this is most effective and sustainable;
- Supporting restructuring where feasible to ensure greater competitiveness;
- Fostering development on the basis of local potential; and
- Ensuring that development institutions are able to provide basic needs throughout the country.

The basic principles of the NSDP underpinning this vision are:

- Economic growth is a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation.
- Government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens (such as water, electricity as well as health and educational facilities), should therefore be focused on localities of economic growth and/or economic potential in order to attract Private-sector investment, stimulate sustainable economic activities and/or create long-term employment opportunities.
- Efforts to address past and current social inequalities should focus on people not places. In localities where there are both high levels of poverty and development potential, this could include fixed capital investment beyond basic services to exploit the potential of

those localities. In localities with low development potential, government spending, beyond basic services, should focus on providing social transfers, human resource development and labour market intelligence. This will enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities.

- In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres.

The NSDP principles should play an important role in the respective development plans of local and provincial government, namely; Integrated Development Plans (IDP) and Provincial Growth and Development Strategies (PGDS) and are intended to improve the functioning of the state principally to assist government in dealing with the challenges arising from the need to grow the economy and halving unemployment and the social transition.

### 3.2.2 Provincial Growth and Development Strategy

The PGDS has been developed to enhance service delivery. The PGDS is currently under review and is being coordinated through the KZN office of the Premier and nationally, each province is undertaking a similar review. The PGDS offers a tool through which national government can direct and articulate its strategy and similarly, for local government to reflect the necessary human, financial and fiscal support it needs to achieve these outcomes. It also facilitates proper coordination between different spheres of government and aims to prevent provincial departments from acting without the inputs from local government. It enables intergovernmental alignment and guides activities of various role players and agencies (ie. Provincial Sector Departments; Parastatals; District and local municipalities).

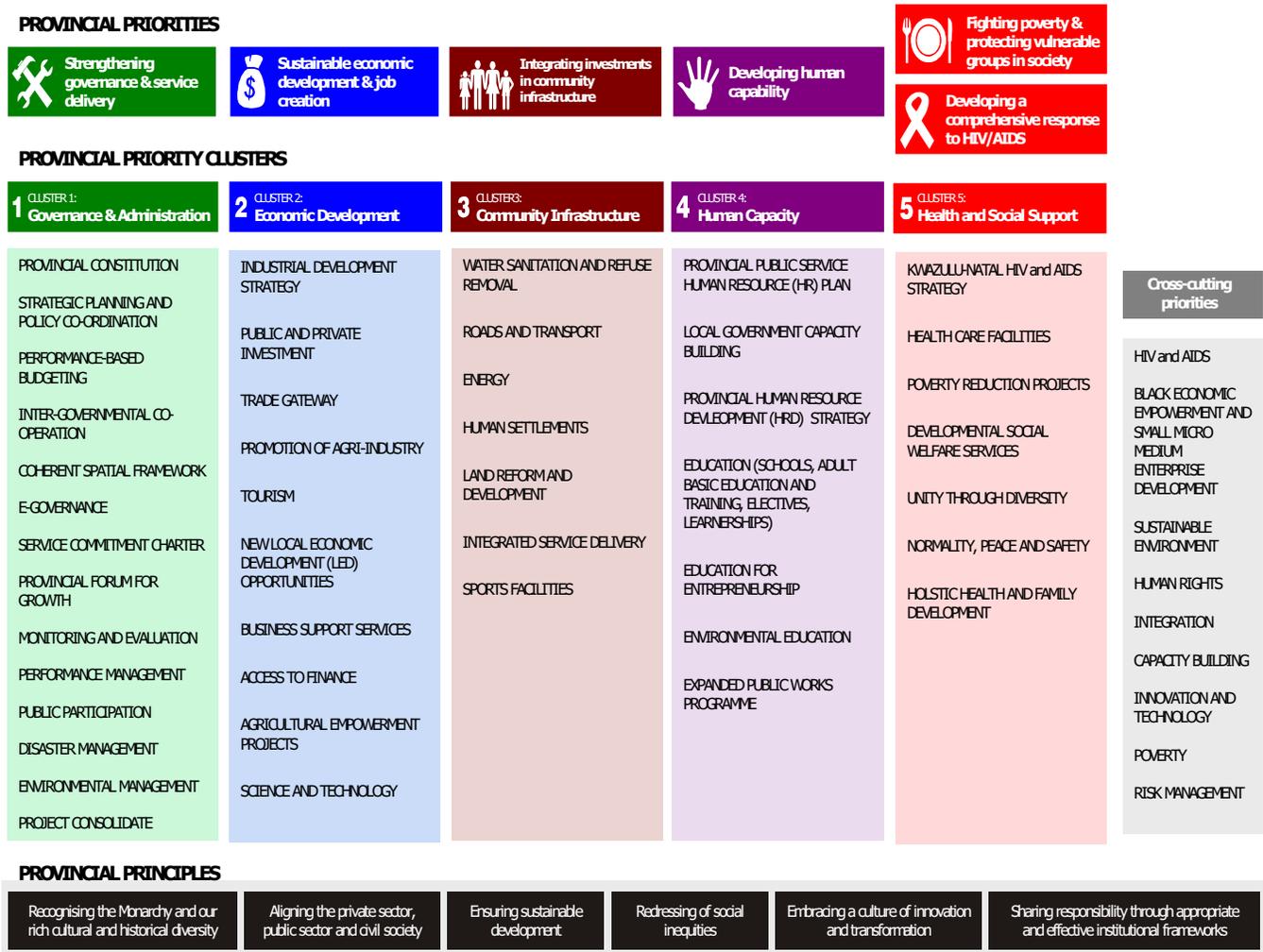
Like the IDP process, the PGDS develops a Vision, Mission and strategies. Of key important to the Municipal IDP's, however, are Provincial Priorities. The Provincial Priorities drive the PGDS programmes, and are derived from the key developmental challenges related to economic and social needs of the province.

The provincial priorities are as follows:

- Strengthening governance and service delivery;
- Sustainable economic development and job creation;
- Integrating investment in community infrastructure;
- Developing human capabilities;
- Developing a comprehensive response to HIV/Aids; and
- Fighting poverty and protecting vulnerable groups in society.

The Provincial Priorities and Priority Clusters are summarised below:

Figure 10: Summary of the Provincial Growth and Development Strategy.



### Local Government Summit, 2005

The Department of Local Government and Traditional Affairs held a Summit on Local Government in 2005. The Local Government Summit Resolutions focused on the following:

- Improving co-operative governance;
- Role of women, youth and people with disabilities;
- Focussing public participation in local government;
- Poverty alleviation through municipal infrastructure and service delivery;
- Synergistic relationship between Traditional Institution and municipalities;
- Achieving financial viability; and
- Readiness of municipalities for local government elections.

### 3.2.3 Provincial Spatial Economic Development Strategy (PSEDS)

#### (i) Introduction

The PSEDS flows from the PGDS and is intended as a guide to service and achieve the goals as set out in ASGI-SA which is to halve unemployment and poverty by 2014.

Principles of development and growth underpinning the PSEDS are summarized as follow:

- Government has a constitutional obligation to provide basic services to all citizens including health, education, housing, transport, etc.
- All areas of the Province require development;
- Certain areas of the Province will drive economic growth; and
- The PSEDS intends to indicate where different types of investment should be directed in order to achieve development and/or economic growth.

The PSEDS therefore sets out to:

- Focus where government directs its investment and development initiatives;
- Capitalize on complementarities and facilitate consistent and focused decision making; and
- Bring about strategic co-ordination, interaction and alignment.

#### (ii) Classification of areas of economic potential

Four key sectors have been identified as drivers for economic growth in the Province:

- The agricultural sector (including agri-processing) and land reform;
- The industrial sector;
- The tourism sector; and
- The service sector

It is also noted that:

- The logistics and transport sector (inclusive of rail) in the service sector is important sub-sectors underpinning the growth in all four sectors;
- Substantial and affordable water and energy provision is crucial to the economic growth and development of the Province; and

#### (iii) Classification of Areas of Poverty and Need

The PSEDS identifies poverty levels and densities based on the 2001 Census information. Poverty density is a measure of the number of people within an area below the poverty level. In terms of this classification Newcastle is the third highest municipality in the Province after eThekweni and Msunduzi municipalities.

