

**Abaqulusi Local
Municipality
KZ 263
Final 2023/2024
Integrated
Development Plan
Review**

Contact Details:

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Section A: Executive Summary

1. Introduction

This Final 2023/2024 Integrated Development Plan (IDP) represents the first (1st) review of the 5th Generation IDP's (2022/2023 – 2026/2027).

IDP's are prepared according to Chapter 5 and Section 25 (1) of the Municipal Systems Act (2000), which states that: "Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, all-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;
- Complies with the provisions of this Chapter; and
- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation."

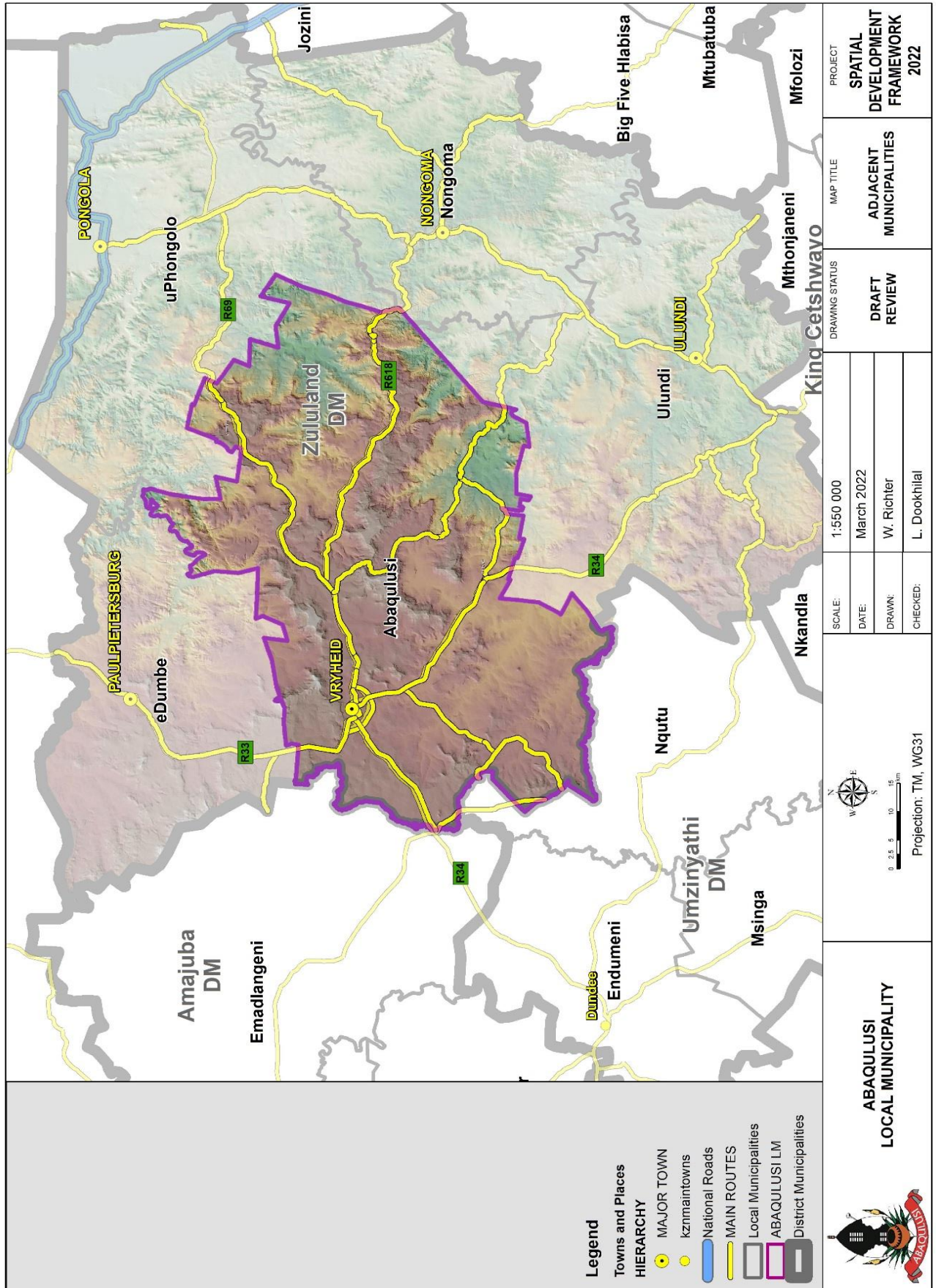
As indicated above, this plan will be the primary strategic tool that guide the Abaqulusi Council and Administration over the next 5 years in achieving its goals and addressing the various challenges that exist.

2. Who Are We?

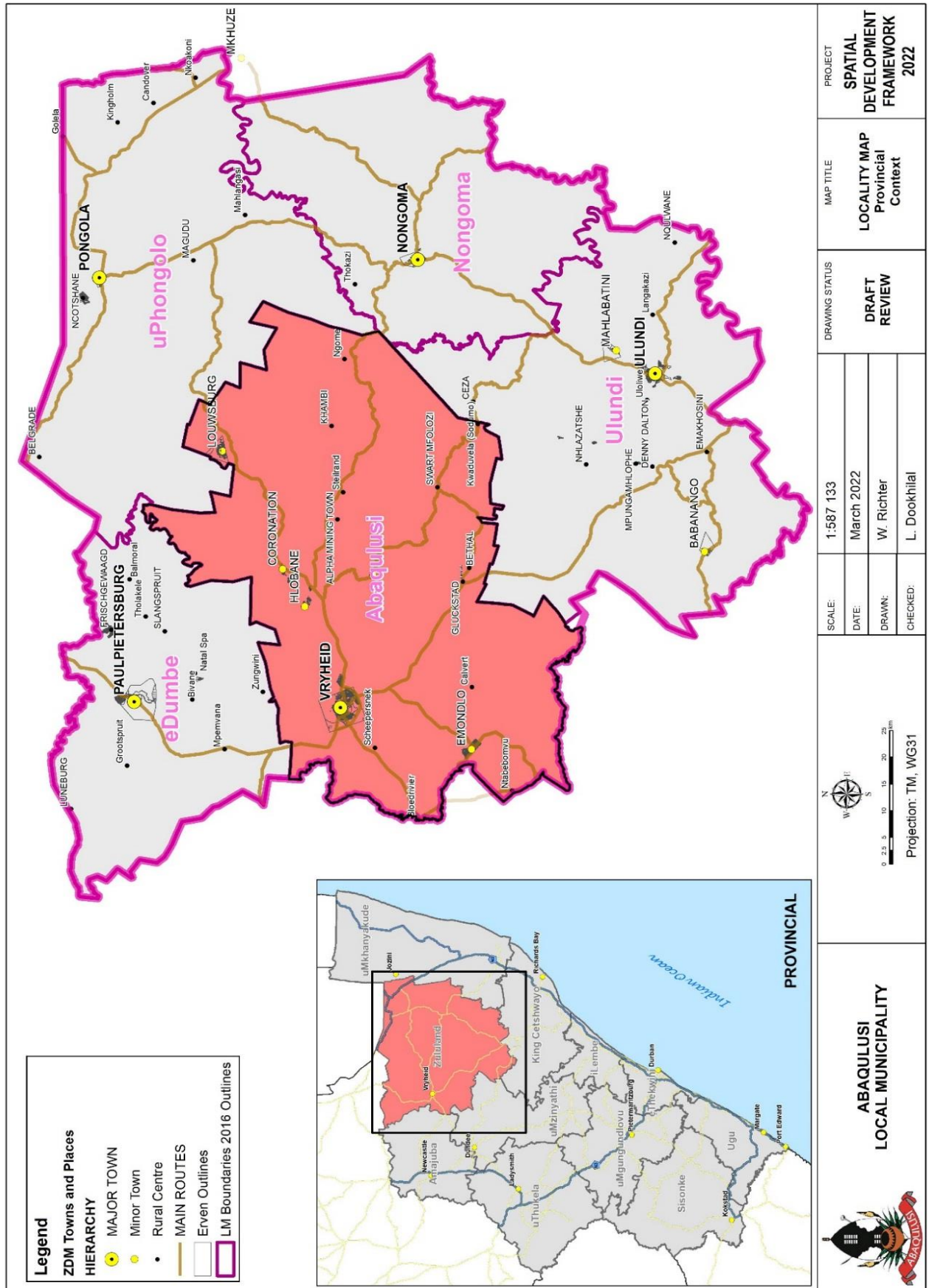
2.1 Background and Spatial Overview of Abaqulusi Municipality

The Abaqulusi Local Municipality is located in the Northern part of KwaZulu-Natal Province and forms part of the Zululand District Municipality. It is named after the Abaqulusi, a Zulu clan whose descendants live in the vicinities of Vryheid, Utrecht, eDumbe and eNgoje. Abaqulusi Municipality comprises of many settlements, both rural and urban, with Vryheid being its main urban settlement/town. Other areas of interest that fall within the boundaries of Abaqulusi also include Louwsburg, eMondlo, Hlobane, Corronation and Bhekuzulu. The municipality is split into 23 Wards and its geographical cover is estimated at 4185km² in extent making it one of the spatially largest municipality's in the province, occupied by a population of approximately 243 795 people, according to the Community Survey 2016. The population of Abaqulusi has been growing steadily since 2011, from 211 060 to 243 795 people, recording an increase of 32 735 people over a 5 year period. At present, Abaqulusi Municipality constitutes approximately 27% of the Zululand District Municipality making it the largest populated local municipality compared to the other local municipalities within the District. The 4 other local municipalities that make up the Zululand Family include eDumbe, uPhongolo, Nongoma and Ulundi. The municipality is also characterised as the main hub for the district and is also very strategically positioned, sharing its border with all 4 local municipalities within the district, as well as with Amajuba and Umzinyathi District families. The Locality Maps below spatially depicts the Abaqulusi Municipality's location within the Zululand District Municipality and the KwaZulu-Natal Province.

Map 1: District Locality Map



Map 2: Regional Locality Map



2.2 Summarised Demographic Profile

The importance of demography lies in its contribution to helping government and society better prepare to deal with the issues and demands of population growth, aging and migration. The statistics and predictions resulting from demographic studies can, for example, aid in the development of adequate school systems, estimate the required funding for senior services and develop workable healthcare systems. A wide variety of social outcomes are impacted by demographic processes and distributions. The demographics within Abaqulusi Municipality as per STATS SA Community Survey 2016 is as follows:

I. Population Sizes

Persons	Census 2011	Community Survey 2016
Total population	211 060	243 795
Growth rates	1.0	0.03
Change (%)	10.5	15.5
Population density	50	58

Source: STATS SA CS 2016

II. Population Distribution

Settlements	Census 2011	Community Survey 2016
Urban formal	39.1%	38.6%
Traditional/Rural	32.7%	35.6%
Farms	28.2%	25.7%

Source: STATS SA CS 2016

III. Population Composition

Persons proportion	Census 2011	Community Survey 2016
Young (0-14 years)	36.7%	37.9%
Youth (15-34 years)	36.5%	39.8%
Working age (15-64 years)	58.6%	57.8%
Elderly (65 years or older)	4.7%	4.3%
Sex ratio (men/100 women)	91	93
Dependency ratio	70.5	70.8

Source: STATS SA CS 2016

IV. Population Groups

Race	Census 2011	Community Survey 2016
Black African	95.4%	96.9%
Coloured	0.5%	0.7%
White	3.5%	2.3%
Indian/Asian	0.4%	0.2%

Source: STATS SA CS 2016

2.3 Summarised Socio-Economic Profile

A socio-economic profile of the municipality is very critical in assisting a municipality with how to plan and properly utilise its resources. It is an important exercise that provides data on three primary areas of concern, ie. Social Services, Economic Services and Spatial/Developmental Services. The Socio-Economic profile of Abaqulusi Municipality is as follows:

I. Households and Services

Households/Services	Census 2011	Community Survey 2016
Total households	43 299	51 910
Average household size	4.9	4.7
Female headed household	50.0%	50.2%
Child headed households	1.7%	2.0%
Access to piped water	83.5%	72.7%
Access to electricity	72.1%	79.7%
Access to sanitation	40.9%	87.8%
Tenure status (% owned)	66.6%	63.3%

Source: STATS SA CS 2016

II. Households goods

Type of Goods	Census 2011	Community Survey 2016
Radio	74.9%	69.6%
Television	63.8%	74.4%
Cellular phone	89.4%	93.1%
Refrigerator	56.8%	68.0%

Source: STATS SA CS 2016

III. Poverty

Category	Census 2011	Community Survey 2016
Poverty head count	11.2%	11.4%
Intensity of poverty	41.9%	43.3%

Source: STATS SA CS 2016

IV. Educational Status

Highest Level of Education	Census 2011	Community Survey 2016
No schooling (aged 20+)	16.9%	8.1%
% completed matric (aged 20+)	28.1%	33.4%
% completed higher education	6.6%	6.2%

Source: STATS SA CS 2016

V. Employment

Employment Status	Census 2001	Census 2011
Labour absorption rate	19.4%	22.3%
Unemployment rate	59.4%	35.4%
<i>Unemployment by sex</i>		
Male	53.8%	32.0%
Female	65.2%	38.8%
Youth unemployment	69.2%	45.1%
Labour participation rate	47.8%	34.5%

Source: STATS SA CS 2016

VI. Refuse removal

Category of Refuse Removal	Census 2011		Community Survey 2016	
	Number	Percentage	Number	Percentage
Removed by local authority	17985	42%	22 022	42.4
Own refuse dump	20764	48%	21 774	41.9
Communal refuse dump	511	1%	889	1.7
Dump or leave rubbish anywhere	2728	6%	7 225	13.9









Source: STATS SA CS 2016









VII. Housing










Category of Dwelling	Census 2011		Community Survey 2016	
	Number	Percentage	Number	Percentage
Formal dwelling	34 134	78.8	37 746	72.7
Traditional dwelling	7 863	18.1	9 407	18.1
Informal dwelling	929	0.2	4 675	9.0
Other	374	0.08	82	0.2

Source: STATS SA CS 2016




2.4 Meet our Council

Councillor Identity	Councillor Profile	Councillor Identity	Councillor Profile
 <p>Cllr SB Mkhwanazi - Ward 1 071 614 9000</p>	<p>Name: SB Mkhwanazi</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 1</p>	 <p>Cllr KZ Mbatha - Ward 2 073 396 3698</p>	<p>Name: KZ Mbatha</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 2</p>
 <p>Cllr BE Ndlela - Ward 3 083 506 9812</p>	<p>Name: BE Ndlela</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 3</p>	 <p>Honourable Speaker Cllr MB Khumalo</p>	<p>Name: MB Khumalo</p> <p>Designation: Hounourable Speaker/ Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 4</p>
 <p>Cllr TE Vilakazi - Ward 5 083 157 4557</p>	<p>Name: TE Vilakazi</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 5</p>	 <p>Cllr BW Mdlalose - Ward 6 078 721 4002</p>	<p>Name: BW Mdlalose</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 6</p>
 <p>Cllr MD Khumalo - Ward 7 076 640 4423</p>	<p>Name: MD Khumalo</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 7</p>	 <p>Cllr BP Buthelezi - Ward 8 078 888 7533</p>	<p>Name: BP Buthelezi</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 8</p>









 <p>Cllr M Viktor MPAC Chairperson</p>	<p>Name: M Viktor</p> <p>Designation: Ward Councillor / MPAC Chairperson</p> <p>Political Representation: DA</p> <p>Ward: 9</p>	 <p>Cllr NM Sibiya - Ward 10 076 728 1544</p>	<p>Name: NM Sibiya</p> <p>Designation: Ward Councillor</p> <p>Political Representation: ANC</p> <p>Ward: 10</p>
 <p>Cllr SS Mthembu - Ward 11 081 276 4769</p>	<p>Name: SS Mthembu</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 11</p>		<p>Name: T Kunene</p> <p>Designation: Ward Councillor</p> <p>Political Representation: ANC</p> <p>Ward: 12</p>
	<p>Name: SP Ndaba</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 13</p>	 <p>Cllr LWC Mtshali EXCO Member</p>	<p>Name: LWC Mtshali</p> <p>Designation: Ward Councillor / EXCO</p> <p>Political Representation: IFP</p> <p>Ward: 14</p>
 <p>Cllr ML Mtshali EXCO Member</p>	<p>Name: ML Mtshali</p> <p>Designation: Ward Councillor / EXCO</p> <p>Political Representation: IFP</p> <p>Ward: 15</p>	 <p>Cllr HV Khumalo - Ward 16 073 365 0935</p>	<p>Name: HV Khumalo</p> <p>Designation: Ward Councillor</p> <p>Political Representation: ANC</p> <p>Ward: 16</p>
 <p>Cllr XJ Sangweni - Ward 17 074 648 9600</p>	<p>Name: XJ Sangweni</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 17</p>	 <p>Cllr ZM Ngcobo - Ward 18 076 647 8173</p>	<p>Name: ZM Ngcobo</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 18</p>

 <p>Hon. Deputy Mayor Cllr MA Mazibuko</p>	<p>Name: MA Mazibuko</p> <p>Designation: Honourable Deputy Mayor (Acting Mayor)/Ward Councillor / EXCO</p> <p>Political Representation: IFP</p> <p>Ward: 19</p>	 <p>Cllr CB Hlatshwayo - Ward 20 081 456 0052</p>	<p>Name: CB Hlatshwayo</p> <p>Designation: Ward Councillor</p> <p>Political Representation: ANC</p> <p>Ward: 20</p>
 <p>Cllr KM Ntuli - Ward 21 078 886 5768</p>	<p>Name: KM Ntuli</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 21</p>	 <p>Cllr MM Lambiso - Ward 22 078 166 5435</p>	<p>Name: MM Lambiso</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 22</p>
 <p>Cllr XJ Zungu - Ward 23 079 755 4665</p>	<p>Name: XJ Zungu</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 23</p>	<p>Vacant</p>	<p>Name: Vacant</p> <p>Designation: PR Councillor / EXCO</p> <p>Political Representation: NFP</p>
 <p>PR Cllr LM Xulu 053 430 6234</p>	<p>Name: LM Xulu</p> <p>Designation: PR Councillor</p> <p>Political Representation: NFP</p>	 <p>PR Cllr AT Mdletshe 072 240 0178</p>	<p>Name: AT Mdletshe</p> <p>Designation: PR Councillor</p> <p>Political Representation: NFP</p>
 <p>PR Cllr iNkosi MD Buthelezi 079 412 1339</p>	<p>Name: iNkosi MD Buthelezi</p> <p>Designation: PR Councillor</p> <p>Political Representation: NFP</p>	 <p>PR Cllr E Cronje 068 087 2254</p>	<p>Name: E Cronje</p> <p>Designation: PR Councillor</p> <p>Political Representation: VF Plus</p>