#### (iv) Classification of Nodes and Development Corridors

In terms of the classification of nodes provincially, Newcastle is identified as a Secondary node which is an urban centre with good existing economic development and growth potential, and that services the regional economy. This seems to be true when taking into consideration how many of the commercial services in Utrecht has been suspended / businesses have closed down.

In terms of the main categories for potential, the PSEDS identifies the following:

- Production of high value differential goods which are not strongly dependant on labour costs, and which are focused on local and global niche markets;
- Production of labour intensive, mass produce goods which are more dependent on labour costs, and affordable transport linkages (eg Agriculture and mining);

- Retail and private sector services which are large employers of skilled and semi-skilled workers in advanced economies; and
- Tourism that is dependent on tourism attraction;
- Public service and administration.

In terms of the identification of activity corridors, the N11 corridor is an existing corridor. The PSEDS does however, identify a second corridor (SC 12) that runs between the following three centres, namely Greytown, Msinga and Madadeni. The PSEDS identified that this corridor has potential in the last four categories. Emadlangeni could therefore through careful planning link in with the Madadeni side with agricultural produce.

#### (v) Summary of High level Cluster Priorities and Objectives

The PSEDS provides a summary of high level cluster priorities and objectives. Applicable to the Emadlangeni Municipality;

- Industry: biodiesel production; and
- Services: The planning of Utrecht to position itself for investment.

#### 3.2.4 The Accelerated and Shared Growth Initiative for South Africa (ASGI-SA)

ASGI-SA is a project that attempts to factor in the Second Economy, particularly the youth, women and people with disabilities. ASGI-SA focus on a set of concrete economic proposals that include a range of initiatives aimed at removing obstacles to economic growth, has provided a platform for reviewing strategies for critical interventions towards sustainable development, and empowerment of the poor and mainstreaming them into the mainstream economy.

The programme goal is the creation of small enterprises and jobs in the Second Economy with focus on the creation of 1 million jobs over a period of 5 years. The programme objectives are summarized as follow:

- Increased employment and income for unemployed or underemployed poor people;
- Reduced income gaps in society;
- More productive jobs in villages and small towns to lesson migration to big city slums;
- Economic empowerment of (mainly black) poor women; and
- Address constraints that inhibit economic growth and shared benefits.

#### (i) Linkages to the IDP and Economic Development Strategies

With our Agricultural dominant economy, the establishment of Cooperatives, consisting of both emerging as well as commercial farmers, and represented on the AFLED Agricultural Sub-committee, would seek to achieve the objectives of ASGI-SA.

Such a Cooperative would seek to achieve amongst others the following:

- Mentor and training of emerging farmers;
- Link producers to markets;
- The provision of quality control;
- The provision of financial services (i.e procurement in bulk) and
- Financial management.

This strategy can be instrumental to the success of the Department of Agriculture's production of agricultural products for the production of biofuel on various farms in Emadlangeni.

### 3.3 Vision, Mission and Objectives for the Municipality

#### 3.3.1 Introduction

The vision of the municipality was reviewed in the 2006/07 IDP review and reads as follow:

**“Emadlangeni municipality intends providing social and economic upliftment to all its communities”**

#### 3.3.2 Municipal Vision, Mission and Values

The mission statement as developed in the strategic planning session of the 19 -21 of April 2007 was confirmed in the session in February 2008 and reads as follows:

**“We will focus on tourism development, game farming, agriculture, local economic development, job creation and skills development”**

#### 3.3.3. Objectives for the Municipality

Objective and strategies remain as in the previous review period.

In this section only the objectives and strategies in line with the powers and functions of the municipality to be implemented in 2008/09 financial year are included.

#### 3.3.4 Development Strategies

##### (i) Background

The Amajuba Growth and Development Summit 2009 could due to circumstances not take place before the submission of this draft document. It was therefore decided to use the previous year's Summit outcomes and align the development strategies hereto. The strategies are also linked to the revised KPA's as set out in the regulations.

##### (ii) Revised KPA's

The revision processes of KPA's were in alignment with the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Managers (2006). Section 26(6) of the regulations outlines 5 Key Performance Areas (KPA's) for Municipal Managers namely:

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

- Good Governance and Public Participation.

The KPA's of the IDP was edited accordingly.

iii) Key Performance areas:

The KPA's for each Department and the Municipal Manager's Office is described below

Table 35: KPAs for different Departments in the Municipality

National KPA	Strategic Objective	Measurable Objective/Output	Performance Measure / Indicator (Unit of Measure)	Responsible Department
<b>Municipal Transformation and Institutional Development</b>	To provide effective and efficient Human Resources Management Services	Implement 2011/2012 organogram	Date implemented	Corporate Services
		Approved 2012/2013 organogram	Date approved	Corporate Services / All
		Identification and filling of posts	Number of posts identified	Corporate Services/ All
			Number of posts filled	Corporate Services/ All
		Number of people from employment equity target groups employed in the three highest levels of management.	No. - Municipal Manager	Corporate Services/ All
			No. - S57 Managers	Corporate Services/ All
		Number of suspensions in the three highest levels of management.	No. - Municipal Manager	Corporate Services/ All
			No. - S57 Managers	Corporate Services/ All
		Number of people from employment equity target groups employed in the Municipality	Number of women	
			Number of youth	
			Number of disabled	
		Functional Local Labour Forum	Number of meetings	Corporate Services
		Annual Approved Workplace Skills Plan	Date approved	Corporate Services/ All
			Date implemented	Corporate/ Community Services
		Budget for implementation of Workplace Skills Plan	% Spent	Corporate Services
		Human Resource Strategy	Date developed	Corporate Services
Training of Municipal Councillors	Number of workshops	Corporate Services		

	To conform to Batho Pele Principles	Customer care	Time taken to respond to customer complaints	Corporate Services/ All
			Length of time customer spends in a queue	Corporate Services/ All
	To implement a Performance Management System	Performance Management System	Yes/No	Office of MM/ All
		S57 Performance Agreements	Number of agreements	Office of MM/ All
		Annual Performance Report	Date submitted	Office of MM/ All
	To ensure integrated development and environmental planning	Reliable and credible IDP	Yes/No	Office of MM/ All
			Date of adoption	Office of MM/ All
		Disaster Management Plan	Date adopted	Community Services/ ALL
	<b>Basic Service Delivery and Infrastructure Development</b>	Access to basic services	WSDP Review	Number of meetings held with the District
Prepare and update a CIP			CIP prepared	Engineering and Community Services
Access To Electricity		Households with access to basic (or higher) levels of electricity	Number of households	Engineering and Community Services
		Households with access to basic (or higher) levels of electricity	Number of households	Engineering and Community Services
Access to Solid Waste		Households with access to basic (or higher) refuse removal	Number of households	Engineering and Community Services
Repairs and Maintenance		Service delivery interruptions(electricity) per type of service (time per quarter) and no. of households affected	Number of interruptions	Engineering and Community Services
			Number of households	Engineering and Community Services
Access to roads		New Municipal roads constructed	Km of tar	Engineering and Community Services
			Km of gravel	Engineering and Community Services
		Roads maintained	Km of road maintained	Engineering and Community

				Services
	Human Settlements	New houses constructed	Number of units	Engineering and Community Services
			Number units handed over	Engineering and Community Services
		Review of Housing Sector Plan	Date of review	Engineering and Community Services
	To construct and maintain new Community And Public Facilities	New facilities provided	Number of facilities	Engineering and Community Services
		Upgraded facilities provided	Number of facilities	Engineering and Community Services
		Maintenance of facilities	Number of facilities	Engineering and Community Services
<b>Social and Local Economic Development</b>	To promote the development of the Local Economy	LED Strategy adopted	Yes/No	Engineering and Community Services
			Date adopted/reviewed	Engineering and Community Services
		LED Strategy and plans aligned with PGDS	Yes/No	Engineering and Community Services
		Develop the Agricultural Sector	Develop Agricultural Plan	Engineering and Community Services
		Tourism Development	Tourism plan	Engineering and Community Services
	Promotion of Capacity Building, Training, Monitoring and Support Services	Develop database of information to assist emerging entrepreneurs	Engineering and Community Services	
	To mainstream special groups	HIV/AIDS Strategy	Yes/No	Engineering and Community Services
		Youth Programme	R value spent	Engineering and Community Services
		Women Programme	R value spent	Engineering and Community

				Services
<b>Good Governance, Community Participation and Ward Committee Systems</b>	To promote community awareness and participation	Community Participation Strategy	Date reviewed	Engineering and Community Services
		IDP Representative Forum	Number of meetings	Office of MM
	To ensure functional Internal Audit Activity and Audit Committee	Audit Committee	Yes/No - Quarterly Meetings	Office of MM
		Performance Audit Committee	Yes/No - Quarterly Meetings	Office of MM
<b>Financial Viability and Financial Management</b>	To ensure that all Municipal revenue is accounted	Quarterly collection on billings	% collection rate	Financial Services
		Growth in revenue collected by the municipality as a % of projected revenue target	% growth in revenue collected	Financial Services
		Budgeted revenue for property rates collected	% property rates collection	Financial Services
		Municipal Property Rates Act	Date implemented	
		Maintenance of valuation roll	Number of objections/appeals	Financial Services
		Total revenue received from grants and subsidies	R value	
		Grants as a % of revenue received	% of total revenue	
	To ensure that the Municipality has credible Debt Management	Debtors collected as a % of money owed to the municipality	% debtors collections	Financial Services
		Debt over 90 days	% of debtors >90 days	Financial Services
		Debt recovery	% debt recovered	Financial Services
		Debt coverage ratio	Ratio	Financial Services
		Cost coverage ratio	Ratio	Financial Services

To ensure that all expenditure is managed in terms of all financial legislation	Total operating budget	R value	Financial Services
	Total budget spent	% spent	Financial Services
	Quarterly operational expenditure as a % of planned expenditure	% achieved	Financial Services
	Quarterly capital expenditure as a % of planned capital expenditure	% achieved	Financial Services
	MIG expenditure as a % of annual allocation	% achieved	Financial Services
	Total of grants and subsidies spent	% spent	Financial Services
	Municipal capital budget actually spent on capital projects	% spent	Financial Services
	Percentage operating budget of total budget	%	Financial Services
	Total Salaries and Wages budget (including benefits)	R value	Financial Services
	Percentage own revenue contribution to total budget	%	Financial Services
	Payment of creditors	Number of days	Financial Services
	Debt service payments	R value	Financial Services
	Actual vs. Budget	% variance	Financial Services
To ensure compliance with all financial management requirements	Compliance with MFMA requirements	% compliance	Financial Service/ All
	Compliance with GRAP	% compliance	Financial Service
	Audit Opinion	Opinion	Financial Services
	SCM performance reporting	Date	Financial Services
	Updated and credible Asset Register	Yes/No	Financial Services
	Compliance with SCM Regulations	% compliance	Financial Service/ All
	Submission of Annual Financial Statements	Date submitted	Financial Services
	Submission of Annual Report	Date submitted	Financial Services

		Updated and credible Indigent Policy	Yes/No	Financial/ Engineering Services
	To ensure fraud and corruption is reduced	Functional Supply Chain Management system	Yes/No	Financial Services
		Anti-corruption strategy implemented by target date	Date implemented	Financial Services
			% awareness within the municipality	Financial Services
<b>Spatial and Environmental Management</b>	To ensure the appropriate and effective use of land	Spatial Development Framework	Date of review/adoption	Technical Services
		Land Use Management System	Date revised	Community Services
	To promote environmental management	Environmental Management Plan	Yes/No	Community Services
		Clean-up campaign	Number of campaigns	Technical Services

(iv) Focus Areas re KPA's

The focus of Emadlangeni Municipality on delivering on the Key Performance Areas is aligned with the Amajuba Districts focus areas. The reasoning being that linking on the District's strategies and the implementation thereof makes delivery accomplishable when taking into consideration the limited income base and resources of the Municipality. These include:

- Basic Service Delivery
  - Water
  - Sanitation in rural areas
  - Access roads to rural areas
- Municipal Institutional Development and Transformation;
  - Employment Equity
  - Policy Development
  - Councilor Capacity Building
  - Organizational Development
  - Labour relations
- Local Economic Development;
  - Black economic Empowerment
  - Jobs
  - Youth Empowerment
  - Women Empowerment
  - Indigent Households

- Municipal Financial Viability and Management; and
  - Financial Management
  - Revenue raising
  - Internal Control
  - Budgeting
  - Operational Cost reduction
  - Supply Chain Management
  - Internal Auditing
  - Asset and Liability Management
- Good Governance and Public Participation.
  - Communication
  - Access to Information
  - Intergovernmental relations
  - Legislative Compliance
  - Organizational Development
  - IDP and Budget
  - Performance Management

## **SECTION D: HIGH LEVEL SPATIAL DEVELOPMENT FRAMEWORK**

### **4.1 Introduction**

#### 4.1.1 Background

The Emadlangeni Spatial Development Framework (SDF) was prepared as part of the original IDP process and is annually reviewed. The SDF is aligned with the Amajuba DM's SDF during each of these SDF reviews.

#### 4.1.2 Purpose

The purpose of a SDF is to provide general direction to guide decision-making and action over a multi-year period aiming at the creation of integrated and habitable cities, towns and residential areas.

The purpose of a SDF is to create a strategic framework for the formulation of an appropriate land-use management system, thereby:

- informing the decisions of development tribunals, housing departments and relevant development committees; and
- creating a framework of investment confidence that facilitates both public and private sector investment.

#### 4.1.3 Legislative Requirements

There are two pieces of legislation that govern the formulation of Spatial Development Frameworks, namely:

- The Municipal Systems Act, Sections 26 and 35; and
- The Municipal Planning and Performance Management Regulations, Chapter 2 and Sections 3 and 4.

### **4.2 Settlement Hierarchy**

#### 4.2.1 Background

The settlement hierarchy of Emadlangeni was guided by the RSS model developed by the previous Town Planning Commission.

Investment in capital projects should follow the settlement hierarchy as well as the LED projects as integrated in the District's SDF. Agriculture and mining remains the focus areas for Emadlangeni municipality.

The detailed Spatial Development Framework is attached.

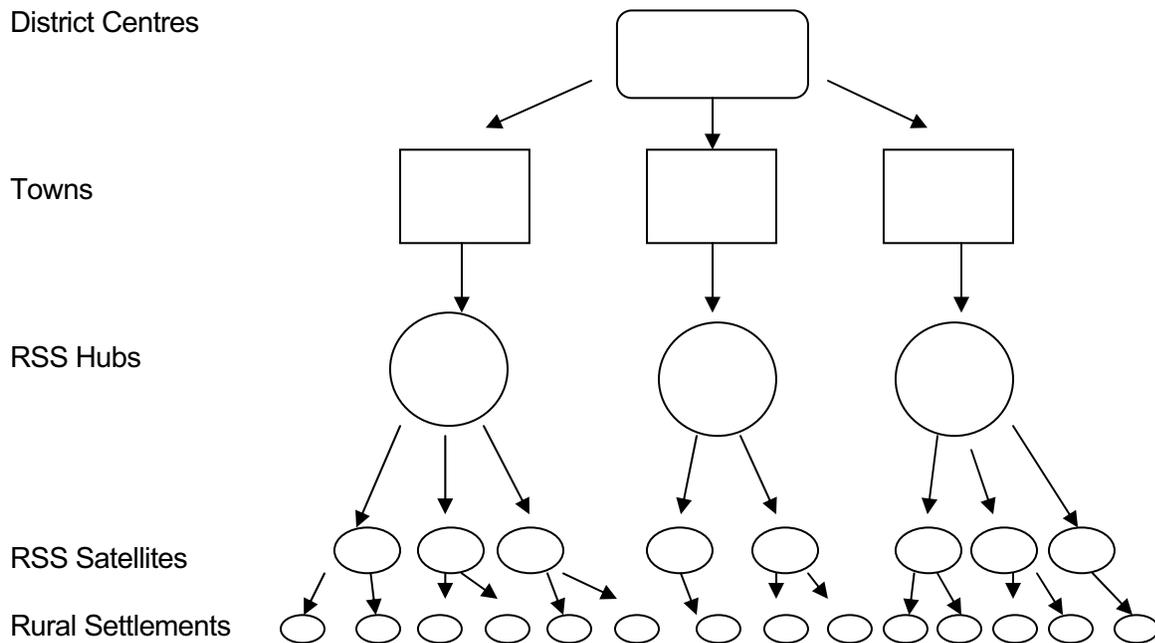
### 4.2.2 The Rural Service System Model