 <p>PR Cllr HB Khumalo 083 351 5218</p>	<p>Name: HB Khumalo Designation: PR Councillor/ EXCO Political Representation: ANC</p>	 <p>PR Cllr LN Khan 078 664 7582</p>	<p>Name: LN Khan Designation: PR Councillor Political Representation: ANC</p>
 <p>PR Cllr PP Selepe 078 187 1064</p>	<p>Name: PP Selepe Designation: PR Councillor Political Representation: ANC</p>	 <p>PR Cllr L Dube 078 368 4777</p>	<p>Name: L Dube Designation: PR Councillor/EXCO Political Representation: ANC</p>
 <p>PR Cllr SN Buthelezi 078 548 3058</p>	<p>Name: SN Buthelezi Designation: PR Councillor Political Representation: ANC</p>	 <p>PR Cllr SN Ndlela 073 527 1850</p>	<p>Name: SN Ndlela Designation: PR Councillor Political Representation: ANC</p>
 <p>PR Cllr ST Mbokazi 073 652 7104</p>	<p>Name: ST Mbokazi Designation: PR Councillor Political Representation: ANC</p>	 <p>PR Cllr BI Ngema 073 061 3766</p>	<p>Name: BI Ngema Designation: PR Councillor Political Representation: ANC</p>
 <p>PR Cllr VV Dlamini 072 923 8134</p>	<p>Name: VV Dlamini Designation: PR Councillor Political Representation: ANC</p>	 <p>PR Cllr PF Buthelezi 066 101 1768</p>	<p>Name: PF Buthelezi Designation: PR Councillor Political Representation: EFF</p>

	<p>Name: S Kuzwayo</p> <p>Designation: PR Councillor</p> <p>Political Representation: EFF</p>	 <p>PR Cllr Maphisa 078 045 6006</p>	<p>Name: MC Maphisa</p> <p>Designation: / EXCO / PR Councillor</p> <p>Political Representation: IFP</p>
 <p>PR Cllr NP Ndlela 073 699 9415</p>	<p>Name: NP Ndlela</p> <p>Designation: PR Councillor</p> <p>Political Representation: IFP</p>	 <p>PR Cllr MP Williams 083 718 3830</p>	<p>Name: MP Williams</p> <p>Designation: PR Councillor</p> <p>Political Representation: IFP</p>
 <p>PR Cllr S Shelembe 078 611 0443</p>	<p>Name: S Shelembe</p> <p>Designation: PR Councillor</p> <p>Political Representation: DA</p>		<p>Name: SZ Mdluli</p> <p>Designation: PR Councillor/ EXCO</p> <p>Political Representation: EFF</p>
	<p>Name: MB Mabaso</p> <p>Designation: PR Councillor</p> <p>Political Representation: ANC</p>		

2.5 Meet our Executive Committee (EXCO)

Councillor Identity	Councillor Profile	Councillor Identity	Councillor Profile
 <p>PR Cllr Maphisa 078 544 2003</p>	<p>Name: MC Maphisa</p> <p>Designation: / EXCO / PR Councillor</p> <p>Political Representation: IFP</p>	 <p>Hon. Deputy Mayor Cllr MA Mazibuko</p>	<p>Name: MA Mazibuko</p> <p>Designation: Honourable Deputy Mayor (Acting Mayor)/Ward Councillor / EXCO</p> <p>Political Representation: IFP</p> <p>Ward: 19</p>
 <p>Cllr LWC Mtshali EXCO Member</p>	<p>Name: LWC Mtshali</p> <p>Designation: Ward Councillor / EXCO</p> <p>Political Representation: IFP</p> <p>Ward: 14</p>	 <p>Cllr ML Mtshali EXCO Member</p>	<p>Name: ML Mtshali</p> <p>Designation: Ward Councillor / EXCO</p> <p>Political Representation: IFP</p> <p>Ward: 15</p>
 <p>PR Cllr LN Khan 078 664 7593</p>	<p>Name: L Khan</p> <p>Designation: PR Councillor EXCO member</p> <p>Political Representation: ANC</p>	 <p>PR Cllr HB Khumalo 083 321 2219</p>	<p>Name: HB Khumalo</p> <p>Designation: PR Councillor/ EXCO</p> <p>Political Representation: ANC</p>
 <p>PR Cllr L Dube 078 368 4777</p>	<p>Name: L Dube</p> <p>Designation: PR Councillor/ EXCO</p> <p>Political Representation: ANC</p>	 <p>Honourable Speaker Cllr MB Khumalo</p>	<p>Name: MB Khumalo</p> <p>Designation: Honourable Speaker/ Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 4</p>
Vacant	<p>Name: Vacant</p> <p>Designation: PR Councillor/ EXCO</p> <p>Political Representation: EFF</p>	Vacant	<p>Name: Vacant</p> <p>Designation: PR Councillor / EXCO</p> <p>Political Representation: NFP</p>

3. Abaqulusi Municipal Long Term VISION

“To be the progressive, prosperous and sustainable economic hub of Zululand towards 2035”

4. Key Challenges and Proposed Interventions

Key Performance Area: Basic Service Delivery and Infrastructure Development			
Key Challenges	Problem Statement (Definition)	Proposed Interventions	Status Quo
1. Aging Infrastructure	Infrastructure within the urban areas of Abaqulusi municipality has being characterised as old and unreliable due to the number of interruptions experienced in services offered over the years.	-Prioritised planned maintenance with available budget -Development of maintenance plans	-Budget for planned repairs and maintenance is available, however very limited. -Maintenance plans are now in place to guide repairs and maintenance
2. Lack of Equipment and Stock	Financial constraints and difficulties hinder the supply of services as there are shortages in equipment and material required to execute a certain task.	-Municipal stores to report regularly on the levels of stock and equipment available	-This is still an on-going concern.
3. Non-filling of Critical posts	Over the years the municipality has experienced difficulties in filling critical vacant posts and often found that these positions were filled with ‘acting’ officials.	-Review of the Organogram and prioritising critical vacant posts with available budget	-Municipality has now filled all critical posts with the S54 and 56 Management in place. -Organogram is reviewed annually in line with the budget and needs.
4. Poor quality work from Service Providers	Service providers contracted to work for the municipality were also found to not be performing from time to time and this severely impacted on municipal finances and service delivery.	-Review of Service Level Agreements and Introduce mechanisms to deal with poor performance. -Provide strict oversight on Contracts Management	-Close monitoring of Service Providers is still an issue, however mechanisms to rate their performance is in place.

Key Performance Area: Municipal Transformation and Institutional Development			
Key Challenges	Problem Statement (Definition)	Proposed Interventions	Status Quo
1. OHS Committee not functioning	This position in the municipality has been vacant for many years and the associated function was never prioritised, hence no OHS Committee in place to oversee safety issues in and around the workplace.	-Appointment of OHS personnel -Establishment of OHS Committee and monitor their functionality	An OHS official has now being appointed and the OHS Committee is now fully functional.
2. No safe room for storage of HR Documents	Records keeping in the municipality is currently decentralised as there are records kept in various departments. This poses a	-Development of a central municipal safe room	This is an on-going concern.

	huge risk to the integrity and safety of the records.		
3. Shortage of IT Infrastructure	Supply of IT hardware and software is problematic within the municipality due to financial constraints.	-Prioritised acquisition of hardware and software	This is an on-going concern.

Key Performance Area: Financial Viability and Management

Key Challenges	Problem Statement (Definition)	Proposed Interventions	Status Quo
1. Delayed payments made to service providers	Due to financial constraints, the municipality experiences difficulties in making payments to its creditors within a 30 day period.	-All payments to be made within 30 days -Strict monitoring of payments to Service Providers	This is an on-going concern.
2. Loss of revenue due to theft of services	Constant theft and loss of municipal services experienced monthly, severely impacting on service delivery and the financials of the municipality.	-Setup hotline to report theft of services -Conduct awareness campaigns with communities about theft of services	This is an on-going concern.
3. High Levels of Indigents	Too many indigents creates pressure on the financial system and supply of services.	-Monitor and update Indigent register regularly	This is an on-going concern.
4. High claims of overtime	Overtime claimed exceeds the budgeted amount and often the hours claimed are too high.	-Appoint shift workers and ensure authorisation is received for overtime	This is an on-going concern.

Key Performance Area: Good Governance and Community Participation

Key Challenges	Problem Statement (Definition)	Proposed Interventions	Status Quo
1. Lack of Community Satisfaction Survey	Municipality does not conduct a survey to gauge customer satisfaction	-Community satisfaction surveys to be conducted at least twice a year	This is an on-going concern.
2. No Risk Committee in Place	Absence of Section HODs created a problem in establishing a Risk Committee	-Establish Risk committee and monitor functionality	Risk Committee is now in place
3. Delayed implementation of Audit Committee Recommendations	Failure to implement recommendations from Audit Committee timeously results in audit queries	-Establish a turnaround time to respond to audit committee recommendations	This is an on-going concern.

Key Performance Area: LED and Social Development

Key Challenges	Problem Statement (Definition)	Proposed Interventions	Status Quo
1. Limited development opportunities	Financial climate has made it difficult for large scale developments to occur and the shortage of suitable land has further hindered the process.	-Land availability -Rates Rebates -Discounted services	-Municipality is currently identifying land it owns in order to make available for development. -Rates rebates and discounted services are also offered as a means to attract

			investments and development
2. High levels of unemployment	Large youthful population within the area characterised with unemployment due to lack of employment opportunities	-Employ people through EPWP programme and support SMMEs and Informal Traders	-EPWP is fully implemented -SMMEs are assisted daily -Large development are encouraged to employ local citizens -This is an on-going concern.
3. Capacity Constraints	Internal and external capacity to drive LED and Social Development	-Appoint LED Manager -Assist local educational and training institutions to expand -Improve Relationship Building	-LED Manager has now been appointed -Workshops and forums are held with local forums and businesses

Key Performance Area: Cross-Cutting (Spatial, Environmental and Disaster)			
Key Challenges	Problem Statement (Definition)	Proposed Interventions	Status Quo
1. No wall-to-wall scheme	Difficult to control development outside area of schemes	-Review SDF -Develop wall to wall land use scheme	-SDF is reviewed annually The wall-to-wall scheme was complete in June 2022.
2. GIS System not linked to Billing and Valuation Roll	Tracing illegal developments and linking properties to utilities is often a challenge	-Link GIS system to all municipal departments	-This is an on-going concern
3. Illegal land use and development	Land invasions with illegal settlements have popped up over the years	-Peace Officer training to existing staff -Workshops to be conducted with communities	-This is an on-going concern -Peace officer training has been arranged for the new financial year.
4. Lack of Disaster Management resources	Limited budget and human resources within the disaster management unit makes it difficult to attend to disasters timeously and effectively	-Prioritise and budget for Disaster management equipment	-This is an on-going concern
5. Landfill site is in a poor condition	1 main landfill site that's serves the broader Abaqulusi Population has created an environmental risk over the years.	-Rehabilitate Landfill site -Identify other suitable landfill sites	-This is an on-going concern however rehabilitation has begun.

5. What can be expected from Abaqulusi Local Municipality over the next 5 Years?

Over the next 5 years, the Abaqulusi Local Municipality will endeavour to ensure that it fulfils its primary mandate as a Sphere of Local Government, ie. Provide quality basics services to its people by promoting democracy, transparency and accountability. In summary, the following Outputs, Outcomes and Deliverables can be expected:

Output	Outcome/Deliverables
-Quality delivery of Basic Services and well maintained existing infrastructure	Reduced levels of backlogs and increased accessibility of basic services
-Well experienced and qualified staff compliment -All Critical posts (S56 and S54) filled	Empowered and well Capacitated Municipality that can deliver services

-Municipal Financial policies, procedures and systems in place	Financially viable municipality
-Customer Care and Public Participation	Transparent and Accountable municipality
-An enabling environment that promotes economic and social growth	Socio-Economically viable community

6. Broad Municipal Goals, Objectives and Key Performance Indicators

As prescribed by National Government, the framework within which Local Government strives to deliver should be focused on 5 Key Performance Areas, ie.

- a) *Basic Service Delivery and Infrastructure Development*
- b) *Municipal Transformation and Institutional Development*
- c) *Financial Viability and Management*
- d) *Good Governance and Community Participation*
- e) *LED and Social Development*
- f) *Cross-Cutting (Spatial, Environmental and Disaster)*

The 6th Key Performance Area was an addition made by the KZN Province.

In measuring the performance of the Abaqulusi Local Municipality, a summary of the Municipal Goals, Objectives and Key Performance Indicators are introduced below:

Key Performance Area: Basic Service Delivery and Infrastructure Development		
Goal	Development Objectives	Key Performance Indicators
<i>To reduce levels of infrastructure backlogs by providing Basic Services, Facilities and maintaining existing infrastructure.</i>	Expand accessibility in various wards	<ul style="list-style-type: none"> Km of new roads constructed Number of causeways constructed Km of existing roads maintained
	Maintain existing Roads in rural & urban areas	
	Building and Maintaining Storm Water Infrastructure	<ul style="list-style-type: none"> Meters of new storm water drains installed Meters of existing storm water drains maintained
	Expand Sanitation accessibility in various wards.	<ul style="list-style-type: none"> Meters of new sewer lines installed Meters of existing sewer lines maintained and replaced
	Maintain and replace existing Sanitation Infrastructure	
	Expand water accessibility in various wards	<ul style="list-style-type: none"> Number of new households connected to water system Meters of water pipes maintained and replaced
	Maintain and replace existing Water Infrastructure	
	Expand electrical availability in various wards	<ul style="list-style-type: none"> Number of new households connected to electricity network Number of new electrical meters installed
	Maintain existing network electricity in urban and rural areas and provide alternate energy	<ul style="list-style-type: none"> Number of high mast light installed Number of public lights repaired Number of high mast lights repaired Number of mini and major substations repaired

	<ul style="list-style-type: none"> • Number of robots maintained • Number of transformers upgraded • Meters of HT Overhead lines replaced • Provision of alternative energy
Expand availability of Sports fields and Parks in various wards	• Number of new sports fields and parks constructed
Maintain Existing Sports fields and Parks	• Number of existing sports fields and parks maintained
Expand availability of Community Halls in various wards	• Number of new Community Halls constructed
Maintain existing Community Halls	• Number of existing Community Halls maintained
Expand availability of Cemeteries in various wards	• Number of new Cemeteries established
Maintain existing Cemeteries	• Number of existing cemeteries maintained
Enhance Early Childhood Development	• Number of new crèches built
Expand accessibility and maintenance of Libraries in various wards	<ul style="list-style-type: none"> • Number of new Libraries Constructed • Number of existing Libraries maintained
Expand Refuse Services in various wards	• Number of new households with access to refuse removal services
Provide sustainable human settlements to the people of AbaQulusi	<ul style="list-style-type: none"> • Date of adoption of the Housing Sector Plan • Number of Housing Forums held • Number of Consumer Education Programmes conducted

Key Performance Area: Municipal Transformation and Institutional Development

Goal	Development Objectives	Key Performance Indicators
<i>Empower and capacitate institutional structures and promotion of transparent cooperative governance.</i>	To ensure that the municipality practice sound Human Resources management	<ul style="list-style-type: none"> • Number of Labour Relations workshops Held • Number of Local Labour Forum Meetings Held • Date of adoption of HR Policies, Plans and Strategies • Date of adoption of the Organogram • % of Vacant positions filled
	To ensure that the new and existing staff are capacitated to fulfil their functions and promote career development and comply with safety measures	<ul style="list-style-type: none"> • Date of adoption of the Workplace Skills Plan • Date of adoption of the Induction Plan • Number of OHS Committee Meetings Held • Date of adoption of Training Plan • Date of adoption of Wellness Programme • Date of completion of Municipal Skills Audit for Staff and Councillors
	To ensure that Council and its committee fulfil their executive and legislative functions and play an effective oversight role over administration	<ul style="list-style-type: none"> • Date of adoption of Council Annual Programme • Number of EXCO Meetings Held • Number of Council Meetings Held • Number of Portfolio Committee Meetings Held • Number of MPAC Meetings Held • % of Council Resolutions Implemented
	To ensure effective management of fleet	• Date of adoption of Reviewed Fleet Management Policy
	To provide a secure ICT infrastructure which delivers appropriate levels of Confidentiality, integrity, availability, stability and growth	<ul style="list-style-type: none"> • Number of ICT Procedural Workshops held with Staff and Council • Number of Computers Replaced • Number of Computers maintained • Number of new software upgrades conducted

Key Performance Area: Financial Viability & Management

Goal	Development Objectives	Key Performance Indicators
<i>Ensure sound financial viability and accountability</i>	Ensure the Municipal Revenue Streams are optimised are	<ul style="list-style-type: none"> % of revenue collected vs billing Number of updates conducted on Indigent Register
	To ensure effective expenditure control	<ul style="list-style-type: none"> Number of reconciliations conducted % of payments made timeously according to regulation
	To strengthen the Supply Chain Unit and Processes	<ul style="list-style-type: none"> Date of submission of the municipal Procurement Plan Number of trainings provided to officials involved in Procurement
	To Maintain Fixed Assets of the Municipality in terms of GRAP	<ul style="list-style-type: none"> Number of updates conducted on the Asset Register
	Ensure that financial reporting conforms to all legal and institutional requirements	<ul style="list-style-type: none"> Date of adoption of the Budget Number of S71 Reports submitted to Council Number of S52 Reports submitted to Council Number of S72 Reports submitted to Council

Key Performance Area: Good Governance and Community Participation

Goal	Development Objectives	Key Performance Indicators
<i>To be a Responsible, accountable, effective and efficient developmental Municipality</i>	To revive and strengthen Communications	<ul style="list-style-type: none"> Date of adoption of Communication Strategy
	To engage and improve customer satisfaction	<ul style="list-style-type: none"> Date Customer Care Centre established Number of Customer Care satisfaction surveys conducted Date municipal 'Hotline' is established Number of additional satellite offices established
	To provide an assurance on the effectiveness of governance, risk management and internal control	<ul style="list-style-type: none"> Number of Internal Audit reports to Council
	To revive and improve the effectiveness of audit committee meetings	<ul style="list-style-type: none"> Number of Audit Committee meetings held Number Audit Committee Reports submitted to Council
	To improve the effectiveness of risk management within the organisation	<ul style="list-style-type: none"> Date Risk Management Committee established Date Risk Management Register developed Number of Risk Management Committee Meetings held Number of Risk Reports submitted to Council
	To ensure effective decision-making, budgeting and management of resources	<ul style="list-style-type: none"> Date of adoption of the IDP/Budget Process Plan Number of IDP Rep Forums Hosted Number of IDP Roadshows conducted
	To promote a system of transparency and accountability within the municipality	<ul style="list-style-type: none"> Date of adoption of the PMS Framework Number of SDBIP Quarterly Reports submitted to Council
	To Create an all-inclusive participatory developmental municipality	<ul style="list-style-type: none"> Number of B2B Reports submitted to Provincial KZN CoGTA Number of B2B Reports submitted to National CoGTA Number of Ward committee meetings held

	To enhance service delivery through the improvement of public consultation and communications	<ul style="list-style-type: none"> • Date of adoption of Batho Pele Service Delivery Charter and Improvement Plan • % of implementation of Batho Pele SDIP • Number of Batho Pele campaigns held
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Key Performance Area: Local Economic Development and Social Development