The Rural Service Model (RSS) was developed by the Town Planning Commission and the aims of the model are to:

- (i) Encourage service providers to work towards the goal of alleviating poverty through:
  - Planned and integrated service delivery;
  - The linking of departmental budgets/finances and the promotion of integrated delivery;
  - Increasing community access to services and the reduction of service costs;
  - Changing the way public service agencies operate; the adaptation of services to meet local social and economic needs; and the establishment of a model for rural service delivery which is replicable.
  
- (ii) Co-ordinate the time and place where services are delivered/ provided through:
  - Reducing the cost of service delivery through the sharing of infrastructure and resources; and
  - Improving convenience to communities by offering a number of services at one point, and at one time.
  
- (iii) Creating economic opportunities at service delivery points through:
  - Locating population around investment points to stimulate market activity;
  - Stimulating investment opportunities around service points; and
  - Creating opportunities for greater diversification of economic opportunities.

Figure 11: The RSS-Spatial Hierarchy

The Rural Service Systems (2003) – Spatial Hierarchy



### 4.2.3 The Emadlangeni Settlement Hierarchy

The settlement hierarchy of Emadlangeni Municipality is based on Rural Service System (RSS) as follows:

Table 36: Utrecht settlement hierarchy

Settlement hierarchy	Area
Town	Utrecht (urban)
Service Hub or secondary node	Groenvlei
Service Satellite	Amantungwa Trust; and Kingsley.
Service sub-satellite	Nzima; Mabaso; and BlueMountain.
Other settlements	Portion 9(of 6) of the farm Groothoek Number 152 has been identified as a node for development.

## 4.3 Location of Future Settlement

### 4.3.1 Housing Delivery

The current low cost housing projects in progress are:

- 360 units at Groedehoop is in conditional approval stage
- 60 units at Emalahleni Primary School is in conditional approval stage
- 31 new and 60 old mine houses are in the planning process of being transferred to the current occupants.

The main focus of Emadlangeni Municipality is to delivery 360 low cost houses in Groedehoop. An additional 31 new units and the 60 existing units at Khayaletu village is at a planning stage as a low cost housing project. In conjunction with the 360 units planned at Groedehoop an additional 60 units is planned on lot 1019 at Emalahleni Primary School.

This plan has been integrated into the Emadlangeni Municipality's Spatial Development Framework (SDF) and the projects identified have been incorporated into the project tables.

### 4.3.2 Integration of Urban Areas

There is a natural integration of urban areas as the previously so called white area is already 60% integrated (change of ownership – private market).

It must be noted that Utrecht never had a R293 township.

### 4.3.3 The Urban Edge

The urban edge of Emadlangeni Municipality is defined as:

- The Boundary of the former Utrecht TLS;
- The Boundary of the proclaimed Groenvlei Township;
- The Boundary of the Kinglsey land reform project;
- The Boundaries of the Amantungwa land reform project;

The LUMS will be reviewed and the urban edges zoned accordingly.

## 4.4 Key Intervention Areas

### 4.4.1 Environmentally Sensitive areas

#### (i) Wetlands

Four wetland of key importance have been identified within the Amajuba DM area of jurisdiction. Three of the wetlands fall in Emadlangeni Municipality's area. These wetlands require conservation as they form an integral part of the catchment of the major river systems in the district.

The four wetlands are:

- Boschoffsvlei
- Groenvlei
- Padavlei
- Blood River vlei

Any impacts of any future development up-stream or adjacent to these wetlands must be considered prior to its approval

#### (ii) Special Environmental Management Areas in Emadlangeni

The northern "highland" areas of the Belesberg have been identified as a Special Environmental Management Area due to its biodiversity value. Both the KZN Wildlife 'Systematic Conservation Plan for KZN' and the Enkangla Grassland Trust's 'Enkangala Systematic Conservation Plan' have identified large portions of the area above 1700m north-east through to north-west (as far as Wakkerstroom) of Emadlangeni as being 'irreplaceable' or of very high national and provincial conservation value.

The highlands also from the catchment areas for the Buffalo, Blood, Slang, Pongola and Bivane Rivers and catchment management is therefore of the utmost importance to the economy of South Africa. Land uses (such as afforestation and overgrazing) that reduce water production should not be permitted within this area.

### Mountainous Area Development Plan

Any development in the mountainous area will be informed by this Plan and will form the guide for the approval of land use applications. The Plan will be integrated and formalized in the Emadlangeni reviewed LUMS.

### (iii) Mine Rehabilitation

In terms of Section 38 of the Minerals Act, 1991, the rehabilitation of the surface of land concerned in any mining operation is to be carried out by the holder of the mining permit/ authorization.

This is to be carried out in accordance with an approved Environmental Management Plan, to the satisfaction of the Director: Mineral Development.

Mines that have been identified as key intervention areas are those which have closed and are in need of rehabilitation. The following are relevant:

- Welgedacht Colliery
- Belgray (Leo Mining)

### (iv) Land Reform Projects

The Kingsley settlement is a land reform project within the municipality's area of jurisdiction. The formalization of the settlement is being undertaken in terms of the Development Facilitation Act and submission of the application will be in the first half of 2009.

The outcome of the Area Based Plan as undertaken by the Department of Local Government and Traditional Affairs is awaited and the implementation of the plan will be incorporated into the SDF of Emadlangeni.

### (v) Poverty relief areas

The Service Satellites and the Service Sub-satellites have been identified as Poverty Relief Areas. Key areas of intervention include:

- Provision of infrastructure and Social Services;
- Support for LED (especially small scale agriculture and SMME's) and;
- Giving priority in terms of development projects.

## **4.5 The Spatial Development Framework**

The Spatial Framework for the Emadlangeni Municipality is to a large extent a result of decisions taken on various levels by a variety of role-players.

### 4.5.1 Settlement Hierarchy

By identifying a settlement hierarchy in the IDP and the Spatial Framework, which directly influences the capital investment in the municipality over a five year period, urban sprawl is discouraged and integrated settlements are encouraged. The service levels as set out in Annexure B need to be applied to Emadlangeni and inform the development of infrastructure.

### 4.5.2 Delineation of the Urban Edge

The delineation of the urban again discourages urban sprawl and leads to greater compaction and integration. These both impact positively on the natural environment.

#### 4.5.3 Land Reform

The locality of satellites and sub-satellites have been determined by the land-reform processes and not by spatial or environmental planning and may thus not be located in the most “environmentally suitable” areas. For example:

- The Groenvlei settlement is located in close proximity to a major wetland;
- The Amantungwa settlement is located in close proximity to the Boschoffsvlei; and
- The Mabaso community is located in a mist belt grassland area, an area of high erodability, along the headwaters of the Bivane river.

Settlement of these areas, along with future expansions, need to be governed by thorough Environmental Scoping Reports as well as Environmental Impact Assessments (EIA’s) where necessary.

According to Korsman and van Wyk (2003, p 37), it is foreseen that only 40% of the people who settle in these satellite and sub-satellites would come from outside of Emadlangeni. The remaining 60% will be from farms within the district and it is therefore anticipated that this process will take some time. This will have a direct impact on the provision of infrastructure.

#### 4.5.4 Conservation

Due to the decline of the mining sector in the municipality, local economic development within the municipality has been forced to re-focus. The municipality has embarked upon an ambitious initiative whereby Emadlangeni is being marketed and developed as “A Town within a Game Park”. This initiative will have a positive impact on the environment.

#### 4.5.6 Land Use Management System

Emadlangeni Municipality prepared (2007) and submitted the Land Use Management System (LUMS) in terms of Chapter 5 and Section 26(e) of the Municipal Systems Act (32 of 2000) to the then Department Local Government and Traditional Affairs. Correspondence was received from the Department in January 2009 and the document will be edited accordingly.

The main areas of focus in the reviewing of the LUMS were:

- Consolidation of supporting documents such as appendices, application forms and criteria for the consideration of development applications into one single document and bound separately as a parallel to the statutory scheme;
- Preparation of a single scheme for the whole Municipal area must be prepared and adopted. The urban and rural parts require consolidation to include a single set of definitions that encompasses both urban and rural. This will rule out inconsistency and omissions;
- A shift from the past control orientated approach to managing use and development of land should be encompassed into the scheme definitions and zoning. Reference is made to the Provincial Planning and Development Commission’s LUMS research.
- The rural dimension requires improvement resulting in coherence and consistency between the urban and rural components.

## SECTION E: SECTOR INVOLVEMENT

### 5 Sector Involvement

#### 5.1 Introduction

**This IDP Review has seen the poorest involvement by sector departments in IDP RF meetings as well as the poorest response to correspondence sent to departments requesting their budgets.**

The data in this section is a summary of the information received from Departments as well as information obtained off the respective Departmental websites. Where projects have not been listed, this is due to **non-submittal** by departments.

#### 5.2 The Department of Transport

##### 5.2.1 Departmental Vision

The KwaZulu-Natal Department of Transport's vision is:

***"PROSPERITY THROUGH MOBILITY"***

This means that all activities of the Department and the manner in which the Department delivers services to communities will increase the wealth and quality of life to all citizens of the province.

##### 5.2.2 Mission

*"We will provide the public with a safe, integrated, regulated, affordable and accessible transportation system, and ensure that, in delivering on our mandate, we meet the developmental needs of our province."*

**AND**

*We will promote transparent and accountable government, plan in accordance with the needs of our customers, and ensure effective, efficient and transparent delivery of services through the appropriate involvement of the public and through regular and accurate reporting."*

##### 5.2.3 Strategic Goals

The strategic objectives of the department are as follows:

- Improving and ensuring road and public transport safety;
- Developing the people, the economy and the infrastructure of KwaZulu-Natal;
- Institutionalising public participation and strengthening democratic governance;
- Facilitating rural development, reducing poverty and inequality and ensuring an infrastructure balance;
- Facilitating the growth and development of the road construction industry in KwaZulu-Natal, so as to be fully representative of the demographic profile of the province; and
- Ensuring financial accountability, value based resource management and development of integrated management systems.

## 5.3 Amajuba District

### 5.3.1 Water

- The Emadlangeni Bulk water project :R49 220 640
- Emadlangeni Feasibility: R600 000
- Emadlangeni Rural water Supply phase1:R 13 380 000

### 5.3.2 Sanitation

- Emadlangeni Rural Sanitation Project

## 5.4 Sector Plans

### 5.4.1 Current Status of Sector Plans

Since 2002, the Amajuba District Municipality has embarked upon the preparation of a number of sector plans in consultation with the local municipalities. With regards to the sector plans that have been finalised to date, these have been incorporated into the IDP in the following three ways:

- Projects identified through the sector plan have been included into the project tables;
- Key spatial elements have been incorporated into the Spatial Development Framework (SDF); and
- Relevant sections in the IDP, largely the sections in the Analysis Phase, have been updated with the facts and figures generated by the sector plans.

This section summarises some of the key outcomes of the sector plans that have been completed. Sector Plans that are in the process of being completed or are being reviewed are not included in this section.

### 5.4.2 Description of Sector Plans

#### (i) Local Economic Development

The LED Plan has been prepared for Emadlangeni Municipality in 2011. It is in draft phase and attached as an Appendix.

#### (ii) Environmental Management Plan

The Environmental Management Plan (EMP) was prepared by the Amajuba DM in 2003 and has been prepared in terms of the requirements of the Municipal Systems Act (2000). In effect, the EMP addresses schedules, resources and responsibilities for achieving Council's environmental objectives and targets. The plan provides the following:

- A statement on the environment;
- An identification of key areas for intervention; and
- Policies and strategies linked to a spatial plan.

The main objects of this plan are as follows:

- To provide Council with an environmental inventory which provides a basis for establishing an interlinked system of conservation reserves, good agricultural land and public spaces, and which will assist Council in the process of development management;
- To minimize harmful development tendencies which may affect the environment;
- To recommend environmental principles which will assist in the maintenance and improvement of the present urban environment; and
- To designate boundary limitations of conservation areas within the municipality so as to enhance species survival in the long term.

This plan has been integrated into the Emadlangeni Municipality's Spatial Development Framework (SDF) and the projects identified have been incorporated into the project tables. A problem with the projects identified is that they require large capital outlays and with limited municipal budgets and other competing priorities, it may take some time before these are addressed.

### (iii) Waste Management Plan

The District undertook the preparation of an Integrated Waste Management Plan during the 2002/3 financial year. A *status quo* document was prepared which investigated the existing waste disposal and management practices in the three LM's as well as their potential life spans. This document investigated the potential for waste minimisation and recycling as well as the potential alternatives to the current treatment and disposal regimes. A guideline document was also prepared for municipal official as part of this process.

The plan explored the feasibility of providing a regional waste disposal site, but due to the distances between urban centres in the DM, the plan recommended that regional management of waste was not advisable and that each LM should continue with its own sites.

The plan recommended the following to the Emadlangeni Municipality:

- that site to be covered as frequently as possible to avoid wind scatter, the ideal situation is to cover after each dump. Probably more practical is to cover with soil after every week. This will reduce the visual impact of wing scatter; reduce vermin and breeding of flies on site.
- provided with adequate equipments which includes compactors for on site services;
- that fire should be discouraged onsite as these pose a health hazard to staff and people picking form the site;
- that rain water runoff should be diverted/channelled away from or around the donga where waste is being disposed.
- that access to the site needs to be controlled (site need to be fenced);and
- that pickers need to be controlled.

#### (iv) Cemetery Plan

During the 2002/3 to 2004/5 financial years, the ADM prepared a cemetery plan which covered the three LM's. The plan covered five key issues/ guidelines on the establishment of cemeteries, namely:

- The identification and selection of cemetery sites;
- The design and layout of cemeteries;
- Community participation;
- Legal aspects; and
- Administrative considerations.

The cemetery plan, through community consultation and thorough analysis of geological elements, identified key 'windows of opportunity' where cemeteries could be located. The cemetery plan preparation process then, however, broke down as a number of the Amakhosi felt that they had not made significant inputs and identified potential 'windows of opportunity' in their areas. Further consultation was then undertaken and additional sites identified.

Cemetery sites identified in the Emadlangeni Municipality area are:

- Amantungwa;
- Kingsley;
- Groenvlei; and
- Nzima.

The DM is undertaking a process of 'negative mapping' whereby geologically unsuitable sites are being eliminated and the remaining sites re-prioritised. Once this process is completed, the top priority site will be developed.

#### (v) Public Transportation Plan

The District has completed its CPTR and is currently involved with the preparation of the PTP. The objective of the CPTR is to provide a record of public transport services, routes, facilities and infrastructure, which will form the basis for the development of the PTP and the Integrated Transport Plan (ITP) for the ADM. The CPTR and the subsequent future updates of the CPTR will also be used for performance monitoring of the public transport services provided with the ADM, as well as to provide the ADM with a management and decision making tool.

This report has been utilised to update and cross-check the corridors identified in the Amajuba SDF as well as the Emadlangeni Municipality Spatial Development Framework.

#### (vi) Disaster Management Plan

The ADM undertook both a Disaster Management Risk Assessment and Risk Analysis during the past financial year. These studies identified where risks for disasters are prevalent, their type and their potential magnitude.