Goal	Development Objectives	Key Performance Indicators
<i>To promote socio-economic growth and job opportunities.</i>	Unleashing agricultural potential in Abaqulusi	<ul style="list-style-type: none"> • Date of adoption of Agricultural Sector Plan • Number of Agriculture forums held • Number of Agriculture cooperatives established
	Continuous assistance of entrepreneurship and job creation	<ul style="list-style-type: none"> • Number of SMME Seminars/Trainings held • Number of informal trader sites allocated
	Reduce poverty in all wards	<ul style="list-style-type: none"> • Number of poverty alleviation projects delivered • Number of jobs created through the EPWP Programme
	Promote and identify tourism opportunities	<ul style="list-style-type: none"> • Number of Tourism awareness campaigns held • Number of Tourism programmes initiated • Date of adoption of Tourism Strategy
	Promote economic development	<ul style="list-style-type: none"> • Date of adoption of the LED Strategy • Date of adoption of Investment Strategy • Date of adoption of Marketing Strategy • Number of commercial centres developed • Date of adoption of Mining Strategy
	Ensure Proper Acquisition and disposal of real estate according to municipality by-laws	<ul style="list-style-type: none"> • Date of adoption of Land Release Strategy • Date of adoption of real-estate by-laws
	Promote Sports and Recreation in Abaqulusi	<ul style="list-style-type: none"> • Date of Sports and Recreation committee established • Number of Sports and Recreation committee meeting held • Number of Sporting events/competitions held • Number of meeting held with Department of Sports and Recreation
	Establish and promote youth development programmes	<ul style="list-style-type: none"> • Date of Youth Committee established • Number of Youth committee meetings held • Number of Youth Empowerment sessions/events held
	Establish and promote cultural programmes	<ul style="list-style-type: none"> • Date of Arts and Culture Committee established • Number of Arts and Culture committee meetings held • Number of Talent promotion/competitions held • Number of meetings held with department of Arts and Culture
	Ensure availability of social services programmes to the community of AbaQulusi by	<ul style="list-style-type: none"> • Date of Social Services committee established • Number of meetings held with Department of Social Development • Number of social events/programmes held
	Establish and promote healthy living and HIV/AIDS awareness programmes	<ul style="list-style-type: none"> • Date of AIDS Council established • Number of AIDS awareness programmes held
	Establish and promote community empowerment programmes for children, aged, disabled and vulnerable groups	<ul style="list-style-type: none"> • Date of Specials Programmes committee established

	<ul style="list-style-type: none"> • Number of Special Groups Programmes held
Enhancing safety and security	<ul style="list-style-type: none"> • Date of adoption of Safety and Security Plan • Number of CPF Meetings attended • Number of crime awareness programmes held

Key Performance Area: Cross Cutting (Spatial, Environment and Disaster Management)

Goal	Development Objectives	Key Performance Indicators
<i>To redress the spatial imbalances and promote sustainable environmental planning.</i>	To ensure effective management of current and desirable land uses	<ul style="list-style-type: none"> • Date of adoption of Reviewed SDF • Date of adoption of Precinct Plans • Date of adoption of Wall-to-wall scheme • Number of information workshops held
	To have an effective and efficient GIS System	<ul style="list-style-type: none"> • Number of GIS Upgrades conducted • Date of completion of integrating GIS system
	To ensure the sustainability of the built environment	<ul style="list-style-type: none"> • % of building plans assessed • Number of information workshops held
	Ensure Effective & Efficient response to community emergencies	<ul style="list-style-type: none"> • Attend and Participate in Disaster Management Forums • Date DMSP Adopted
	Establish and promote environmental health awareness programmes	<ul style="list-style-type: none"> • Date of Environmental Committee established • Number of environmental committee meetings held • Number of Meetings held with department of Environmental Affairs

7. How was this Plan Developed?

7.1 IDP/Budget Process Plan

Effective and efficient service delivery cannot be achieved through the development and review of the IDP alone without a proper linkage of the IDP, Budget and PMS. The IDP is known as a 5 Year Strategic Plan which should be supported by a 3 Year Budget. In order to ensure full implementation of the IDP and Budget, a Service Delivery and Budget Implementation Plan is developed and essentially known as the Municipality's One Year Operational Plan. Furthermore, the Monitoring and Evaluation of the implementation of SDBIP is driven by the municipality's Performance Management System. Recognising the importance of these linkages for life- changing service delivery, this process plan considered the required alignment as it is reflected in the sequence of activities to be undertaken.

DATE	ACTIVITY	RESPONSIBILITY
JULY 2022		
15 July 2022	Submission of 4 th Quarter PMS Report by all Departments	Municipal Manager and All Directors
19 July 2022	Table Draft 2023/2024 IDP and Budget Process Plan to EXCO	Director: Development Planning

DATE	ACTIVITY	RESPONSIBILITY
26 July 2022	Table Draft 2023/2024 IDP and Budget Process Plan to Council	Director: Development Planning
27 July 2022	Submission of Draft 2023/2024 IDP Process Plan to COGTA for comment	Director: Development Planning
28 July 2022	Advertise Draft 2023/2024 IDP Process Plan to Public for comment	Director: Development Planning
31 July 2021	Finalize Performance Agreements for Section 54/56	Municipal Manager
AUGUST 2022		
16 August 2022	Table 1 st Draft Annual Report to Audit Committee	Municipal Manager
19 August 2022	Table 1 st Draft Annual Report to MPAC	Municipal Manager
23 August 2022	-Table 1 st Draft Annual Report to EXCO -Table Final 2023/2024 IDP and Budget Process Plan to EXCO	Municipal Manager and Director: Development Planning
30 August 2022	-Table 1 st Draft Annual Report to Council -Table Final 2023/2024 IDP and Budget Process Plan to Council	Municipal Manager and Director: Development Planning
31 August 2022	-Submission of Draft Annual Report and AFS to Treasury	Municipal Manager and CFO
SEPTEMBER 2022		
16 September 2022	KZN IDP Indaba	KZN CoGTA and Director: Development Planning
29 September 2022	IDP Steering Committee meeting to address 2022/2023 IDP MEC Comments	Municipal Manager, All Directors and Managers
OCTOBER 2022		
10 November 2022	District IDP Alignment Session	KZN CoGTA, ZDM and Director: Development Planning
10-19 October 2022	IDP and Budget Roadshows (Needs Analysis)	Office of the Mayor, Municipal Manager, All Directors
14 October 2022	Submission of First Quarter Performance Reports and POE	Municipal Manager and All Directors
24 October 2022	Submission of first Quarter Performance Report to Internal Audit	Municipal Manager

DATE	ACTIVITY	RESPONSIBILITY
NOVEMBER 2022		
04 November 2022	District IDP Alignment Session with KZN CoGTA	ZDM and KZN CoGTA
11 November 2022	First Quarter Performance Review (Informal)	Municipal Manager and All Directors
16-18 November 2022	Draft Budget and IDP Working Session (Feedback from Roadshows and preparation for 2023-2024 IDP and Budget)	Municipal Manager, All Directors and Managers
25 November 2022	IDP Best Practice-Alignment Session	KZN CoGTA and Director: Development Planning
DECEMBER 2022		
06 December 2022	Table First Quarter Performance Reports to EXCO	Municipal Manager
08 December 2022	Table First Quarter Performance Reports to Council	Municipal Manager
09 December 2022	IDP Rep Forum	Municipal Manager, All Directors and Office of the Mayor
JANUARY 2023		
06 January 2023	Submission of Second Quarter/ Half Year Performance Report	Municipal Manager and All Directors
12 January 2023	Submission of Second Quarter/ Half Year Performance Report to Internal Audit	Municipal Manager
17 January 2023	Mid-Year Budget and Performance assessments/review	Municipal Manager and All Directors
20 January 2023	Table 2 nd Draft Annual Report and Mid-year Budget and Performance Report to MPAC	Municipal Manager and CFO
24 January 2023	Table 2 nd Draft Annual Report and Mid-year Budget and Performance Report to EXCO	Municipal Manager and CFO
26 January 2023	Table 2 nd Draft Annual Report and Mid-year Budget and Performance Report to COUNCIL	Municipal Manager and CFO
31 January 2023	Submission of 2 nd Draft Annual Report and Mid-year Budget and Performance Report to Treasury	Municipal Manager and CFO
FEBRUARY 2023		
01 February 2023	Advertise Annual Report	Municipal Manager

DATE	ACTIVITY	RESPONSIBILITY
03 February 2023	IDP Stakeholders Meeting	KZN CoGTA and Director: Development Planning
13 -17 February 2023	Adjusted Budget and SDBIP Session and Strategic Planning Session	EXCO, Municipal Manager, All Directors and Managers
27 February 2023	Table Adjusted Budget and SDBIP to EXCO	Municipal Manager and CFO
28 February 2023	Table Adjusted Budget and SDBIP to Council	Municipal Manager and CFO
MARCH 2023		
01 March 2023	Advertise Adjusted Budgeted and SDBIP	Municipal Manager and CFO
16 March 2023	MPAC-Oversight Report	Municipal Manager and CFO
28 March 2023	Table Draft 23/24 IDP, Budget, and Final Annual Report to EXCO	Director: Development Planning, Municipal Manager and CFO
30 March 2023	Table Draft 23/24 IDP, Budget, and Final Annual Report to Council	Director: Development Planning, Municipal Manager and CFO
APRIL 2023		
06 April 2023	Advertise Draft 23/24 IDP, Budget, and Final Annual Report	Director: Development Planning, Municipal Manager and CFO
10 April-19 April 2023	IDP and Budget Roadshows (Discuss Draft IDP and Budget- Projects and Tariffs)	Office of the Mayor, Municipal Manager, All Directors
07 April 2023	Deliver Draft 23/24 IDP and Budget to CoGTA (MEC)	Director: Development Planning
14 April 2023	Submission of Third Quarter Performance Report	Municipal Manager and All Directors
21 April 2023	Submission of Third Quarter Performance Report to Internal Audit	Municipal Manager
21 April 2023	Draft IDP Assessment Session	KZN CoGTA
MAY 2023		
01-03 May 2023	Alignment of IDP, Budget and Develop 1 st Draft 23/24 SDBIP	EXCO, Municipal Manager, All Directors and Managers
12 May 2023	Draft IDP Assessment Feedback	KZN CoGTA
15 May 2023	Third Quarter Performance Review (Informal)	Municipal Manager and All Directors

DATE	ACTIVITY	RESPONSIBILITY
30 May 2023	Table Final 2023/2024 IDP and Budget to EXCO	Director: Development Planning, Municipal Manager and CFO
31 May 2023	Table Final 2023/2024 IDP and Budget to Council	Director: Development Planning, Municipal Manager and CFO
JUNE 2023		
01 June 2023	Advertising of Final 2023/2024 IDP and Budget.	Director: Development Planning and CFO
05 June – 07 June 2023	Develop 2 nd Draft 2023/2024 SDBIP	EXCO, Municipal Manager, All Directors and Managers
09 June 2023	Submission of Final 2023/2024 IDP and Budget to COGTA	Director: Development Planning
09 June 2023	Submit 2 nd Draft 2023/2024 SDBIP to Mayor	Municipal Manager
19-21 June 2023	Develop Final 2023/2024 SDBIP	EXCO, Municipal Manager, All Directors and Managers
23 June 2023	Submit Final 2023/2024 SDBIP to Mayor for Signature	Municipal Manager
30 June 2023	Advertise Final SDBIP, Submission of Final SDBIP to Treasury	Municipal Manager

7.2 IDP/Budget Stakeholder Engagements

In terms of Chapter 4 of the Municipal Systems Act 2000 (Act No. 32 of 2000), a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. The AbaQulusi Municipality prides itself on public participation within the municipality. It is imperative that the public is involved in all municipal processes and decision making, achieving transparency and an all-inclusive society, hereby promoting an accountable local government. The municipality's IDP Process Plan sets out the public participation structures and schedules that are usually implemented by the municipality for a specific year. It must be noted that although structures and schedules are in place, it does not always go to plan due the constant demands within local government.

The table below highlights the various stakeholder and community engagements that were held in preparation of this final IDP/Budget.

Date	Time	Venue	Wards
20 February 2023 (Monday)	10:00	Cecil Emmett Hall	Ward Committees
	12:00	Council Chamber	Amakhosi, SAPS, Education, Health & OSS
	18:00	Council Chamber	Business Chamber & Business Forum
21 February 2023 (Tuesday)	10:00	Coronation Community Hall	01, 02, 03, 04, 05, 06, 07 & 23
	14:00	King Zwelithini Hall	08, 09, 10, 11, 13 & 22
22 February 2023 (Wednesday)	10:00	Ezibomvu Community Hall	14, 15 & 21
	12:00	eMondlo Community Hall Section A	12, 16,17, 18, 19 & 20
08 May 2023 (Monday)	10:00	Cecil Emmett Hall	Ward Committees
	14: 00	Council Chamber	Amakhosi
09 May 2023 (Tuesday)	10:00	Coronation Community Hall	01, 02, 03, 04, 05, 06, 07 & 23
	14:00	King Zwelithini Hall	10, 11, 13
	18:00	Cecil Emmett Hall	08, 09, 22
10 May 2023 (Wednesday)	10:00	Ezibomvu Community Hall	14, 15 & 21
	15:00	eMondlo Community Hall Section A	12, 16,17, 18, 19 & 20

8. Capital Projects Completed in the Last 5 Years by Ward

Project Name	Project Cost	Financial Year	Ward
Louwsburg Taxi Rank – Ward 1	R5 498 961,77	2018/19	1
Electrification of Ward 2 - Esihlangwini	R3 130 044,00	2018/19	2
Mnuse East Mine Cause-ways – Ward 2	R5 852 905,67	2016/17	2
Electrification of Ward 3 - Cibilili	R6 623 313,00	2018/19	3
Bhozimini Gravel Road – Ward 4	R3 781 722,43	2016/17	4
Mpongoza Gravel Road Phase 1 – Ward 4	R2 083 812,77	2018/19	4
Makhukhula Community Hall – Ward 4	R6 626 772,84	2020/21	4
Mpongoza Access Road Phase 2 – Ward 4	R1 539 430,87	2020/21	4
Electrification of Ward 4 Phase 1 (Gluckstadt, Zwathi, Bethuel Mission, Nonkamfu)	R17 544 584,00	2019/20	4
Electrification of Triangle Village	R6 603 264,10	2016/17	5
Ntabankulu Cause-way – Ward 5	R419 787,12	2016/17	5
Upgrading of Shoba Access Road	R 2 585 844,99	2021/22	5
Upgrading of Coronation Community Hall – Ward 6	R3 237 688,47	2018/19	6
Cliffdale Community Hall – Ward 7	R6 029 092,04	2020/21	7
Electrification of Shoba Phase 1	R7 300 684,00	2018/19	7
Electrification of Shoba Phase 2	R2 000 000,00	2020/21	7
Upgrading of Cecil Emmet Sport Complex – Ward 8	R3 998 580,78	2016/17	8
Construction of High Street Bridge Ward 8	R12 495 360,70	2015/16	8
Vryheid Landfill Fencing – Ward 8	R5 073 783,12	2016/17	8
Construction of Storm-water Measures – Ward 8	R6 419 163,51	2015/16	8
Renovation Cecil Emmet Hall – Ward 08	R4 897 981,62	2018/19	8

Water leak repairs to Bloemveld main pipeline.	R2 000 000,00	2020/21	8
Upgrading of Ext 16 Sasco Road in Ward 8 Phase 1	R9 281 538,32	2021/22	8
Refurbishment of Klipfontein Waste Water Treatment Works	R3 000 000,00	2020/21	8,9,10,11,13,22
Refurbishment of Klipfontein Water Treatment Works	R2 300 000,00	2020/21	8,9,10,11,13,22
Emergency Interventions Related to Covid 19	R5 049 998,87	2020/21	8,9,10,11,13,22
Rehabilitation of Bhekuzulu Hall – Ward 10	R3 975 135,89	2017/18	10
Bhekuzulu Multi-Purpose Centre Ward 11	R7 696 990,31	2020/21 and 2021/22	11
Jimane Gravel Road – Ward 12	R11 050 645,52	2015/16	12
Jimani Cause-way Ward 12	R3 198 037,38	2016/17	12
KwaGwebu Creche – Ward 12	R1 705 830,70	2017/18	12
Road Kwabalele to Shelter near Police Station – Ward 12 and 20 Phase 1	R6 987 877,56	2018/19	20
Upgrading of Mezzelfontein Road	R2 106 756,13	2020/21	12
eMadoshini Paved Road Phase 2 – Ward 13	R6 781 169,48	2016/17	13
Bhekuzulu Road Paving – Ward 13	R3 395 707,10	2020/21	13
Provision of Water and Sanitation to Informal Settlements	R6 852 243,39	2020/21	13
eZibomvu Community Hall – Ward 14	R5 150 305,06	2017/18	14
Mdengenduku Creche – Ward 15	R2 134 644,18	2017/18	15
Upgrading of Mhlanga Road Phase 1 and Phase 2– Ward 15	R3 081 027,43	2020/21 and 2021/22	15
Emadresini Gravel Road	R3 218 499,20	2016/17	16
Khokhoba Gravel Road – Ward 16	R4 641 630,84	2016/17	16
Madresini Creche – Ward 16	R1 781 504,21	2018/19	16

Madresini Cemetery Fencing – Ward 16	R1 730 668,27	2018/19	16
eMadreseni Community Hall Ward 16	R5 990 600,18	2020/21 and 2021/22	16
Mkhumbane Gravel Road – Ward 18	R3 414 569,65	2016/17	18
Ncengumusa Creche – Ward 18	R1 661 308,95	2019/20	18
Unblocking of blocked sewers in Vryheid, Bhekuzulu and Emondlo	R2 500 000,00	2020/21	10,11,13,18,22
Zwelisha Gravel Road – Ward 19	R2 727 913,98	2016/17	19
Zwelisha Creche – Ward 19	R1 401 213,43	2017/18	19
eZingadini Creche – Ward 20	R1 377 339,97	2017/18	20
eZingadini Low level Bridge – Ward 20	R2 961 830,81	2018/19	20
Tarring of Kwabalele to Police Station Phase 2 – Ward 12 & 20	R8 923 396,86	2020/21	12
Ezingadini Gravel Road	R1,846,703.00	2017/18	20
eZingadini Gravel Ring Road – Ward 20	R1 897 445,31	2017/18	20
Nyanda Cause-way Ward 21	R419 787,12	2016/17	21
eNgilandi Gravel Ring Road – Ward 21	R3 181 908,56	2017/18	21
Lakeside Paving Road Phase 1 – Ward 22	R5 190 000,00	2016/17	22
Lakeside Roads Phase 2 – Ward 22	R4 015 978,36	2020/21 and 2021/22	22
Refurbishment of Crossroads Substation	R4 574 267,00	2020/21	22

Section B 1: Planning and Development Principles

In developing this Final Integrated Development Plan, the Abaqulusi Municipality has taken into consideration the Planning and Development Principles of the Spatial Planning and Land Use Management Act 2013 (Act No.16 of 2013) which is a National Legislation that is used to guide Spatial Planning and Land Use Management across South Africa.