(vii) Electricity Supply Development Plan

The Electricity supply development plan funding is currently being sourced from DBSA.

(viii) Municipal Infrastructure Investment Plan

The Municipality is being assisted by the National Department of Cooperative Governance with the drafting of an Investment Plan.

(ix) Water Services Development Plan (WSDP)

The Amajuba DM is a Water Services Authority and in order to comply with the relevant legislative requirements, the Amajuba DM initiated the preparation of a WSDP in June 2002. The WSDP covered, amongst others, the following:

- The WSDP work process included an extensive assessment of all water sector aspects and was the input to the design of a viable and sustainable WSDP;
- The planning process considered several options including both technical and customer service level options;
- The WSDP addresses the delivery of basic services but proposes a solution which will increase efficiency and promote development (economy of scale and yard connections to all customers); and
- The information was collected in the prescribed format and collated in accordance with the WSDP guidelines.

The WSDP has been utilised to prioritise water provision projects and funding allocations throughout the DM and the budget has been aligned extensively with it. It must also be noted that the WSDP is currently under review.

(x) Housing plan

The Housing Plan has been developed in 2008/09 financial year and was approved as part of the reviewed IDP. The document is reviewed annually to update the information and ensure its relevance.

The aim of the plan is to identify the housing backlog so as to determine the housing needs in the Utrecht area as well as identifying land availability in rural and urban areas for low cost housing.

This plan has been integrated into the Emadlangeni Municipality's Spatial Development Framework (SDF) and the projects identified have been incorporated into the project tables.

(xi) Tourism Plan

The Tourism Plan for the DM was prepared during the 2003/4 financial year and was prepared so as to put the district on a competitive edge in terms of its tourism attractions. The plan seeks to further develop the vision, strategies and objectives, formulated as part of previous planning initiatives for the region, into a reality through the creation of facilities and the marketing of draw card attractions and activities in the district. The plan:

- Identifies shortfalls in the development of tourism in the DM;
- Addresses unrealized tourism potential;
- Motivates effective marketing and promotion;
- Develops a facilities database;
- Identifies sources of funding for tourism initiatives; and
- Identifies specific projects with cost estimates to feed into future business plans to support project implementation.

(xii) The Agricultural Plan

In 2005 the Amajuba District Municipality has developed an Agricultural Sector Plan with its vision being to provide information to existing and future agricultural developers to assist with decision making on crops, markets, and investments, etc thereby ensuring planned and successful enterprises.

The Mission of the plan is to guide all LM's in the DM area and other stakeholders, on the development of the agricultural sector, ensuring well planned and successful enterprises that will not have a negative impact on the natural environment and other land users (industries, residential, mining), in order to provide long term economic upliftment, especially for the previously disadvantaged groups and economic sustainability for all the existing agricultural related enterprises.

The plan developed number of objectives to address the problems and challenges within Amajuba Agriculture with reference to:

- Agricultural development strategies,
- Identification of viable agricultural enterprises in terms of available bio-resources;
- Project identification of potentially viable projects;
- Simplified economic feasibility analysis of selected potential enterprises;
- Identification of the beneficiaries, funders, stakeholders, etc.
- 10 year development programme; and
- Capital and cash-flow requirements.

**SECTION F: IMPLEMENTATION PLAN**

The following table reflects the capital projects to be implemented by the municipality in the next 3 years.

Table 37: Implementation Plan

<b>Capital Projects</b>	<b>Ward</b>	<b>Indicative Budget 2011/12</b>	<b>Indicative Budget 2012/13</b>	<b>Indicative Budget 2013/14</b>
Emxhakeni /Agric Village Creche	3 and 2			5 206 000
Emxhakeni Gravel Road	3 and 2	686 101		
PMU Business Plan		411 000	150 000	
Ezihlabathini Gravel Road- Rehabilitation	1	2 312 000		
Kwalembe-Kemplust Gravel Road- Rehabilitation	1	256 000		
Kwa-Mabaso/Ndlamlenze Creche	1		1 100 000	725 000
Kwa-Nzima and Blue Mountain Creche	1		1 100 000	
Ehlamzeni Valley Access Gravel Road-Rehabilitation	1	2 258 000	2 242 000	
Fencing Utrecht			1 533 988	1 531 237
Lenz Gravel Road Rehabilitation			1 271 000	2 104 000
Hoogenoeg Gravel Road Rehabilitation	3		3 161 000	992 000
<b>Total</b>		<b>8 684 000</b>	<b>10 558 000</b>	<b>10 558 000</b>

## SECTION G: PROJECTS

### 7.1 Introduction

Section G of the IDP deals with projects and focuses on projects planned for implementation during the 2011/12 financial year

### 7.2 Project Prioritization Model

The Emadlangeni Municipality adopted the Amajuba project prioritization model developed by Amajuba District Municipality.

The model is summarized as follows:

- Project Prioritization is required in order to guide project implementation and the allocation of funding to each project.
- The project prioritization model is applied to projects and programmes funded from the municipality's own funding.
- Projects funded by external service providers (eg. Departments) do not require prioritization by the Municipality for funding and implementation.

Table 38: Project Prioritization Model

Criteria	Description	Score 1= Yes 0=No
Legal Requirements	Is the project legally required by legislation with grant funding and guidelines available? Ensure the project is not an unfunded mandate.	
Contractually committed	Has the project already commenced and were appointments done to date?	
Safety / Basic Needs	Will the postponement of the project create a safety risk to the community and is the project addressing a basic need?	
Maintenance cost	Will the maintenance cost for the project be affordable in the future?	
<b>Total Score</b>		

Source: Amajuba IDP

A high score will indicate a high priority for implementation.

### 7.3 2011/12 IDP Projects

The following table is a summary of the projects planned by the municipality for implementation during the 2011/12 financial year.

Table 39: One Year Detailed Operational Plan

IDP No	Capital Projects		
		Ward	Indicative Budget 2011/12
	Amawela Gravel Road	1	2 761 000
	Emxhakeni /Agric Village Creche	3 and 2	
	Emxhakeni Gravel Road	3 and 2	686 101
	PMU Business Plan		411 000
	Ezihlabathini Gravel Road- Rehabilitation	1	2 312 000
	Kwalembe-Kemplust Gravel Road- Rehabilitation	1	256 000
	Kwa-Mabaso/NdlamlenzeCreche	1	
	Kwa-Nzima and Blue Mountain Creche	1	
	Ehlamzeni Valley Access Gravel Road- Rehabilitation	1	2 258 000
	Fencing Utrecht		
	Lenz Gravel Road Rehabilitation		
	Hoogenoeg Gravel Road Rehabilitation	3	
	<b>Total</b>		<b>8 684 000</b>

## SECTION H: FINANCIAL PLAN AND SDBIP

### 8.1 Financial Plan

#### 8.1.1 Introduction and Background

Financial Management is the cornerstone of any organization. Controls and policies must be in place to achieve sound financial management. In meeting the demands of sustainable financial viability and service delivery expectations, it is necessary that a comprehensive integrated approach towards financial sustainability be developed.

The Municipality has recognized that to be successful the IDP must be linked to a workable financial plan, which includes a multiyear budget.

The financial plan is set out as follows:

- Legislative requirements
- Risks and challenges in Financial Management
- Financial Framework
- Financial strategies
- Multiyear budgets

#### 8.1.2 Legislative Framework

The financial affairs of the municipality are governed by the following legislation:

- Division of Revenue Act
- Public Finance Management Act
- Municipal Finance Management Act
- Treasury Regulations

#### 8.1.3 Risks and Challenges in Financial Management

The key financial risks and challenges which need to be mitigated against are outlined below:

- The continued growth in outstanding debtors;
- Deteriorating collection rate;
- Decrease of collection of service charges;
- Limited maintenance and renewal of infrastructure assets due to resource constraints;
- Administration of agency functions with limited budget allocation;
- Inadequate utilization of tourism facilities and opportunities resulting in revenue losses;
- The need for efficient and effective service delivery; and
- The need to ensure legal compliance through all procedures and programmes.