Planning and Development Principles	How does Abaqulusi Municipality give effect to the Principles?
<p><u>a) The principle of spatial justice</u>, whereby—</p> <p>(i) past spatial and other development imbalances must be redressed through improved access to and use of land;</p> <p>(ii) spatial development frameworks and policies at all spheres of government must address the inclusion of persons and areas that were previously excluded, with an emphasis on informal settlements, former homeland areas and areas characterised by widespread poverty and deprivation;</p> <p>(iii) spatial planning mechanisms, including land use schemes, must incorporate provisions that enable redress in access to land by disadvantaged communities and persons;</p> <p>(iv) land use management systems must include all areas of a municipality and specifically include provisions that are flexible and appropriate for the management of disadvantaged areas, informal settlements and former homeland areas;</p> <p>(v) land development procedures must include provisions that accommodate access to secure tenure and the incremental upgrading of informal areas; and</p> <p>(vi) a Municipal Planning Tribunal considering an application before it, may not be impeded or restricted in the exercise of its discretion solely on the ground that the value of land or property is affected by the outcome of the application</p>	<p><u>1. Spatial Development Framework</u></p> <p>The Municipality has an SDF which underwent a major review in May 2016 and is reviewed annually thereafter. The SDF is the primary tool utilised in giving effect to the SPLUMA Principles as it assists the municipality and other stakeholders with the following:</p> <ul style="list-style-type: none"> • Direct decision-making that may impact in the Municipal area; • Direct development investment to areas that would ensure the most sustainable return of investment; • Guide Development in a spatially efficient way, ensuring linkage and alignment to regional and national development policies and programmes. • In response to specific trends and dynamics, direct investment to areas of greatest potential and to target areas of greatest need to promote economic growth and alleviate poverty. • Ensure improved linkages within Abaqulusi and beyond its boundaries to stimulate effective and sustainable integrated development. • Protect natural systems in Abaqulusi <p><u>*The municipality has appointed a service provider who is currently developing a new 5 Year SDF and SEA. This project is due to be completed by 30 November 2023.</u></p>
<p><u>(b) the principle of spatial sustainability</u>, whereby spatial planning and land use management systems must—</p> <p>(i) promote land development that is within the fiscal, institutional and administrative means of the Republic;</p>	<p><u>2. Wall-to-wall Scheme</u></p> <p>The Abaqulusi Municipality's Wall-to-wall Scheme was adopted in Jun 2022. The Scheme was developed in line with the Spatial Planning and Land Use Management Act, No 16 of 2013.</p>

<p>(ii) ensure that special consideration is given to the protection of prime and unique agricultural land;</p> <p>(iii) uphold consistency of land use measures in accordance with environmental management instruments;</p> <p>(iv) promote and stimulate the effective and equitable functioning of land markets;</p> <p>(v) consider all current and future costs to all parties for the provision of infrastructure and social services in land developments;</p> <p>(vi) promote land development in locations that are sustainable and limit urban sprawl; and</p> <p>(vii) result in communities that are viable;</p>	<p>The municipality currently utilises its wall-to-wall scheme as its primary tool to control, guide and regulate land use and development within its municipal boundaries.</p> <p>It is imperative to note that although the municipality has a wall-to-wall scheme in place, there are still many development issues that the municipality is faced with, ie. illegal developments, land invasions, hence, the scheme is considered to be a working document that is open to change at the discretion of Council.</p>
<p><u>c) the principle of efficiency,</u> whereby—</p> <p>(i) land development optimises the use of existing resources and infrastructure;</p> <p>(ii) decision-making procedures are designed to minimise negative financial, social, economic or environmental impacts; and</p> <p>(iii) development application procedures are efficient and streamlined and timeframes are adhered to by all parties;</p>	<p><u>3. Housing Sector Plan</u></p> <p>The municipality currently has a Housing Sector Plan which was adopted in January 2022. This plan is utilised in ensuring that the spatial restructuring of the municipality is addressed through the delivery of housing in strategic focal areas within the municipality.</p>
<p><u>(d) the principle of spatial resilience,</u> whereby flexibility in spatial plans, policies and land use management systems are accommodated to ensure sustainable livelihoods in communities most likely to suffer the impacts of economic and environmental shocks; and</p>	<p><u>4. Infrastructure Master Plan</u></p> <p>The municipality currently possess a boundary-wide Infrastructure Master Plan which provides details on the current status of services that exist and the capacity of services required. This specific tool is regarded to be very critical in the future planning of the municipality.</p>
<p><u>(e) the principle of good administration,</u> whereby—</p> <p>(i) all spheres of government ensure an integrated approach to land use and land development that is guided by the spatial planning and land use management systems as embodied in this Act;</p> <p>(ii) all government departments must provide their sector inputs and comply with any other prescribed</p>	<p><u>5. Municipal Precinct Plans</u></p> <p>The Abaqulusi municipal Precinct Plans adopted in 2017 provides the municipality with a detailed insight of the towns that have economically declined but possess the potential to grow from an economic and development point of view. These are towns that are strategically located and home to large portions of the municipal population. The precinct plans for these areas are utilised as business plans for</p>

requirements during the preparation or amendment of spatial development frameworks;

(iii) the requirements of any law relating to land development and land use are met timeously;

(iv) the preparation and amendment of spatial plans, policies, and use schemes as well as procedures for development applications, include transparent processes of public participation that afford all parties the opportunity to provide inputs on matters affecting them; and

(v) Policies, legislation and procedures must be clearly set in order to inform and empower members of the public.

attracting investment and addressing the principle of spatial resilience.

6. SPLUMA By-Law

The municipal SPLUMA By-Law which is a compulsory requirement of SPLUMA was gazetted in January 2017, hereby ensuring compliance to the Act and promoting the principle of good administration.

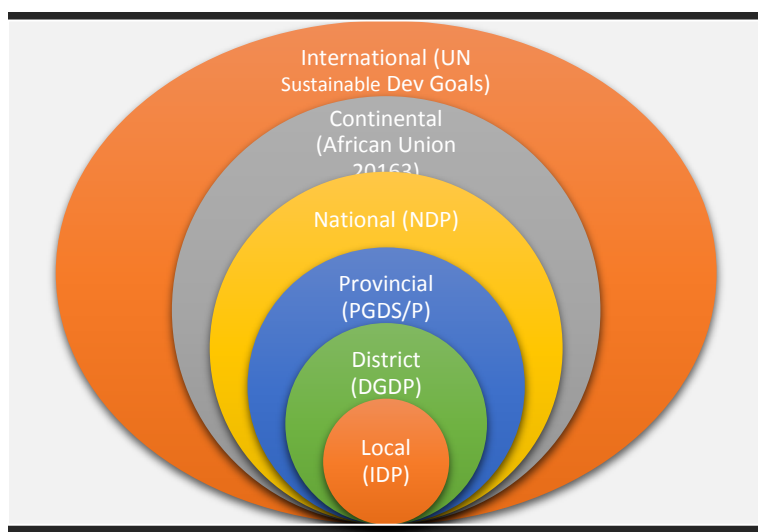
The Abaqulusi Local Municipality also considers itself to be well capacitated in terms of planning practitioners that are within the employ of the municipality. The staff compliment consist of the following:

- Director Planning: Professional Planner
- Manager: Town Planning : Professional Planner
- Manager: IDP and Real Estate : Professional Planner
- Senior Planner: Professional Planner
- Planning Technicians : 1 X Technical Planner and 1 x Candidate Planner
- Shared Service Chief Planner: Professional Planner

Section B 2: Government Policies and Priorities

As a local sphere of government, municipal planning cannot be done in isolation as it will have to aspire to achieve a broader goal. The level of planning at a municipal level should aim at achieving the goals of the District, Province, National, Continent and the World as a whole. In order to achieve such a feat, there are various Government Policies and Priorities that have been put in place and adopted.

The following figure illustrates the relationship/link between Abaqulusi Local Municipality and the World.



1. International Stage: United Nations Development Goals-Vision 2030

On September 25th 2015, countries adopted a set of goals to end poverty, protect the planet, and ensure prosperity for all as part of a new sustainable development agenda. Each goal has specific targets to be achieved over the next 15 years. For the goals to be reached, everyone needs to do their part and that includes governments, the private sector and civil society. The Goals are set out as follows:



2. Continental Stage: African Union – Vision 2063

Agenda 2063 was developed through an extensive consultative process of various African stakeholders, including Youth, Women, Civil Society Organizations', the Diaspora, African Think Tanks and Research Institutions, Government Planners, Private Sector, the Media, inter-faith leaders, the Forum for Former African Heads of State and Government, African Island States and others. Outcomes of these consultations form the basis for Aspirations of the African People, the driver of Agenda 2063. These aspirations as follows:

- 1) A prosperous Africa based on inclusive growth and sustainable development;*
- 2) An integrated continent, politically united, based on the ideals of Pan Africanism and the vision of Africa's Renaissance;*
- 3) An Africa of good governance, respect for human rights, justice and the rule of law;*
- 4) A peaceful and secure Africa;*
- 5) An Africa with a strong cultural identity, common heritage, values and ethics;*
- 6) An Africa whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children; and*
- 7) Africa as a strong, united, resilient and influential global player and partner.*

3. National Stage: National Development Plan – Vision 2035

In May 2010 President Jacob Zuma appointed the National Planning Commission, an advisory body made up of 26 experts drawn largely from outside the government, to draft a vision and national development plan. The commission's Diagnostic Report, released in June 2011, set out South Africa's achievements and shortcomings since 1994. It identified a failure to implement policies and an absence of broad partnerships as the main reasons for slow progress, and set out nine primary challenges:

- 1) Too few people work;*
- 2) The standard of education for most black learners is of poor quality;*
- 3) Infrastructure is poorly located, under-maintained and insufficient to foster higher growth;*
- 4) Spatial patterns exclude the poor from the fruits of development;*
- 5) The economy is overly and unsustainably resource intensive;*
- 6) A widespread disease burden is compounded by a failing public health system;*
- 7) Public services are uneven and often of poor quality;*
- 8) Corruption is widespread;*
- 9) South Africa remains a divided society.*

In reaction to these fundamental challenges, the NDP 2035 Vision aims to achieve the following goals:

- 1) Creating jobs and livelihoods;*
- 2) Expanding infrastructure;*
- 3) Transition to a low-carbon economy;*
- 4) Transform urban and rural spaces;*
- 5) Improving education and training;*
- 6) Providing quality health care;*
- 7) Building a capable state;*
- 8) Fighting corruption and enhancing accountability;*
- 9) Transforming society and uniting the nation.*

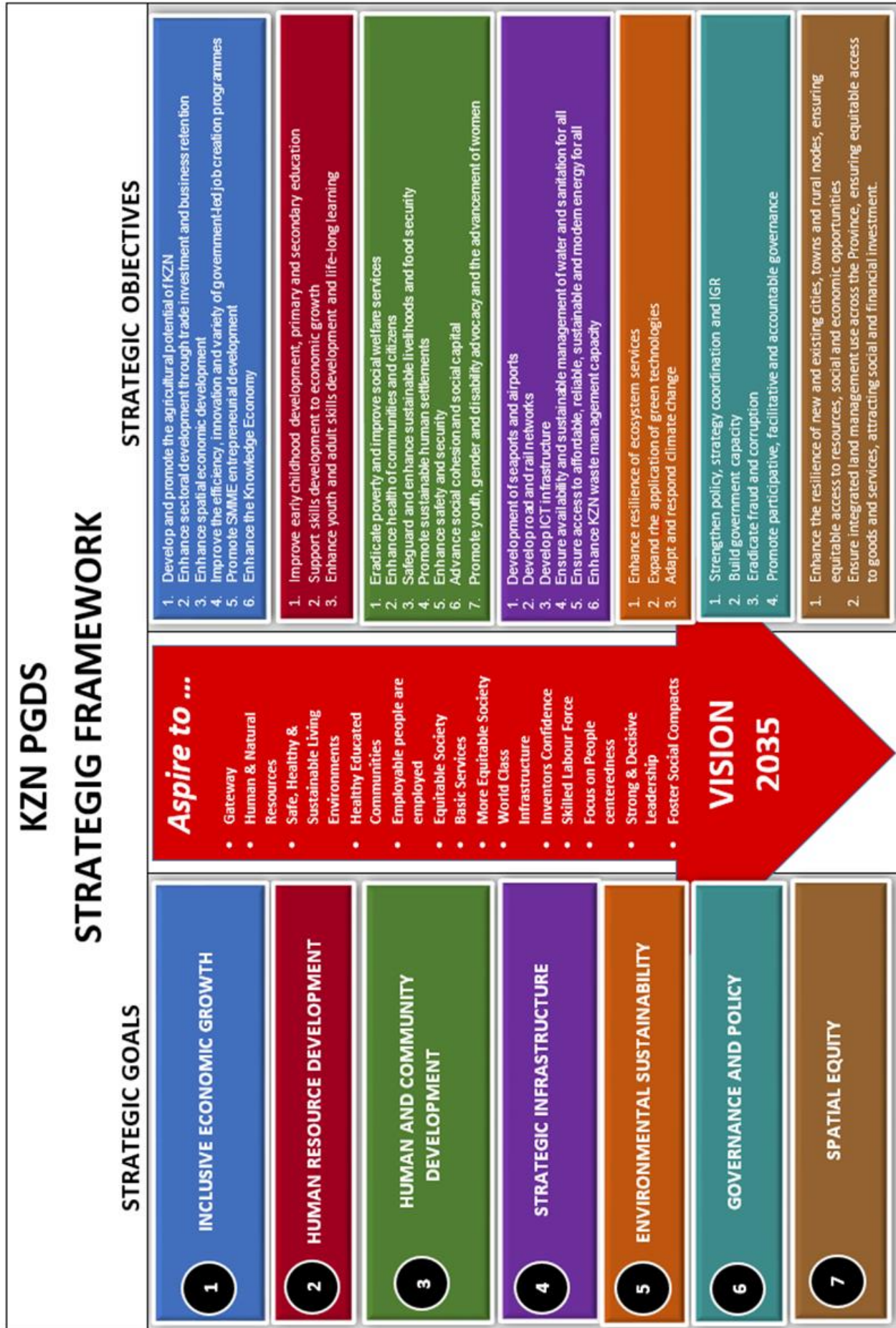
4. Provincial Stage – Provincial Growth and Development Plan/Strategy – Vision 2035

In achieving the World, Continental and National goals that have been adopted by various organizations and governments, the KwaZulu-Natal Province developed the Provincial Growth and Development Plan/Strategy. This aim of this Plan/Strategy is to guide the local sphere of government in ensuring that the following goals are achieved:

- 1) Inclusive Economic Growth;*
- 2) Human Resource Development;*
- 3) Human & Community Development;*
- 4) Strategic Infrastructure;*
- 5) Environment Sustainability;*
- 6) Governance & Policy*
- 7) Spatial equity.*

KZN PGDS

STRATEGIC FRAMEWORK



5. District Stage:

5.1 District Growth and Development Plan – Vision 2030

District Growth and Development Planning is a relatively new approach to address economic development at a local level. It has already achieved great success internationally and in South Africa. However, for it to have national, provincial and local application, it is necessary to be sustainable and effectively align to prevailing provincial and local initiatives, programmers, and interventions.

One of the most important purposes of a District Growth and Development Planning policy and strategy is to ensure that national, provincial and local initiatives and programmers are integrated and sustainable to maximize the growth and employment impact of economic and social development projects and programmers. At a district level, economic and social development policy is directly the rationalization of some of the existing provincial and local institutional structures, the suggestion of new institutions; to target direct programmers to those areas where it would have the greatest impact on local economies, to consolidate funding that flows into local areas for economic development and to provide support services that would assist local communities in realizing their economic goals and visions

As indicated above, the Zululand District Growth and Development Plan is a direct plan of action on how to achieve the goals of the Provincial Growth and Development Plan/Strategy. As there are 7 Goals indicated on the Provincial Growth and Development Plan/Strategy, the Zululand District Growth and Development Plan has also adopted these 7 Goals that it will aim to achieve by 2030.

5.2 District Development Model: One Budget One Plan

The DDM introduces a new planning instrument in the form of the One Plan. This process comes into a planning environment where there are existing planning instruments at local, provincial and national levels of government. However, the One Plan was not introduced to replace the IDP or any other existing prescribed development, departmental strategic and annual performance plans that each sphere, department and state entity is responsible for or required to develop. The One Plan is rather informed by these plans and once in place, it will guide the review of these plans and budgets.

The Zululand District Municipality's One Budget One Plan was developed primarily for the purpose of ensuring that local municipality's within its jurisdiction are working towards achieving a common goal. The Plan aims to ensure that all stakeholders associated with the district are identified and their inputs to enhancing the level of performance to improve the livelihoods of the Zululand citizens are captured. The Plan identifies the following 6 focus areas:

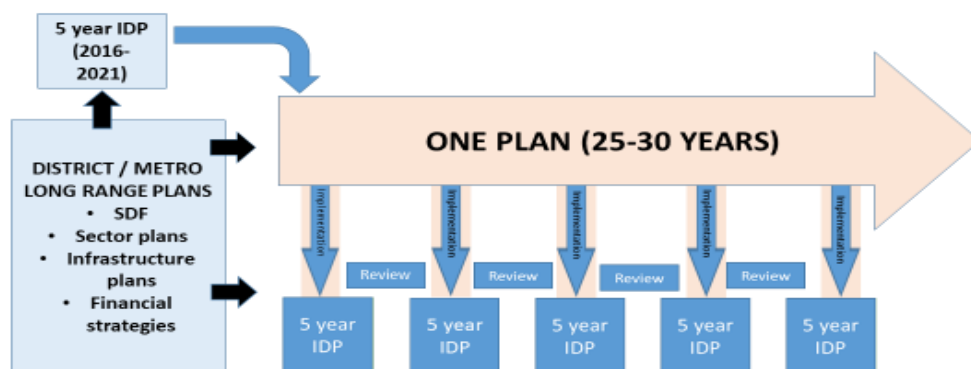
- 1) Demographic/Population Development***
- 2) Social Development***
- 3) Economic Development***

- 4) *Infrastructure Development*
- 5) *Institutional Governance*
- 6) *Spatial Restructuring and Environmental Analysis*

The table below outlines a comparative analysis of the IDPs and One Plans:

One Plan (Long Term - 30 Years)	IDP (Medium Term - 5 Years)
Long-term vision of the district area of impact and common understanding of goals and objectives amongst stakeholders in the district area.	Determine how the long-term vision, goals and objectives contribute towards addressing challenges at a local level by directing actions and interventions towards the vision.
Long term vision expressed in policy and long range plans across all spheres of government, i.e. NDP, PGDS, NSDF, PSDF, DSDF, etc.	Implementation of short to medium term service delivery programmes and projects informed by the MTSF, municipal SDFs, sectoral/master plans and long term financial strategies.
Determines government-wide key development strategies and priorities to be addressed.	Address municipal strategies, Council development priorities/objectives and community needs.
Conceptualisation of the desired future and results (outcomes and impact) to be achieved by the district area in the long term.	Plans implemented by municipalities and departments respond directly to the desired outcomes and impact.
Spatially referenced plans and budgets at district and metro level with emphasis on long-term catalytic programmes and interventions to unlock development potential.	Focus on implementation of immediate service delivery interventions and priority projects in the One Plan.

The One Plan is expected to strengthen and enhance the IDPs and other plans of municipalities and provide greater certainty and direction for the IDPs. During the development of the One Plans, the IDPs will inform the One Plans. However, once the One Plans are approved, IDPs are to be directed by the priorities and commitments outlined in the One Plans. In this regard, IDPs are the vehicle through which implementation of the One Plans happen at local government level. This relationship between the IDP and One Plan is outlined in the figure below:



6. Other Key Note Speeches

6.1 State of the Nation Address 2023

President Cyril Ramaphosa delivered his seventh State of the Nation address on Thursday, 9 February 2023, from Cape Town's City Hall, where he focused mainly on the electricity crisis plaguing the country. Among other things, he announced a **national state of disaster** for the ongoing energy crisis, and has announced a new position for a **Minister of Electricity in the Presidency**.

Broadly, the SONA:

- Emphasised the risk that insufficient energy supply poses to growth and investment in the economy.
- Noted the need to arrest the deterioration in basic service delivery rolled out from defunct municipalities.
- Acknowledged the widening trust deficit between itself and other key stakeholders in the economy as is evidenced by slow progress in socioeconomic development.
- Highlighted the shortcomings of law enforcement agencies which have led to a rising level of lawlessness in the country.
- Confirmed the continuation of the social relief of distress (SRD) grant.
- Underlined the poor performance of the country's municipalities and offered up interventions to improve professionalism in public service.

6.2 KZN State of the Province Address 2023

The State of the Province Address was delivered by the Honourable Premier of KZN, Nomusa Dube-Ncube on 24 February 2023 at the Oval Cricket Ground the city of Pietermaritzburg. Many issues of concern and high priority areas we sounded out by the premier during her address, focusing on high levels of gun violence, high levels of GBV Crimes, declining economy, high unemployment and many more. However, the KZN SOPA 2023 highlighted 8 key focus areas that will be prioritised over the year, ie.

1. Basic Service Delivery
2. Job Creation
3. Growing the Economy
4. Growing SMMES and Cooperatives
5. Education and Skills Development
6. Human Settlement and Sustainable Livelihoods
7. Building a Peaceful Province
8. Build a Caring and Incorruptible Government

Section C: Situational Analysis

1. Demographic Characteristics

Demographics are described as one of the most important statistical components that makes up a Country, Province, Municipality or any Organisation. Within the municipal context, demographics indicators are used to help plan for the future and guide decision-making. The following set of demographic indicators in the Abaqulusi Municipality are used in the planning of health care, educational facilities, housing provision, water provision, electricity provision, refuse removal, etc.

1.1 Demographic Indicators

1.1.1 Population Size and Growth Rate

The table and graph below shows that the total population for Abaqulusi local municipality is estimated at having 243 795 persons as per the Community Survey 2016, a 15.5 percentage change when compared to Census 2011 results. The intercensal growth rate (2011-2016) was found to be 0.03, significantly lower than that of Census 2011 due to the time frame for the two projects (Census 2011 time frame was 10 years while Community Survey 2016 time frame was 5 years).

Table 1: Population Size

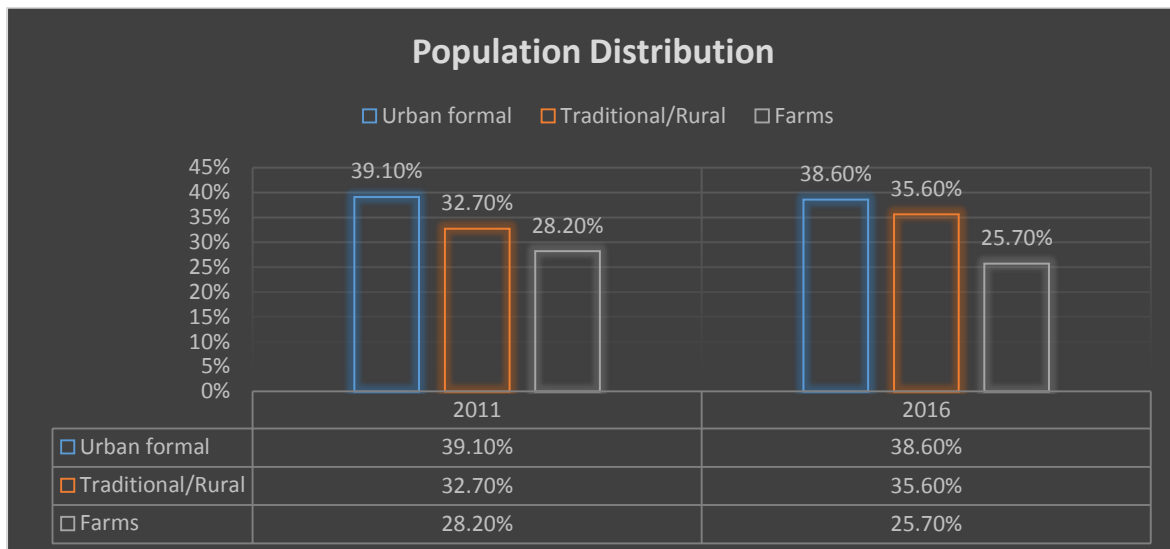
	Census 2011	Community Survey 2016
Population	211 060	243 795
Growth Rate	1%	0.03
% of Growth	10.5%	15.5%

Source: Stats SA-CS 2016

1.1.2 Spatial Population Distribution and Density

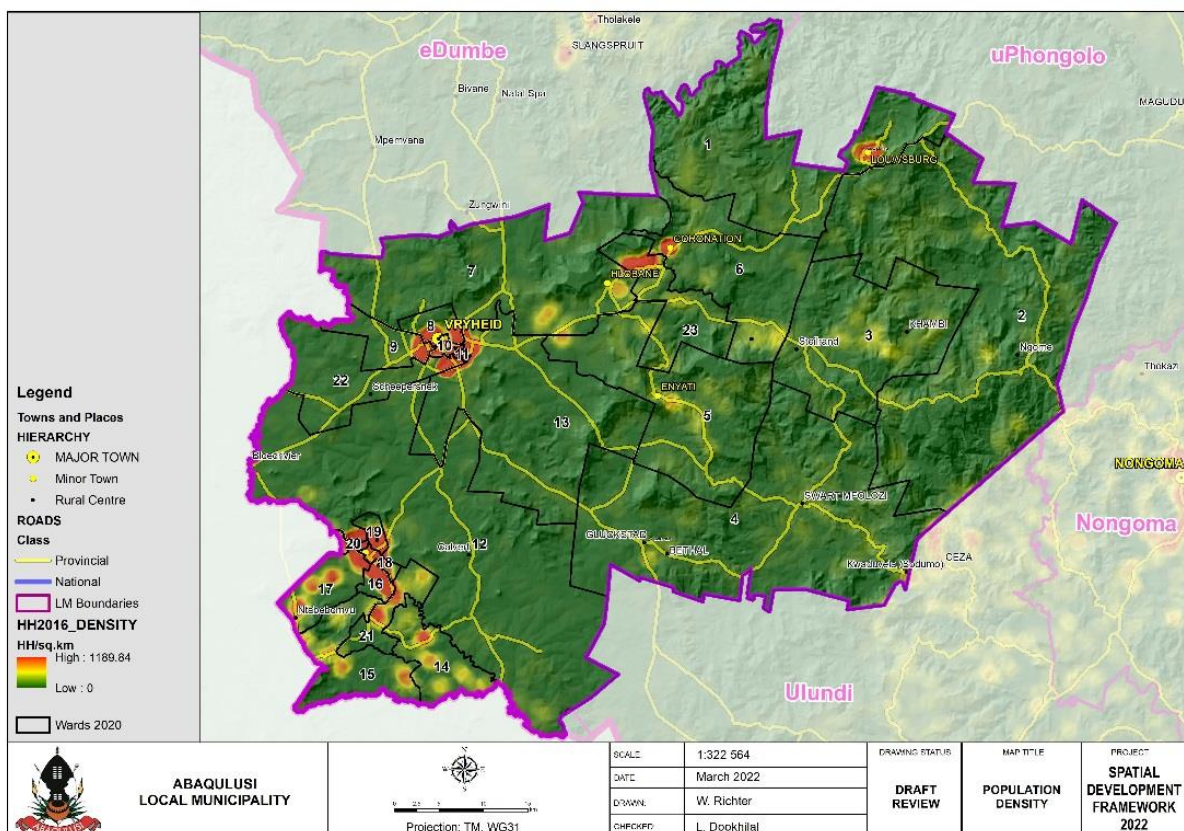
The Graph and Map below shows the distribution of the population according to three settlement types, i.e. Urban formal, Tradition/Rural and Farms. It can be observed that during the Community Survey 2016, the majority of the population was found to be living in urban formal settlement (38.6%), followed by traditional (35.6%) and lastly farms (25.7%). The same trend in terms of percentage distribution per settlement type was also observed during the Census 2011. The population density over the geographical area has also increased from 2011 which was 50 persons per km² to 58 persons per km² in 2016.

Figure 1: Population Distribution



Source: STATS SA CS 2016

Map 3: Population Distribution



1.1.3 Population Composition by Age Category and Dependency Ratio

From the table below, the results of the Community Survey 2016 shows that more than a third of Abaqulusi population was found to be the young ones (0-14 years) at 37.9%. The majority of the population was amongst those in the working age group (15-64 years) at 57.8%, with the proportion of the elderly people (65+ years) contributing about 4.3% to the Abaqulusi total population.

The youth proportion (15-34 years) was found to be almost 40% of the entire population.

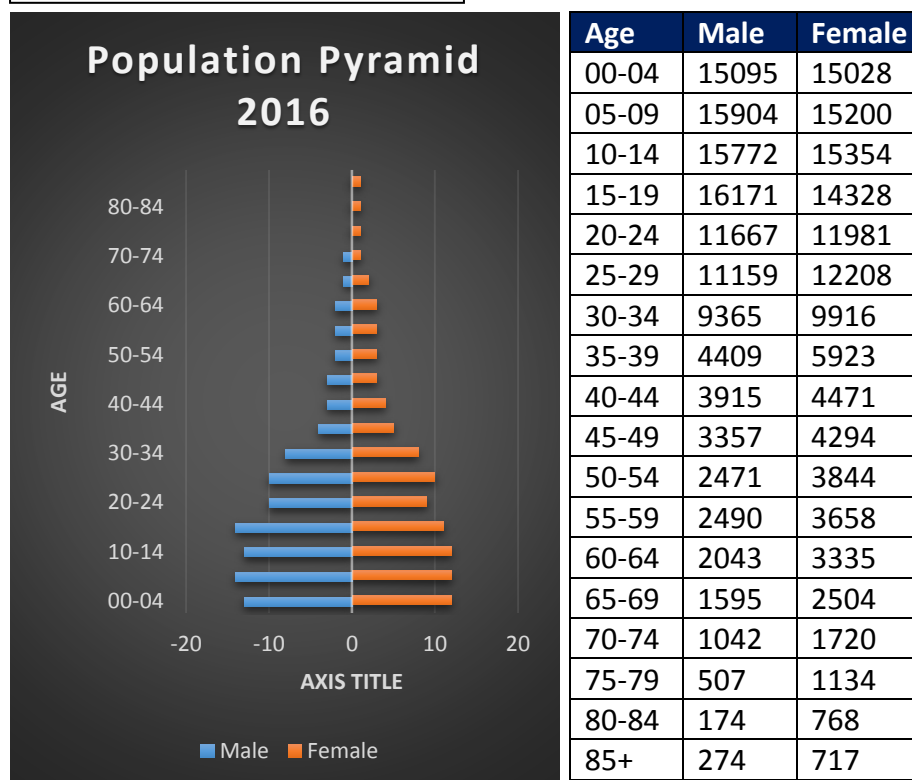
The dependency ratio measures the strain deemed to be carried by those within the working age group (15-64 years) “supporting” the dependent age groups, the young (0-14 years) and the elderly (65+ years). For both the Census 2011 and the Community Survey 2016, the dependency ratio was found to be 70.5 and 70.8 respectively.

Table 2: Population Composition by Age

Persons proportion	Census 2011	Community Survey 2016
Young (0-14 years)	36.7%	37.9%
Youth (15-34 years)	36.5%	39.8%
Working age (15-64 years)	58.6%	57.8%
Elderly (65 years or older)	4.7%	4.3%
Dependency ratio	70.5	70.8

Source: STATS SA CS 2016

Figure 2: Population Pyramid by Age/Sex



Source: STATS SA CS 2016

1.1.4 Population Composition by Sex

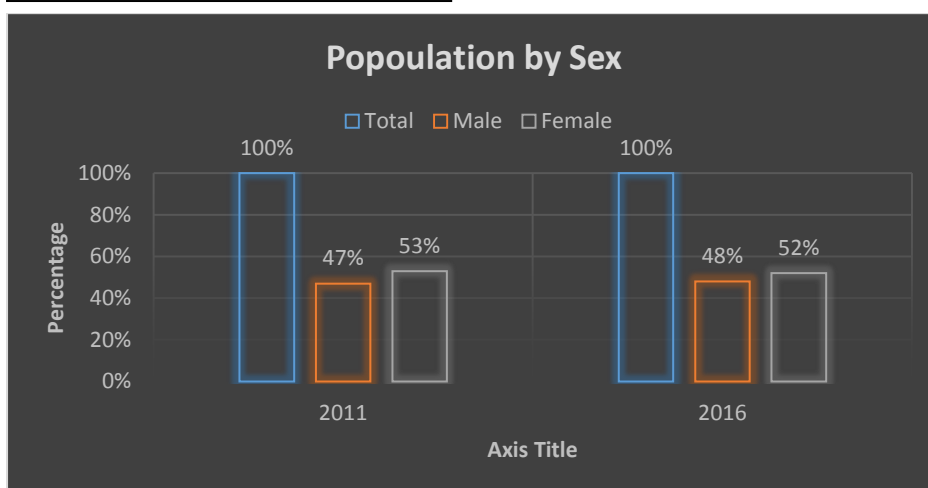
As per the table and graph below, a slight increase in the number of men was observed during the Community Survey 2016 as it was recorded at 93 men per 100 women compared to the 91 men per 100 women during the Census 2011.

Table 3: Population Composition by Sex

Sex	Census 2011	Community Survey 2016
Male	47% / 100 474	48% / 117 412
Female	53% / 110 586	52% / 126 383
Total	211 060	243 795
Sex ratio (men/100 women)	91	93

Source: STATS SA CS 2016

Figure 3: Population Composition by Sex



1.1.5 Population Composition by Group

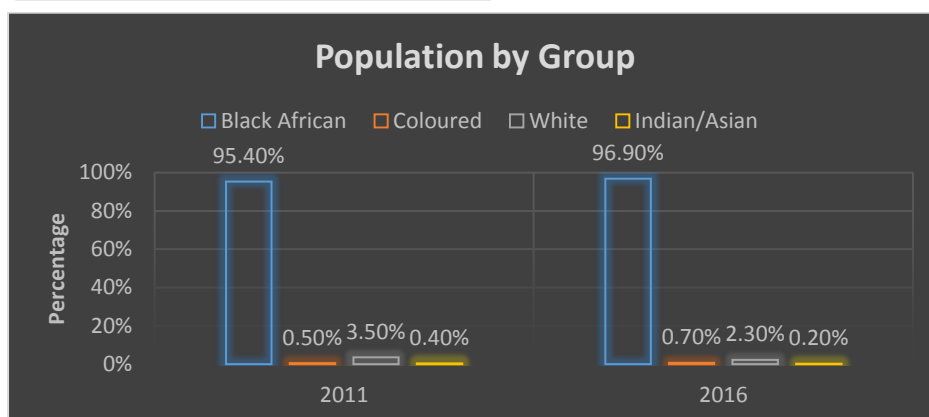
The proportion of Black African comprised the far highest population group within the Abaqulusi local municipality as it was found to be 96.9% during the Community Survey 2016. The combined proportion of the Coloured, White and Indian/Asian population groups makes up just above three percent (3%) of the total population for Abaqulusi local municipality.

Table 4: Population Composition by Group

Race	Census 2011	Community Survey 2016
Black African	95.4%	96.9%
Coloured	0.5%	0.7%
White	3.5%	2.3%
Indian/Asian	0.4%	0.2%

Source: STATS SA CS 2016

Figure 4: Population Composition by Group



2. Cross-Cutting Analysis

2.1 Regional Context

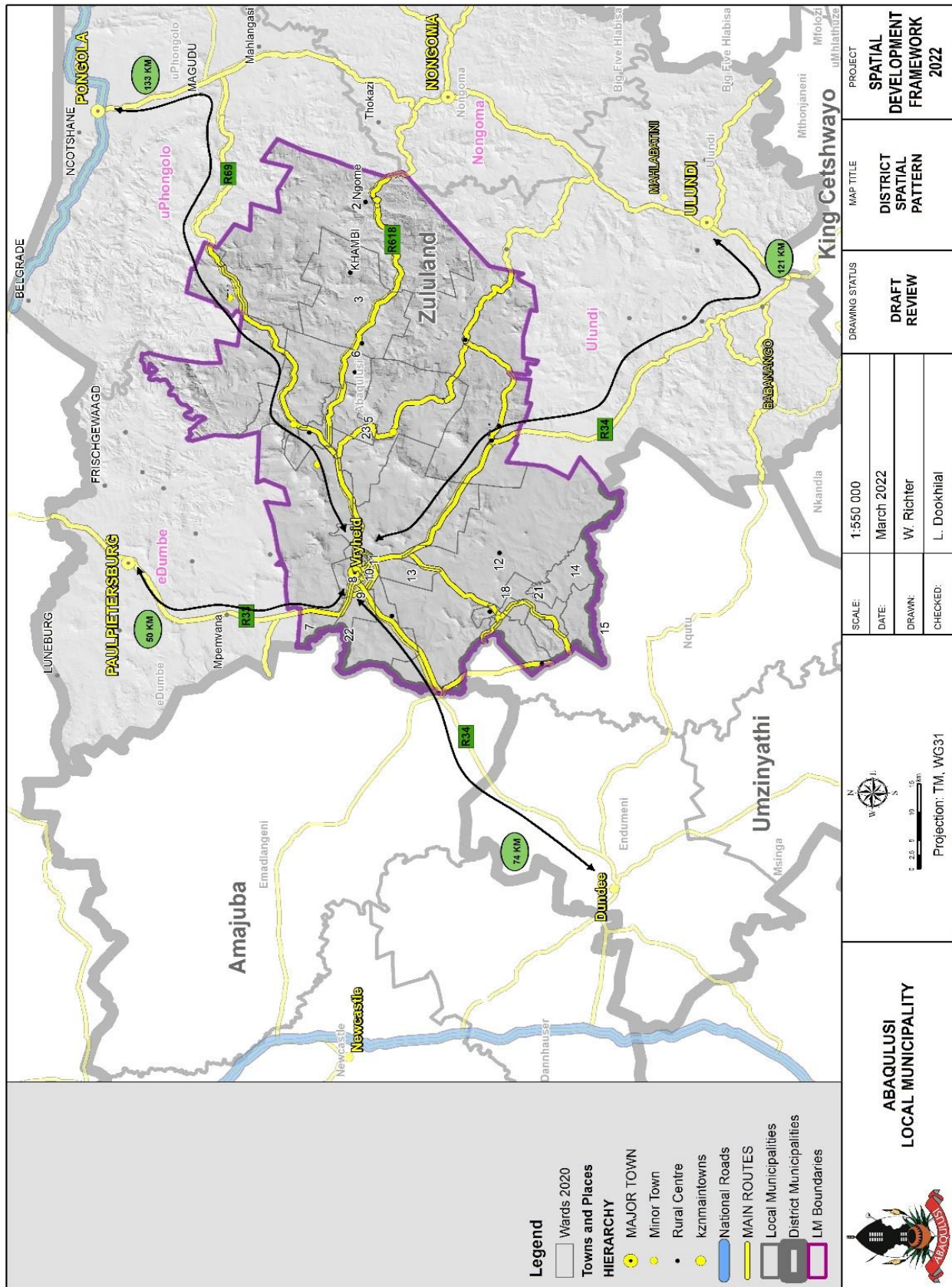
AbaQulusi Local Municipality is located in the Northern part of KwaZulu-Natal Province and forms part of the Zululand District Municipality. The main towns within the region are Vryheid, Ulundi, Dundee and Paulpietersburg and Pongola. Vryheid is the main commercial, industrial and business centre within the region, and seen as ‘The Heart’ of the Zululand District. The town itself has a well-developed physical, social and institutional infrastructure and is located at the intersection of the major transportation routes which traverse the region. The municipality is estimated at 4185km² in extent making it one of the largest in the province with a population of approximately +-243 795 people, according to Community Survey 2016.