#### 8.1.4 Financial Framework

##### a) Revenue Generation

It is essential that the Municipality has access to adequate sources of revenue, from both its own operations and intergovernmental transfers, to enable it to carry out its functions effectively. It is

further necessary that there is a reasonable degree of certainty with regard to the source, amount and timing of its revenue

b) Sustainability

Essentially the Emadlangeni Municipality's budget must be balanced i.e. anticipated revenue equals anticipated expenditure. As with any budget, revenue is always the limiting factor, therefore it is essential that tariffs are set at affordable levels, and that the full costs of services delivery are recovered. However households that are too poor to even pay for a proportion of service costs, should at least have access to basic services, at a subsidised cost.

c) Effective and Efficient use of resources

In an environment of limited resources, it will be essential that the Emadlangeni Municipality makes maximum use of the resources at its disposal, by utilising them in an effective and efficient manner. Efficiency in operations and investment will ensure financial sustainability.

d) Accountability, Transparency and Good Governance

The Emadlangeni Municipality is accountable to its community. The budgeting process and other financial decisions should be open to public scrutiny and participation. In addition, the accounting and financial reporting procedures must minimise opportunities for corruption. It is also essential that accurate financial information is produced within a prescribed timeframe for stakeholders to make informed decisions and create oversight.

e) Equity and Investment

The Emadlangeni Municipality must treat people fairly and justly when it comes to the provision of services, and in the same way deal effectively with its backlogs in services, therefore maximizing its investment in the municipal infrastructure. In doing so Emadlangeni Municipality must efficiently manage its financial systems and underlying policies, which must encourage maximum degree of private sector investments.

### 8.1.5 Financial Strategies

Within the context of the above framework, financial strategies and policies form part of the financial plan to achieve the desired objective of financial viability and sustainability for the Municipality. Financial strategies are essential to ensure increased efficiency and cost effectiveness within the Municipality. The implementation of the financial plan requires the involvement of the Council, Municipal Manager and Chief Financial Officer in implementing these strategies. Councils overall financial strategy is structured into the following core components to allow for clearer understanding of task:

- Asset Management strategies
- Potential Sources of Income and Revenue Raising Strategies
- Debt Control Measures
- Free basic services

These segments are intended to provide operational guidance to staff to assist them in achieving identified objectives and goals. The strategy is ensuring compliance with financial policies, modelled on modernized reform practices applicable to local government. The multiyear budget process reforms currently being implemented has fundamentally changed councils financial focus, through improving the Municipality's ability to deliver basic services to all, highlighting and effectively addressing capital expansion implications on sustainability of operations and that of the organization as whole, and informing policy choices on investment decisions

a. Asset Management strategies

This policy is deemed necessary in order to facilitate the effective management, control and maintenance of the assets. The policy is in place and is subject to regular review. In terms of asset management the following are being implemented.

- Implementation of the asset management policy.
- Conducting regular physical audit of all assets of the municipality and ensuring that all assets are accounted for.
- Ensure policies are in place that prevents unauthorized use of municipal assets.
- Consider rent versus buy option when a new asset is required.
- Enter into service contracts with service providers.
- Arrange proper insurance on all municipal assets.

b. Potential Sources of Income and Revenue Raising Strategies

The purpose of this strategy is to ensure that all possible avenues are explored to maximize the receipt of any monies available to council by way of intergovernmental transfers and grants or Donations including expanding the billing database and maximizing income opportunities one every registered serviced site within the local municipality jurisdiction.

The second component of this strategy focuses on strengthening and building capacity within credit control and debt management practices and processed of council, ensuring the attainment and exceeding of collection rates in line with key budgetary requirements.

c. Debt Control Measures

The policy sets out ways in which the municipality intends to control and manage the recovery of outstanding debt due to council.. The policy lays down the basis for distribution of accounts, collection procedures, interest and penalties to be charged in the event of non-payment, with strong focus on management reporting requirements pursuant of key legislative requirements and performance management.

d. Free Basic Services

The basic principles of this policy is to ensure that poor households have access to basic services, and this requires the Municipality to implement an indigent support policy that makes adequate financial provision to ensure the provision of efficient and sustainable services to all residents within the area of jurisdiction.

The indigent policy is intended to provide poor households ongoing access to a specified level of service. The subsidies contained in the policy should not compromise the quality of efficiency of service delivery.

In terms of revenue cost of free basic services the following provides an indication of allocation over the MTEF period.

Table 40: Provision of Free Basic Services.

<b>Revenue cost of free basic services provided</b>			
<b>Revenue by Source</b>	<b>Indicative Budget 2011/12</b>	<b>Indicative Budget 2012/13</b>	<b>Indicative Budget 2013/14</b>
Property Rates (other exemptions, reductions and rebates)	4 288 000	4 541 000	4 541 000
Electricity/other energy	847 000	897 000	897 000
Refuse	127 000	137 000	137 000
<b>Total</b>	<b>5 262 000</b>	<b>5 575 000</b>	<b>5 575 000</b>

#### 8.1.6 Multi-year budgets

The municipality is dependent on two primary types of income namely Operating Income and Grants/Transfers. The indicative budget over the next 3 years for income is as follows

##### a) Operating Income

Table 41: Operating Revenue

<b>Operating Revenue</b>			
<b>Revenue by Source</b>	<b>Indicative Budget 2011/12</b>	<b>Indicative Budget 2012/13</b>	<b>Indicative Budget 2013/14</b>
Property Rates	8 169 000	8 782 000	9 440 000
Property Rates Penalties	230 000	230 000	230 000
Service Charges-Electricity	8 356 000	8 940 000	9 566 000
Service Charges-Water	-	-	-
Service Charges-Sanitation	-	-	-
Service Charges-Refuse	698 000	772 000	830 000
Rental of Facilities and Equipment	1 065 000	1 124 000	1 207 000
Interest Earned-External investments	533 000	587 000	645 000
Fines	180 000	180 000	205 000
Licences and Permits	806 000	854 000	906 000
Agency Services	100 000	106 000	112 000
Transfers Recognised-Operational	14 715 000	16 025 000	17 408 000
Gains on disposal of PPE	1 400 000	38 000	41 000
<b>Total Revenue(excl Capital Transfers and Contributions)</b>	<b>36 252 000</b>	<b>37 638 000</b>	<b>40 591 000</b>

Table 42: Summarised MTEF

<b>Medium Term Expenditure Framework</b>			
	<b>2011/12 Financial Year</b>	<b>2012/13 Financial Year</b>	<b>2013/14 Financial Year</b>
Operating Income	36 252 000	37 638 000	40 591 000
Capital Income	8 684 000	10 558 000	10 558 000
<b>Total</b>	<b>44 936 000</b>	<b>48 196 000</b>	<b>51 149 000</b>

## b) Grants and Transfers

Table 43: Grants and Transfers

<b>Funding source</b>	<b>Project</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
<b>Operating Transfers and Grants</b>				
<b>National Government</b>	Local Government Equitable share	11 562 000	12 816 000	13 661 000
	Municipal Systems Improvement Grant	790 000	800 000	850 000
	Local Government Equitable Share	694 000	732 000	775 000
	Financial Management Grant	1 500 000	1 500 000	1 750 000
<b>Provincial</b>	Sports and Recreation	169 000	177 000	372 000
<b>Total</b>		<b>14 715 000</b>	<b>16 025 000</b>	<b>17 408 000</b>
<b>Capital Transfers and Grants</b>				
<b>National Government</b>	MIG	8 684 000	10 558 000	11 139 000
<b>Total</b>		<b>23 399 000</b>	<b>26 583 000</b>	<b>28 547 000</b>

## c) Municipal Expenditure

Table 44: Expenditure

<b>Expenditure</b>			
<b>Expenditure by Type</b>	<b>Indicative Budget 2011/12</b>	<b>Indicative Budget 2012/13</b>	<b>Indicative Budget 2013/14</b>
Employee related costs	14 971 000	16 011 000	17 177 000
Remuneration of Councillors	1 429 000	1 544 000	1 667 000
Debt impairment	1 666 000	1 801 000	1 931 000
Depreciation and Asset impairment	2 309 000	2 730 000	3 187 000
Finance Charges	148 000	157 000	166 000
Bulk Purchases	7 458 000	8 204 000	9 024 000
Transfers and Grants	6 300 000	6 800 000	6 770 000
Other	9 646 000	10 266 000	10 966 000
<b>Total Expenditure</b>	<b>43 928 000</b>	<b>47 512 000</b>	<b>50 888 000</b>