It at present constitutes approximately 27% of the Zululand District Municipality and is one of the five local municipalities that make up Zululand District Municipality. The 4 other local municipalities that make up the Zululand Family include eDumbe, oPhongolo, Nongoma and Ulundi. The municipality is also characterised as the main hub for the district and is also very strategically positioned, sharing its border with all of the 4 local municipalities within the district.

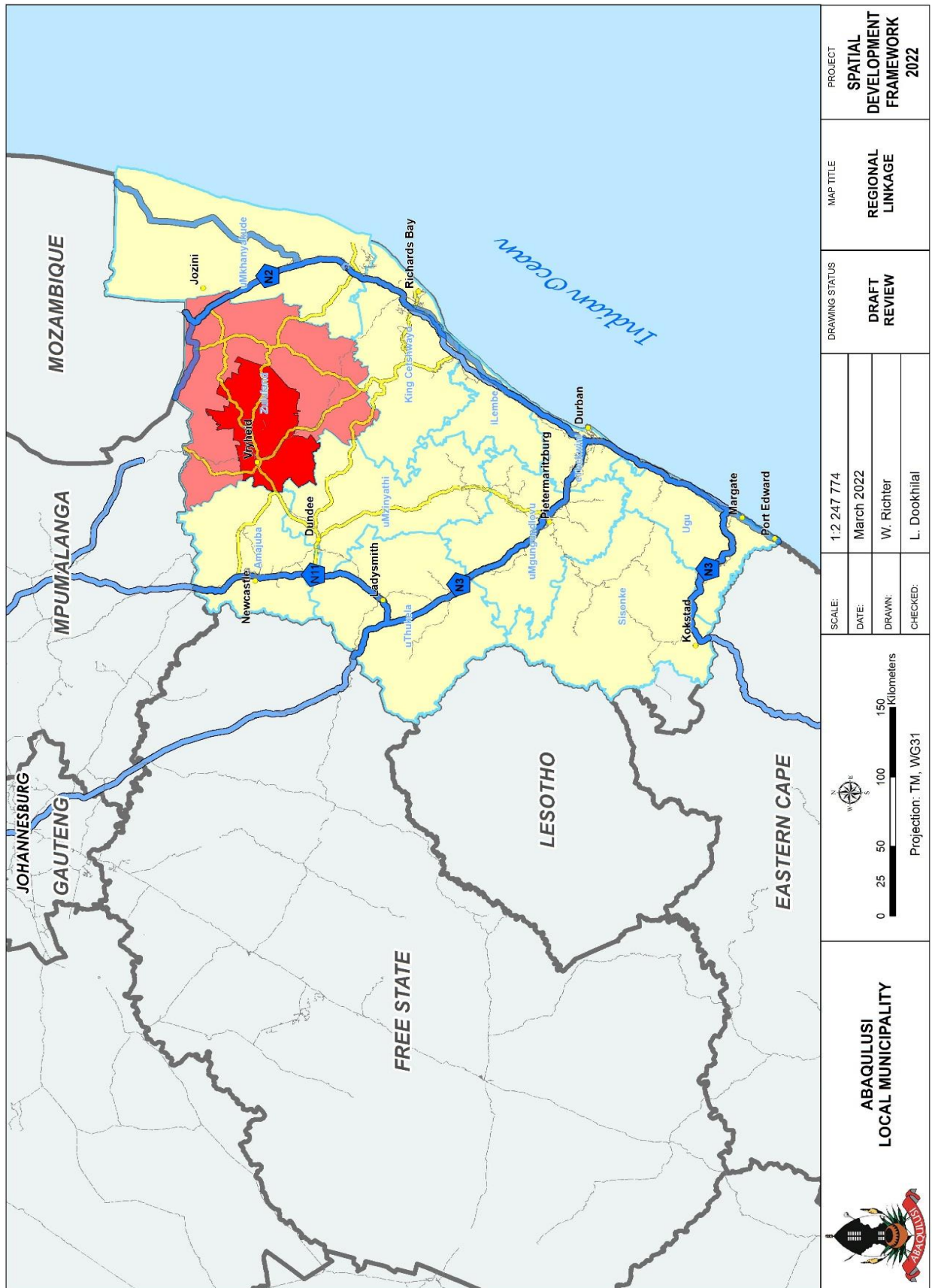
The AbaQulusi Municipality plays a major role in terms of its geographical location and regional access in Northern KwaZulu Natal, and has developed as a peripheral economy in the Provincial context, due to its distance from the main markets and corridors such as the N2 to Durban and Richards Bay, N3 to Pietermaritzburg and the N11 to Gauteng.

However, a secondary corridor, which is a coal line corridor runs from Richards Bay through Ulundi, to Vryheid and Paulpietersburg and into the mining areas of Mpumalanga. This is an important National rail and road network which passes/traverses through the Municipality. The other secondary corridors of National significance is the R 34 and R 69 transportation route. Vryheid is located at the intersection of the secondary corridors. The other major route of significance is the P 700 road that links Richards Bay to Gauteng via Ulundi and Vryheid.

Map 4: District Linkage



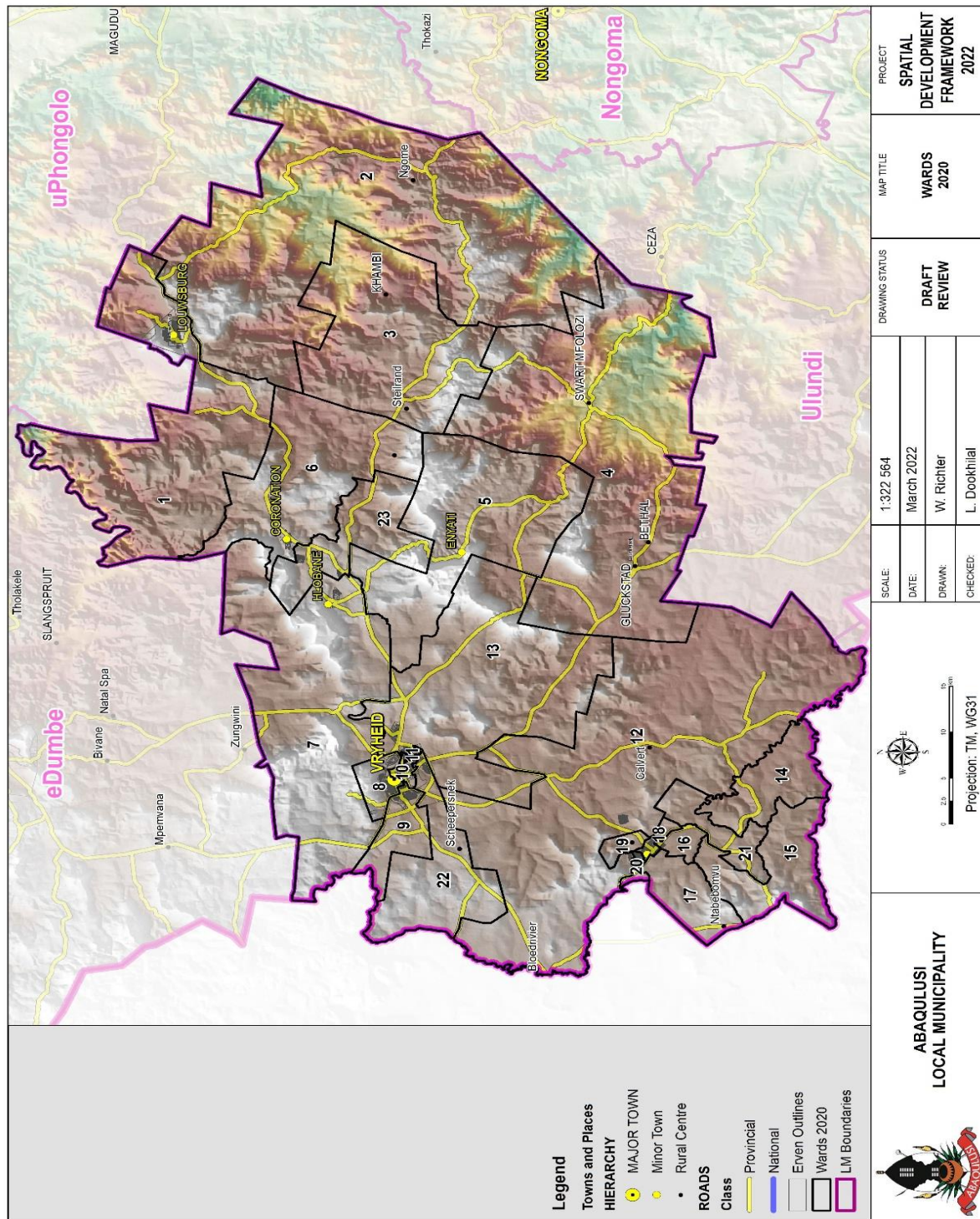
Map 5: Regional Linkage



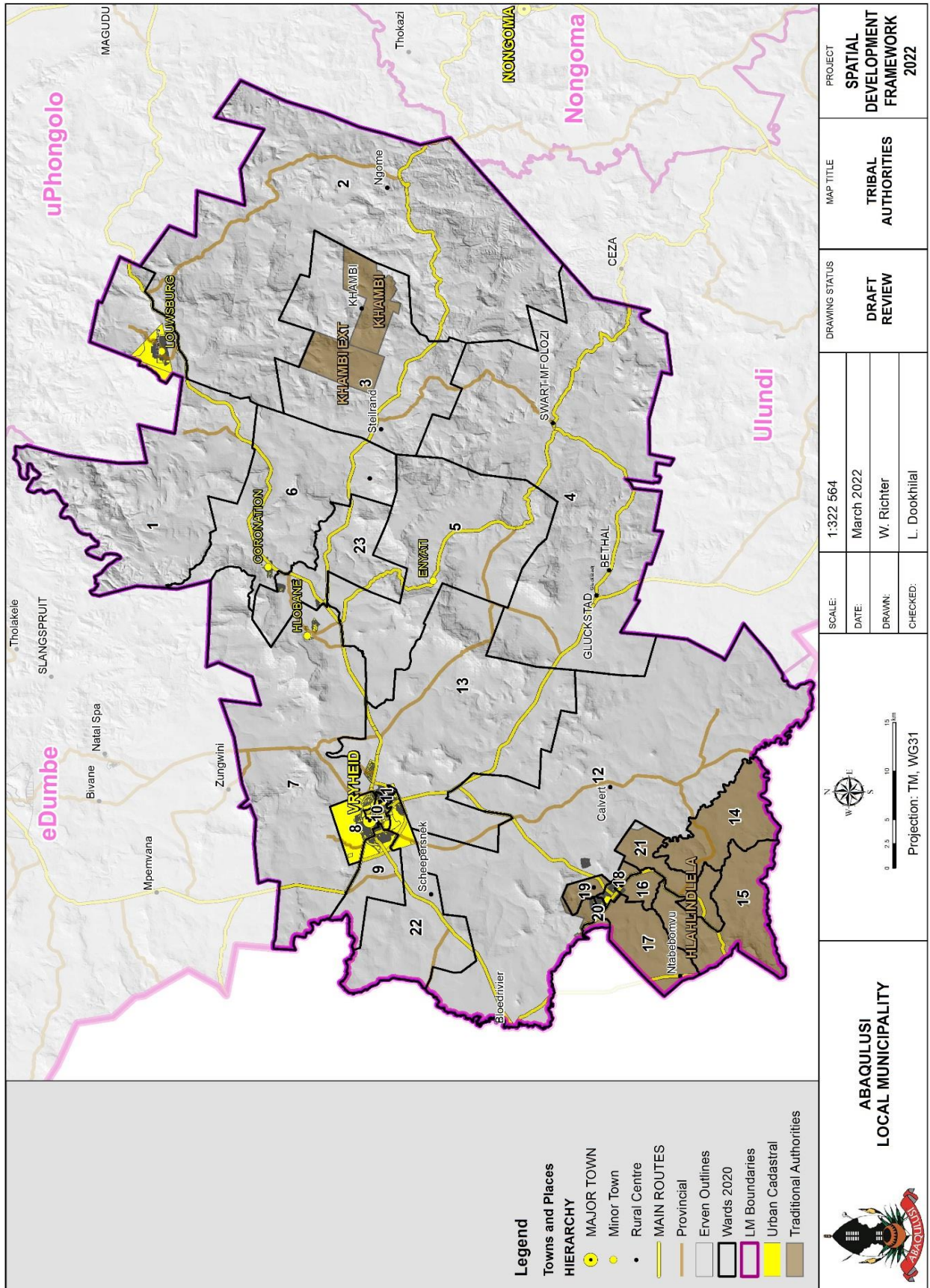
2.2 Administrative Entities

AbaQulusi Municipality is part of the Zululand District Municipality and has 23 municipal wards and 6 Traditional Authorities namely: Khambi, Othaka, Hlahlindlela, Mpangisweni, Mathongeni, Msiyane Traditional Councils. The maps below depict all 23 wards and the Traditional Authorities within the municipality.

Map 6: Ward Boundaries



Map 7: Traditional Authority



2.3 Structuring Elements

In order to plan efficiently, there needs to be a focus on investing resources in areas of opportunity in order to create maximum impact, there needs to be certain structuring elements to give guidance to develop and spatial planning. For the Abaqulusi Municipality Spatial Development Framework there are four Spatial Structuring Elements that can guide spatial development and decision-making in the town and these elements include: -

2.3.1 Nodes

‘Nodes’ is term usually ascribed to cities, towns and villages. This tends to work against the need to achieve rural development through integration of urban and rural areas. It is accordingly proposed the term node is to be less prominent and less significant in future SDFs with the emphasis rather being placed on identifying “human settlement” where integrated programmes can be shared. Such settlement can be both rural and urban in nature and could serve to bridge diversity between these communities.

Nodes are generally described as areas of mixed use development, usually having a higher intensity of activities involving retail, traffic, office, industry and residential land uses. These are the places where most interaction takes place between people and organisations, enabling most efficient transactions and exchange of goods and services. Nodes are usually located at nodal interchanges to provide maximum access and usually act as catalysts for new growth and development.

Due to the intensity of activities/land uses found within nodes, they (nodes) can be further classified in terms of the level of service they offer i.e. Primary, Secondary and Tertiary nodes.

2.3.2 Corridors

A “Development Corridor” is normally used to symbolise the area where important economic activities are to be encouraged along a particular transport route. There is often difficulty in stakeholder perceptions regarding the term ‘corridor’ and the purpose of such planning tool. It is proposed that the use of the term ‘transport route’ be adopted in future because it places emphasis on the transportation activity, which is critical for economic clusters to grow in both urban and rural environments;

Development Corridors are identified for spatial and economic planning purposes, as roads and/or railway routes associated with the movement of goods and people. The high transportation function creates the opportunity for economic activity to take place along these movement corridors, particularly at junctions. These occur at various levels, from local development corridors along the main streets of the towns or even along rivers, to Regional and Provincial Corridors. Different types of corridors can be distinguished, such as development corridors, movement corridors and activity corridors.

Activity Street are defined as a local street that is located within the sphere of influence of an activity corridor and reinforces it to be classified as an activity street, vehicle and pedestrian access to mix of land uses as a priority.

2.3.3 Urban Edge

An “urban edge” is normally used to define the limit of urban built up areas and enables limitations to high capacity infrastructure provision. As part of the effort to consolidate the urban areas and achieve a more compact town, the Spatial Development Framework proposes that an Urban Edge be introduced to all nodal areas. The urban Edge is a distinguish line that serves to manage, direct and control urban expansion.

The Urban Edge will be used to: -

- Contain Urban Sprawl
- Protect significant environments and resources
- Re-orientate Growth Expectations
- Densify built environments
- Restructure growth
- Rationalize service delivery area

Urban Edges were delineated by analysing and utilising the Precinct Plans and Conceptual Frameworks which were prepared for each major area. The urban edges include existing and proposed developments of the area. The plans below depict the urban edges for the major towns with the municipality.

2.3.4 Settlement Edges

A ‘settlement edge’, as illustrated on the diagram below, is the dividing line or boundary between areas of urban development (a settlement) and non-urban or rural development. It also defines the logical boundary between areas with different features and purposes, such as the boundary between areas considered environmentally sensitive and those suitable for development.

Settlement edges are used to manage investment and characteristics of infrastructure levels according to the needs of communities and economic activities located within settlement edges or outside settlement edges; and are used to encourage more efficient use of underutilized land existing in a settlement or town, through development of vacant land or the re-use of “brownfield” degraded land areas.

According to the Development Edges: A Settlement Typology Updated Approach and Data Report, 2015, prepared by the Department of Rural Development and Land Reform, over the last decade, throughout the world, and in South Africa, there has been a new focus on approaches to managing urban growth. The acceptance and use of a number of planning concepts has received widespread support. Many of these concepts and practices are not

necessarily new, but they have become part of an integrated toolbox of concepts addressing common approaches.

These approaches are responses to a number of concerns and the need to address a growing awareness of the interrelatedness of issues. The undesirable features that were identified were:

- Urban sprawl, which has several dimensions, unlimited outward and "leapfrog" expansion, as well as being extremely low density.
- Large scale conversion of open space and environmentally sensitive land to urban uses
- Worsening traffic congestion
- Costly requirements to expand roads and other infrastructure
- Conversion of valuable agricultural land to urban uses.

The following goals will be achieved through the identification of development/ settlement edges:-

- Achieving Balance (There are two dimensions to this concept of balance.)
- Achieving a Dynamic Balance between the Landscapes of Society
- Achieving Greater Urban Efficiencies
- Protecting Important Elements within Urban Settlements
- Promoting Small-Scale Agriculture
- Managing Urban Wastes
- Issues of Sustainability and Recycling
- Co-ordination of Line and Point Bulk Services to Achieve Efficiencies
- Avoiding Hazards
- Limiting the outward extension of new developments
- Raising densities in both new and existing areas
- Emphasizing public transport
- Creating what is called "sustainable" development (development that limits consumption of resources and is maintainable into the future)
- The approaches to achieve these directives included concepts such as:-
- The need to create compact cities that facilitate the provision of efficient infrastructure and transportation;
- The need to be ecologically sensitive;
- The need to manage, direct or limit urban growth, and the tool used to do this is to create an "Urban Edge", which is also called an Urban Growth Boundary.

2.4 Existing Nodes and Corridors

2.4.1 Nodes

Vryheid is identified as a Primary Node in the District. In a municipal context, Vryheid is the main Commercial, Industrial and Administrative Centre and retains its Primary Nodes Status. In comparison to Pongola and Ulundi from a District Perspective, Vryheid has a much larger commercial and services sector, although the economy is also dependent on agriculture, and

mining. It forms part of the district spatial systems and is identified in the district SDF as a primary node or main economic hub. This is despite Vryheid being recognized as a third order centre at a provincial level alongside Ladysmith and Dundee among others

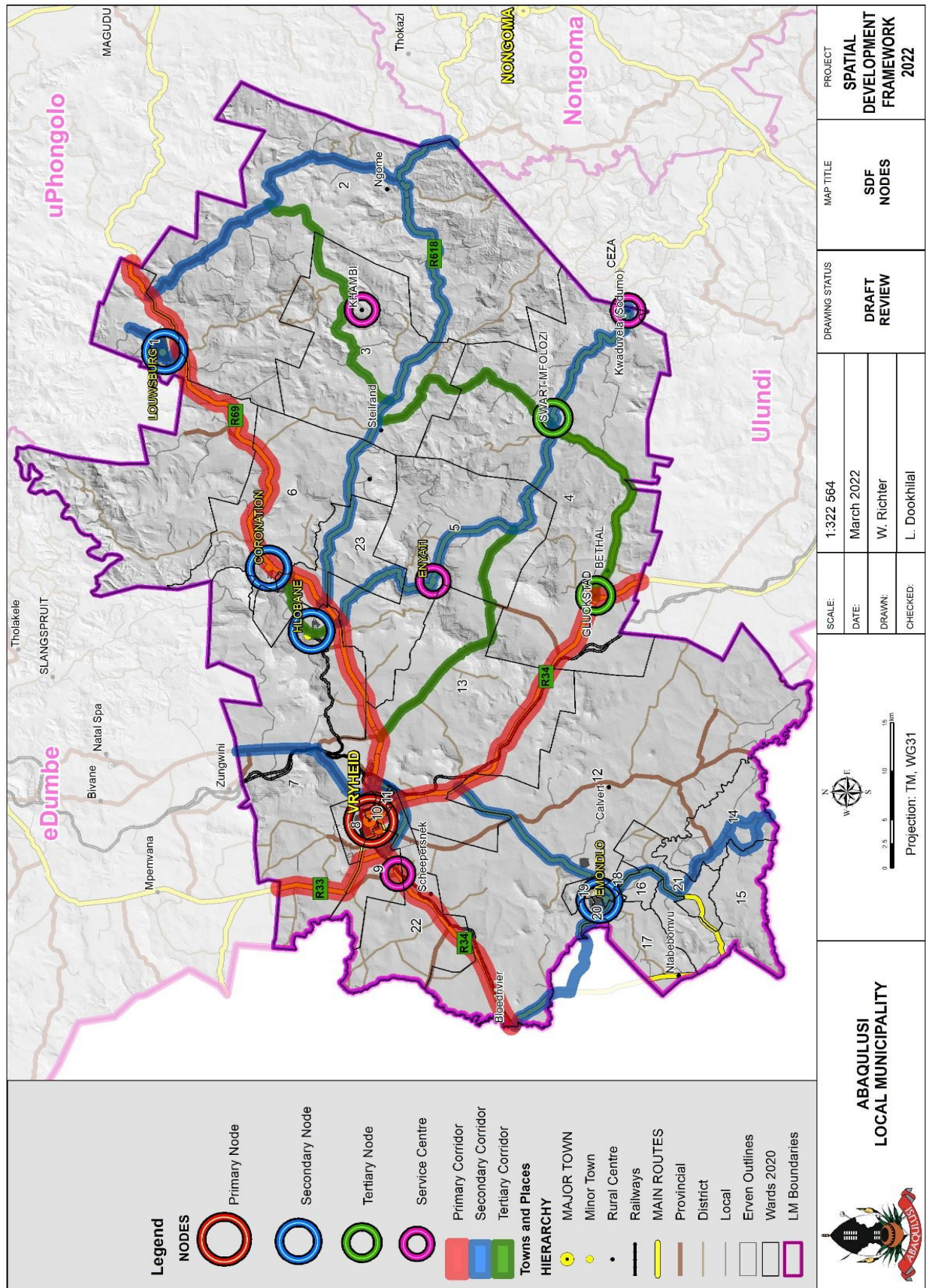
eMondlo, Hlobane/Corronation and Louwsburg have been identified as Tertiary nodes in the District SDF, but due to the significant role they play along the major corridors of the municipality, they are identified as Secondary Nodes within the municipal SDF structuring elements.

Tertiary nodes in the municipality include Swart-mfolozi and Enyati offering services such as:

- Primary and secondary schools.
- Clinics including mobile clinics.
- Pension pay points.
- Community halls and other community facilities.

The maps below indicates the spatial location of the various nodes within the Abaqulusi Municipality and its Nodal Status within the Province:

Map 8: Municipal Nodes



2.4.2 Corridors

A primary corridor refers to a densely populated well-travelled route which connects two major centres. Three main access and mobility routes have been identified as primary development (regional) corridors, namely:

- East – west linkage connecting Vryheid with areas such as Dundee and Newcastle to the south (R 34), and Pongola to the north (R 69). The east-west route (R 34 – R 69) as development corridor is one of the major access routes to the battlefields and Zululand tourism region. It also runs through at least three agricultural districts, that is, Dundee/Blood River, Vryheid and Louwsburg/Ngotshe.
- North-south linkages connecting Vryheid with Paulpietersburg (R 33) and beyond to the north and the coastal areas to the south (R 34). North-south route (R 33 – R 34) as a development corridor is a major regional arterial movement and trade route. It runs through agricultural districts and provides access to the Zululand Tourism Region.
- South-eastern linkage (R 618) which is the main road to Nongoma and goes through a number of settlements including Khambi.

Provincial Spatial Economic Development Strategy and the Zululand District Growth and Development Plan 2030, identify both routes as multi-sectoral corridors that present opportunities for agricultural, tourism and mining oriented development, and serves wide region identified as part of a poverty node in terms of the ISRDS. A number of areas with a relatively high concentration of different land uses have developed, and introduces a developmental dimension that what would be a typical movement or logistics route. Development along these corridors should conform to the following guidelines:

- Both corridors are located on provincial roads and thus should adhere to the regulations as implemented by the Department of Transport.
- Development of a mixed land use nodes at the intersection of these corridors with secondary and tertiary corridors.
- Preservation of agricultural and with limited agro-processing activities.

A secondary corridor provides the same function as that of the primary, at a lower intensity. A number of existing roads have been identified as secondary or sub-regional development corridors in view of the opportunities they present for unlocking new development areas. The key existing secondary corridors include the following:

- P54 linking EMondlo and Blood River. This road provides access to the areas that accounts for nearly 60% of the municipal population. It has potential to transform from being a mere access road into a trade route serving both Hlahlindlela and EMondlo. The road should be prioritized for upgrading and location of a range of commercial and community facilities.
- P258 and P199 both linking Hlahlindlela and EMondlo to the north and Nquthu/Blood River to the south and west respectively. This corridor knits together a number of

settlements from just outside EMondlo through Hlahlindlela to Nquthu. Development along this corridor should focus on improving access and location of limited commercial and community facilities.

- P463, which is the main access road to EMondlo and Bhukumthetho off P47. Outside these two areas, it runs through extensive farming areas where uses other than those related to agriculture should be limited. The portion of the road from Bhukumthetho to EMondlo is identified as a mixed land use development corridor.
- P523, which is a ring road that bypasses Vryheid town along the eastern boundary of the town. Settlements located along this limited access road include Lakeside, Bhokuzulu and informal settlements that have developed just outside Bhokuzulu.
- P404 linking Vryheid and Edumbe/Paulpietersburg. This is essentially an agricultural corridor, with tremendous potential for agro-processing activities, particularly timber, dairy and maize processing.
- P293, which is a major, which runs along the northern boundary of the municipal area in an east-west direction. This is also an agricultural corridor with potential for eco-tourism development.

As described above and from the agricultural analysis, the District SDF and the District Growth and Development Plan identify the R 69 specifically as an Agricultural Corridor. The corridor is also proposed in this SDF review. An Agricultural Corridor is a concept which refers to the areas in which agriculture activities occur in order to increase regional development and lift people out of poverty. The concept has a public-private partnership approach, and takes the entire value chain into perspective, aiming to improve efficiency through targeted investments along the corridor. An Agricultural Corridor refers to regions who agricultural potential “has not been realised” and whose population remains ‘almost entirely reliant on agriculture development. The concept of an “Agricultural Corridor” is designed to facilitate the conversion of land to industrial agriculture, to be served by building infrastructure (roads, railways, irrigation, storage, processing, etc.) and led by private companies.

Also as described above the R 69 and the R 34 provides access to the Battlefields and Zululand Tourism Region, the District SDF and the District Growth and Development Plan identify these corridors as Tourism Corridors. Tourism Corridors refers to a broad geographic area defined by logical, existing and projected travel patterns served by various modes of transportation that provide connections within and between regions. The corridor is also defined as a route which offers travellers the opportunity to visit a variety of built and natural attractions along a themed route.

The Municipality’s 2023/2024 Spatial Development Framework is attached as Annexure I 1.

The Maps below spatially indicates the various corridors within the Abaqulusi Municipality:

Legend

- Wards 2020
- Tourism Corridor
- Agricultural Corridor
- Secondary Development Corridor
- Primary Development Corridor
- Primary Corridor
- Towns and Places

HIERARCHY

- MAJOR TOWN
- Minor Town
- Rural Centre
- Railways
- MAIN ROUTES
- Provincial
- District
- Local
- Even Outlines
- LM Boundaries

Map Metadata

PROJECT	MAP TITLE	DRAWING STATUS	SCALE:	DATE:	DRAWN:	CHECKED:
SPATIAL DEVELOPMENT FRAMEWORK 2022	DEVELOPMENT CORRIDORS	DRAFT REVIEW	1:322 564	March 2022	W. Richter	L. Dookhilal

Map Information

Projection: TM, WG31

Scale: 0 2.5 5 10 15 km

Map Labels

uPhongolo, Nongoma, uLundi, eDumbe, Slangspruit, Tholakele, Magudu, Thokazi, CEZA, SWART-MFOLOZI, GNICKSTAD, BETHAL, VRYHEID, HLOBANE, LOUWSBURG, NGOME, KHAMBI, STELLAND, ENYATI, Zungwini, Natal Spa, Bivane, Mpenvana, Scheepstnek, Bloedrivier, Ntabelomvu, Carver, Ntabelomvu, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 13, 4, 5, 6, 7, 8, 9, 10, 11, 12.

Legend

Towns and Places

HIERARCHY

- MAJOR TOWN (Yellow circle)
- Minor Town (Small yellow circle)
- Rural Centre (Black dot)

Corridors

- Primary Corridor (Red line)
- Secondary Corridor (Blue line)
- Tertiary Corridor (Green line)

MAIN ROUTES

- Railways (Black line)
- Provincial (Brown line)
- District (Light brown line)
- Local (Grey line)

Other Features

- Erven Outlines (Thin grey line)
- Wards 2020 (Thin black line)
- LM Boundaries (Thick pink line)

Map Information

PROJECT
SPATIAL DEVELOPMENT FRAMEWORK 2022

MAP TITLE
TRANSPORTATION CORRIDORS

DRAWING STATUS
DRAFT REVIEW

SCALE: 1:322 564

DATE: March 2022

DRAWN: W. Richter

CHECKED: L. Dookhial

Projection: TM, WG31

2.5 Broad Land Uses and Ownership

The Municipality's current land use pattern has evolved in response to the growth of settlement and pattern thereof, the natural environment and regional access routes and reflects the rural nature of the region.

2.5.1 Commercial Agriculture

Agricultural land is the dominant form of land use in the Abaqulusi Municipal area. The major agricultural practices are crop production (occurring mainly in the highveld areas and fertile valleys of the major rivers that runs through the area), cattle farming ranching and game farming. A number of commercial farmlands are subject to land restitution.

2.5.2 Urban Settlements

Urban settlements located within Abaqulusi Municipality include the following:

- Vryheid Town, which is a regional centre and main economic hub within ZDM and Abaqulusi Municipality.
- King Bhhekuzulu Township, which was developed as an R293 Township and is located to the south-east of Vryheid.
- Emondlo Township, which was also developed as an R293 Township and located about 30km from Vryheid. It is surrounded to the south and north by expansive and relatively dense rural settlements.
- Louwsburg, which has declined in significance and degenerated from being a service centre into a simple urban settlement.

Other small urban settlements are located within the areas that were previously dominated by coalmines such as Hlobane, Enyathi and Coronation. Vryheid, in particular is developed with a range of activities including industrial, commercial, residential and recreational facilities. The level of development in other urban centres also differs with some of the areas characterised by service backlogs and under-development.

The Shoba Settlement is a “densified informal settlement” located approximately 13km from the Vryheid Town Central Business District (CBD). It is situated along R69 linking Vryheid with Hlobane, Coronation and Louwsburg. Shoba falls outside of the Vryheid Town Planning Scheme area but, it represents a logical northwards expansion of the town. It provides an opportunity for the development of middle income residential area close to town and the associated urban opportunities. The settlement developed organically on privately owned land of which the Municipality has acquired and are currently formalising the area to establish a sustainable human settlement neighbourhood.

2.5.3 Rural Settlements

There are only two relatively large concentrations of rural settlements within the Abaqulusi Municipal area that is, Hlahlindlela and Khambi. Both settlements are developed on Ingonyama Trust land and land rights in these areas are administered in terms of traditional and customary laws. Hlahlindlela is the larger of the two. A small rural settlement as developed on mission land near Gluckstadt. A number of small isolated rural settlements established in terms of the land reform program are scattered throughout the commercial farmlands, with a large number of them concentrated to the north of the municipal area. This introduces a major challenge, as the expansion of these settlements in areas that are not developed with bulk services (water, sanitation, roads, etc) is neither desirable nor sustainable.

2.5.4 Mining Areas

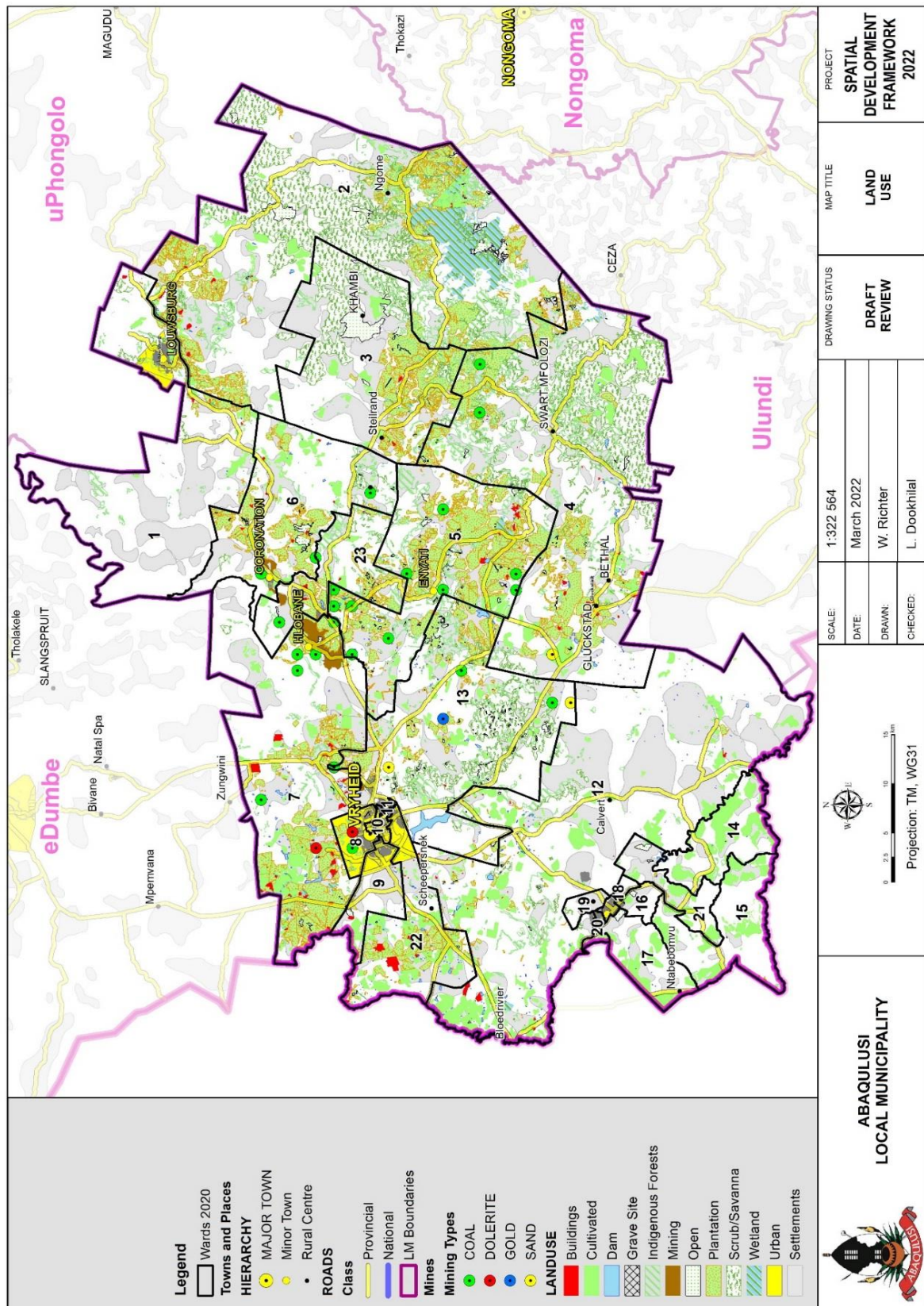
The Vryheid coalfield stretches from the west of Vryheid in a broad band to the east of Louwsburg and is further divided into the Zuinguin Mountain area, the Hlobane/Matshongololo area, the Thabankulu/Enyathi Mountain area and Ngwini Mountain area.