## e) Assets and Liabilities

An overview of the assets and liabilities are as follows:

Table 45: Assets

<b>Assets</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
Inventory	0	0	0
Debtors: Consumers	2 267 000	2 759 000	3 278 000
Debtors: Other	1 759 000	1 864 000	1 976 000
Cash	2 561 000	1 849 000	971 000
Current portion of long term receivables	97 000	103 000	109 000
Call investment deposits	7 591 000	8 047 000	8 530 000
Non-current assets	75 187 000	86 992 000	100 872 000
<b>Total Assets</b>	<b>89 463 000</b>	<b>101 615 000</b>	<b>115 736 000</b>

The liabilities are as follows:

Table 46: Liabilities

<b>Liabilities</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
Current	2 247 000	2 378 000	2 542 000
Non-current	78 000	-	-
<b>Total</b>	<b>2 325 000</b>	<b>2 378 000</b>	<b>2 542 000</b>

## **8.2 SDBIP**

The Municipal Finance Management Act requires all municipalities to produce a Service Delivery and Budget Implementation Plan (SDBIP) for the 2011/12 financial year, on the basis of the approved Integrated Development Plan (IDP) and Budget.

## SECTION I: ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

### 9.1 Introduction and Background

Performance management is a strategic management approach that equips the Mayor, Municipal Manager, Heads of Departments, employees and stakeholders with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review the performance of the institution against indicators and targets for efficiency, effectiveness and impact. The PMS entail a framework that describes and represent how the municipality's cycle and processes of performance planning, monitoring, measurements, review, reporting and improvement will be conducted, organised and managed.

The core elements of the system are:

- Organisational PMS;
- Section 57 Performance contracts;
- Employee Performance Appraisal System;
- IT System;
- Performance Audit Committee;
- Annual Report;
- Quarterly Reports
- Public Participation and internal and external communication mechanisms.

The Performance Management Framework has been developed and the PMS policy has been updated and reviewed. The Municipal Manager and Managers directly reporting to the Municipal Manager has signed the Performance Agreements.

### 9.2 Performance Management Policy Statement

Both the Performance Management Framework and Policy outlined the objectives and principles of Emadlangeni Municipality PMS.

The **objectives** of the Emadlangeni PMS are as follows:

- Facilitate increased accountability among the citizens, political and administrative components of the municipality,
- Facilitate learning and improvement through enabling the municipality to employ the best approaches for desired impact and improve service delivery.
- Provide early warning signals in case of a risk against implementation of the IDP and ensuring that the system itself makes provision for Council to be timeously informed of risks for facilitation and intervention.
- Facilitate decision-making through an appropriate information management mechanism enhancing efficient, effective and informed decision making, especially in allocation of resources.

The Performance Management System for the Emadlangeni Municipality is guided by the following **principles**:

- **Simplicity**
- The system will need to be kept as simple as possible to ensure that the municipality can develop, implement, manage and review the system without placing an unnecessary great burden on the existing capacity of the municipality.

- **Politically acceptable and administratively managed**
- The system must be acceptable to political role players on all levels. It must also be flexible enough to be accepted by the municipal council and to enjoy buy-in across political differences. The process will involve both Councillors and officials but the day-to-day management of the process will be managed administratively with regular report back on progress to the political level.
- **Implementable**
- Considering the resource framework of the municipality, the PMS should be implementable with these resources, which will include time, institutional, financial, and technical resources.
- **Transparency and accountability**
- The development and implementation of a PMS should be inclusive, transparent and open. The general public should, through the system, be made aware of how the operations of the municipality are being administered, how the public resources are being spent and who certain responsibilities belong to.
- **Efficient and sustainable**
- The PMS should, like other services within the municipality, be cost effective and should be professionally administered, and needs to happen in a sustainable manner.
- **Public participation**
- The constituency of the municipality should be granted their legal rights, in terms of the Constitution and the MSA, through encouragement of public participation by the municipality during the development and implementation of a PMS.
- **Integration**
- The PMS should be developed and implemented in such a manner that it will be integrated with the integrated development process of the municipality and its employee performance management.
- **Objectivity**
- The PMS to be developed and implemented must be developed on a sound value system with the management of the system and the information it is based upon being objective and credible.
- **Reliability**
- The PMS should provide reliable information on the progress made by the municipality in achieving the objectives as set out in its IDP.

### 9.3 Organisational Performance Management System

Performance Management involves the setting of targets, and measuring the desired outcomes and activities undertaken to attain the targets of an organization. It also involves measuring the performance of the individuals who contribute towards the achievement of the strategic vision of the organization.

For a Performance Management System to be successful it is imperative that:

- Top management and the Council take ownership of the development and implementation of the OPMS.
- All stakeholders understand and are actively involved in performance management processes.
- All officials are trained and take responsibility for performance management

The IDP is linked to the PMS and as well as the five national KPAs being:

- Infrastructure and Services / Basic Service Delivery
- Socio-Economic Development / Local Economic Development (LED)
- Institutional Transformation
- Good Governance and Democracy / Public Participation
- Financial Viability and Management

Each organizational KPA is cascaded down to a level at which it could be allocated to the department and this the specific individual Section 57 Manager who need to fulfill that functions. For each KPA, a KPI is derived in respect of each of the development priorities and objectives contained in the IDP and a performance target with a timeline for that particular function is assigned.

In turn the Performance Contracts/Agreements of each Section 57 Managers enters into a Performance Contract with the municipality. The Performance Contracts are reviewed annually, in line with the requirements of that year's strategy.

The organizational scorecard for Emadlangeni is attached as Appendix K18.

#### **9.4 Employee Performance Appraisal Systems (EPAS)**

The objectives of the system are:

- Identify critical job elements, expectations, and performance objectives.
- Ensure that performance objectives are aligned to departmental and municipal objectives which flow from the Integrated Development Plan of the municipality.
- Establish agreement on the job objectives and the criteria that will be used for evaluation.
- Establish a set of ongoing processes needed to define and plan performance, to develop the skills, knowledge and abilities to perform as planned, to facilitate self assessment, to review and record performance, and to reward performance.
- Provide feedback on job performance, including strengths and weaknesses.
- Identify a means (for example, training) for improving performance.
- Identify realistic job and career opportunities.
- Provide valid information for personnel decisions that will affect the employee.
- Provide employees with a sense of their work accomplishments relative to expectations and predefined performance indicators.
- Support employee development through discussion of assigned opportunities and training.
- Emphasize the Municipality's commitment to continuous improvement and learning.
- To support the Batho Pele principles of service delivery.

#### **9.5 Performance and Financial Audit Committee**

The Emadlangeni Municipality is currently sharing Amajuba District Municipality's Audit Committee. It consists of three members and meets quarterly. The Audit Committee Charter (rule) has been adopted.

## **9.6 Annual Performance Report**

An annual report is prepared annually and one of the issues considered during the IDP review is the issues and challenges raised in the Annual Report. The annual report for 2010/11 is attached as Appendix K16.

## **9.7 Auditor General Comments**

In response to the Annual Report the Auditor-General provided an opinion in this regard. Attached as Appendix K17 is a copy of the Auditor-General's report and the response thereto.

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**SECTION J: ANNEXURES**

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## Section J.1 Detailed Spatial Development Framework

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## **Section J.2 Detailed Disaster Management Plan**

Emadlangeni Municipality does not have a Disaster Management Plan in place.

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**Section K: Appendices**

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**Appendix K9: LED Strategy**

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**K13: Process Plan**

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## Appendix K14: Organogram

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**Appendix K15: Service Delivery and Budget Implementation Plan (SDBIP)**

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**Appendix K16: Annual Report**

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**Appendix K17: Auditor-General Comments and Action Plan**

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**K18: Organisational Scorecard**