Coal mining historically provided a major force into the local economy of Northern KwaZulu Natal. However, over the past 15 years a number of mines in the area ceased operation impacting negatively on the regional economy. Abaqulusi Municipality was particularly affected by the closure of the Coronation and Hlobane mines in 1997 and 1998 respectively (Zululand Coordination LED Framework: 2003).

However, recently the Coal Mining sector seems to be gaining momentum and has been identified in the IDP as one of the key economic sectors. This is due to high demand of coal in the country and internationally. The study done by KwaZulu Natal Trade Investments reflects that there are high volumes of coal available in the coal reserves especially in the former mines of Vryheid. As a result, the applications for coal prospecting have increased in the region. This initiative will boost the Abaqulusi local economic regeneration and strengthen the coal line corridor, which runs from Richards Bay through Ulundi, Vryheid and Paulpietersburg and on to the mining areas of Mpumalanga Province.

The map below represents the Broad Land Uses within the Municipality.

Map 11: Land Use



2.6 Land Reform

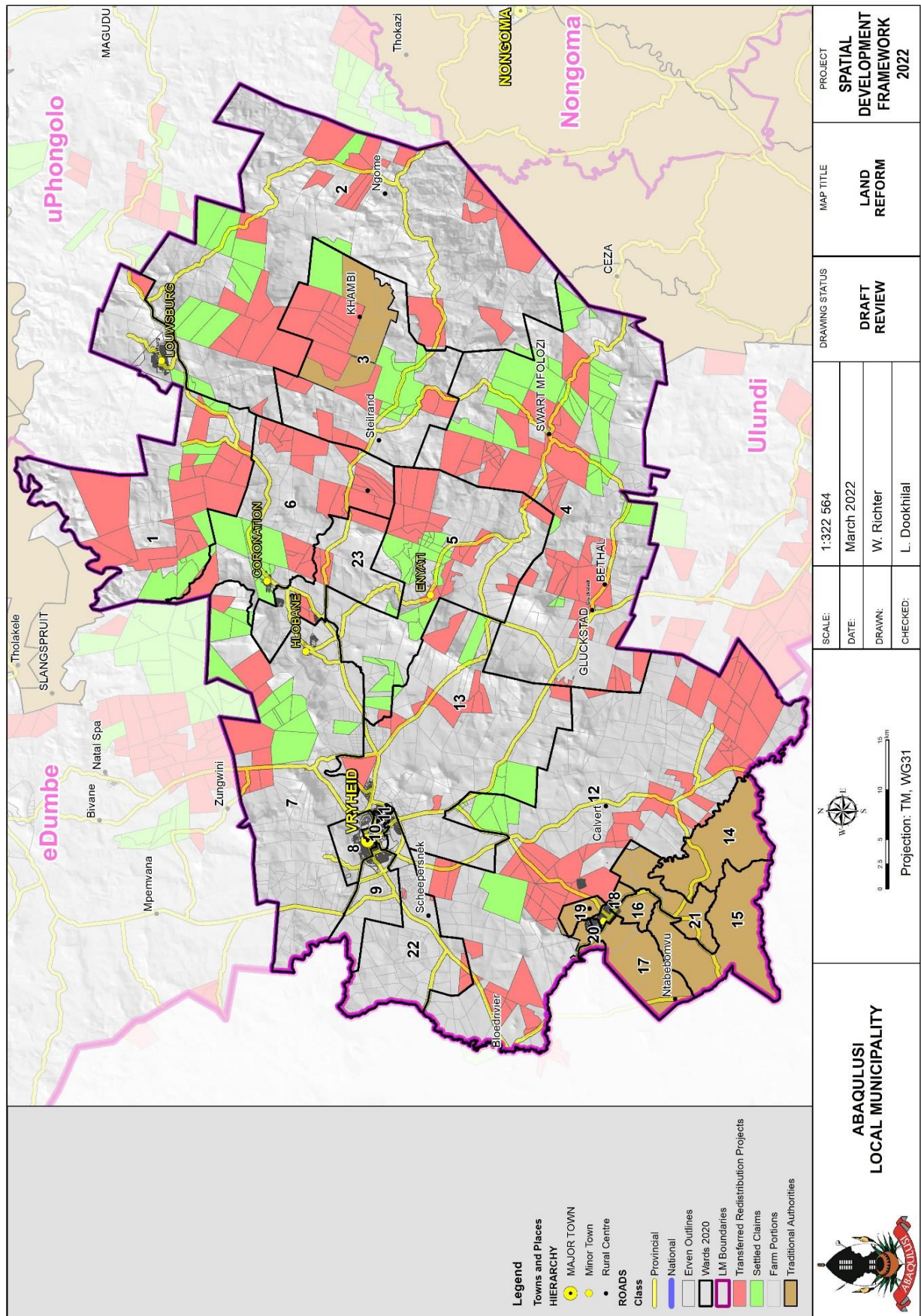
Since the introduction of the Land Reform program in 1997, Abaqulusi Municipality area has generated a large number of projects. This could be attributed to the historical land dispossession that took place in the area during the apartheid period and land need as experienced by various previously disadvantaged communities in the area. A key focus has been on land redistributed, land tenure and land restitution.

Abaqulusi Municipality recognizes the importance of the land reform, particularly the role it can play in addressing historical land related conflicts, overcrowding and congestion, as well as promoting agricultural development. As such, the following should guide future implementation of the land reform program within Abaqulusi Municipality:

- Clustering of projects in a geographic area in terms of location, products and commodities, and social identity of the beneficiaries. Clustering will optimise development potential, rationalise support services and promote efficient use of scarce resources. Identification of clusters should be based on access, social identity, development opportunities, land use pattern and social relationships. This will provide a framework for a comprehensive approach to the resolution of labour tenant and land restitution claims.
- Settlement of the emerging farmers in terms of the Land Redistribution for Agricultural Development (LRAD) or Pro-active land Acquisition Strategy should be located close to transport axes on good agricultural land in situations where they have access to ongoing support and mentorship – this by definition would exclude isolated areas of the municipal area.
- There is a need to promote off-farm settlement as a land delivery approach where the main need for land is settlement. Such land should be located in accessible areas, which can be provided with social facilities and basic services in an efficient and effective manner. It may also form part of a cluster of projects. This will also facilitate housing delivery and development of such settlements as sustainable human settlements.
- Identification of high impact projects and integration into the local value chain or development proposals. These projects should also be integrated into the LED program of the Municipality. Opportunities in Abaqulusi include game farming, forestry, livestock farming, irrigated pastures, and dry land and irrigated crop production.

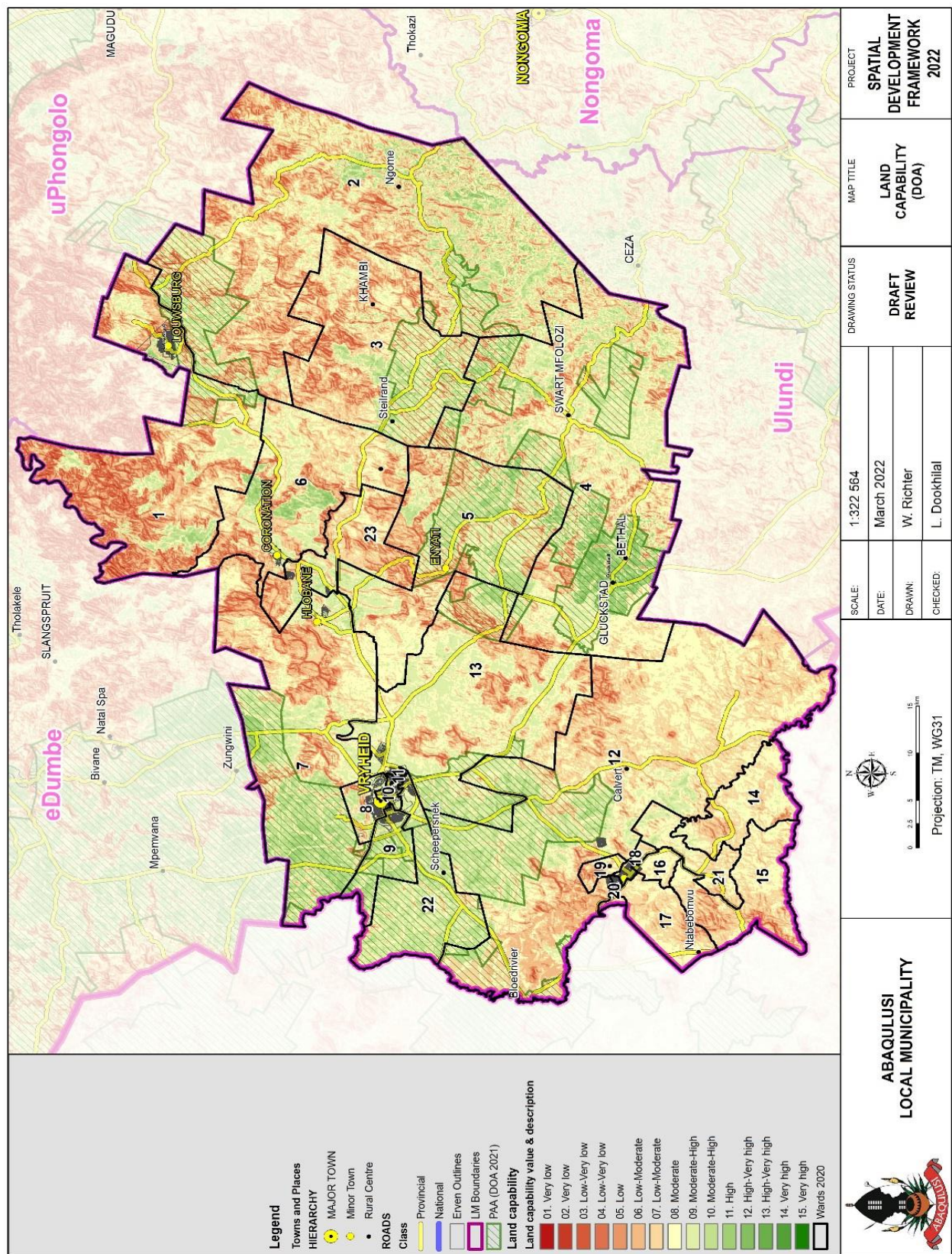
It must however, be noted that the land reform is a need and a rights based program. Its primary focus is to transform the land ownership pattern in line with the national government targets. The map below indicates the various Land Distribution claims in Abaqulusi.

Map 12: Land Reform



2.7 Land Capability

Map 13: Land Capability



Agricultural potential for any given land area is generally classified into eight potential ratings as: very high, high, good, moderate, restricted, very restricted, low, and very low potential. Agricultural potential within Abaqulusi Municipality falls into seven of the eight potential ratings namely: High good, relatively good, moderate, restricted, very restricted low, and very low agricultural potential areas. The majority of the municipality has good to moderate agricultural potential. High agricultural land occupies 13% of the total land area of approximately 41 8461 ha. About 30% of the land has minimal agricultural value. The Map on the left indicates the Land Capability within the Abaqulusi Municipality.

2.8 Environmental Analysis

Several important environmental features characterises Abaqulusi Municipality which are: natural vegetation areas, high species diversity areas, watercourse – wetlands, streams and rivers, habitats, breeding areas of threatened species, natural heritage sites, conservation significance sites, archaeological sites, geomorphologic importance sites and historical sites.

Environmental characteristics, associated constraints and opportunities are discussed in the sections below:

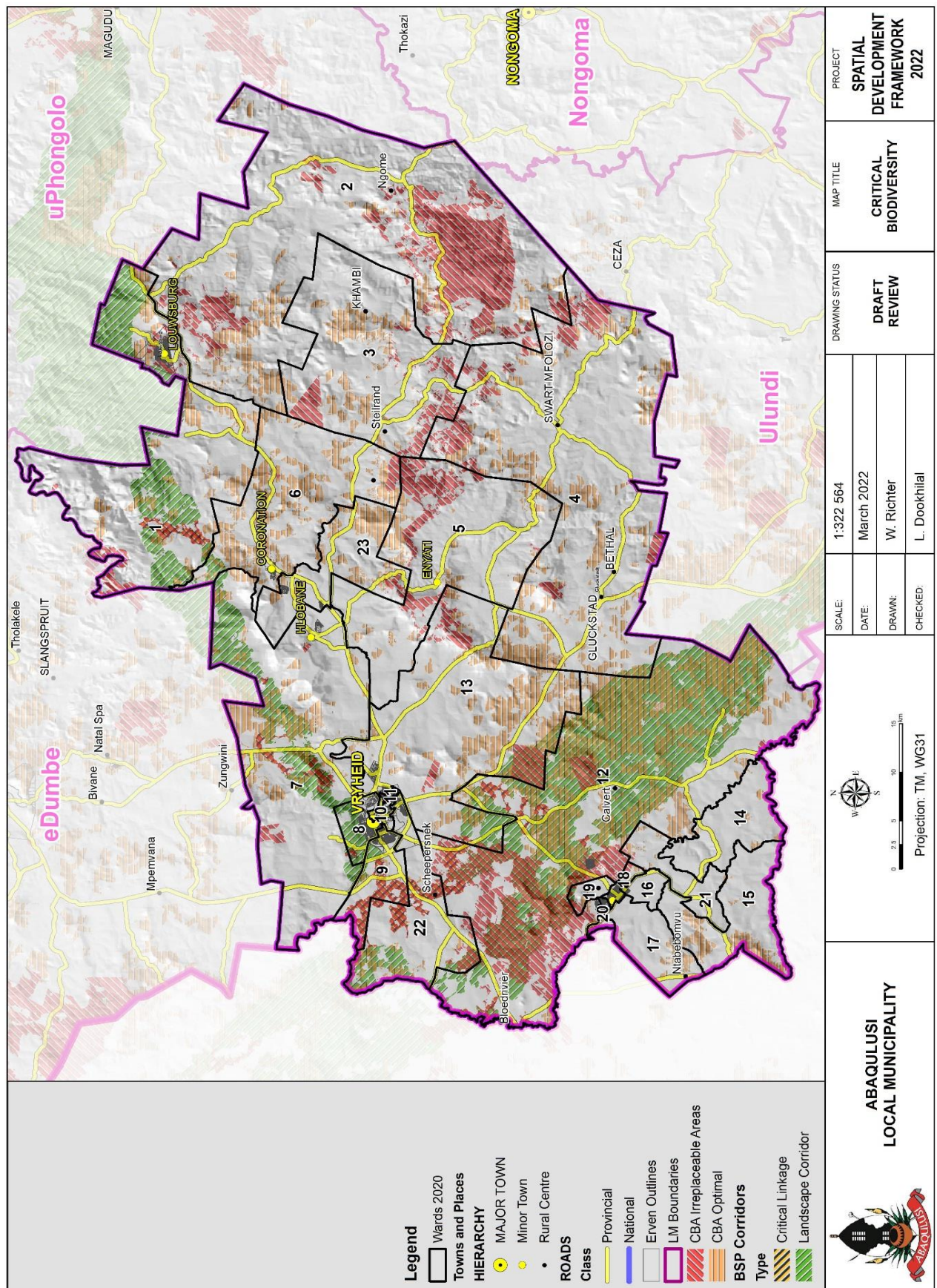
Abaqulusi Municipality falls in varied climatological zones as defined by the bio-resource classification of the KZN Department of Agriculture and Environmental Affairs. The dominant bio-resource groups are moist tall grassveld, warm sour sandveld, warm moist transitional tall grassland and dry Zululand thornveld. The mean annual rainfall range from 640 mm and 800 mm then rises up to between 800 mm and 1000 mm east of Khambi along the eastern boundary of Ward 2. The mean annual temperature lies between 170C and 190C. Summers are generally warm to prolonged hot spells reaching 300C. Winters are cold to very cold. Very cold winter periods are often associated with moderate to severe frost.

The dominant vegetation type in the municipality is grassland. The grassland consists of tall grass species predominantly *Hyparrhenia hirta* and other species of *Hyparrhenia* in lesser prevalence. Woody vegetation is found on dolerite hillsides where the dominant tree species are *Acacia caffra*, and *Acacia kerroo* mainly along the watercourses.

The relevance of this issue to the Abaqulusi Municipality is that there is large-scale forestry activity in the municipality as well as some extensive areas of indigenous forests. The occurrence of timber plantations in association with the tall grassland vegetation supplies sufficient biomass for the disastrous bushfires. The issue of a high potential for Abaqulusi to be a fire prone municipality becomes even more significant considering the fact that climatic conditions favours the development and spread of uncontrollable bush fires which contributes to climate change and weather patterns changing.

The Map below highlights the environmentally sensitive areas within Abaqulusi Municipality.

Map 14: Environmentally Sensitive Areas



Environmental Legislative framework

The law regulating waste management assist in order to protect health and the environment by providing reasonable measures for the prevention of pollution and ecological degradation and for securing ecologically sustainable development; to provide for specific waste management measures; to provide for the licensing and control of waste management activities; to provide for the remediation of contaminated land; to provide for compliance and enforcement; and to provide for matters connected therewith. The various applicable environmental Legislation within the Republic include the following:

- The South African Constitution (Act 108 of 1996)
- Environment Conservation Act (Act 73 of 1989)
- The National Environmental Management Act (Act 107 of 1998)
- National Environmental Management: Waste Act, 2008 (Act 59 of 2008)
- Hazardous Substances Act (Act 5 of 1973)
- Health Act (Act 63 of 1977)
- Occupational Health and Safety Act (Act 85 of 1993)
- National Water Act (Act 36 of 1998)
- Municipal Structures Act (Act 117 of 1998)
- Municipal Systems Act (Act 32 of 2000)
- Mineral and Petroleum Resources Development Act (Act 28 of 2002)
- Air Quality Act (Act 39 of 2004)

2.8.1 Habitats

AbaQulusi Municipality has a total of 418 461 Ha of which 78.8% is transformed and regarded as urban sector and 18.1% is un-transformed regarded as rural sector. Many areas have been transformed for the reason that new developments (Housing) has been established which has results in the loss of habitats including virgin-grass, soil degradation, biodiversity and species.

The physical features of the surface and their relation to its geological structure has resulted in to the land / surface become unstable, eroded and degraded. AbaQulusi landscape is mountainous, rocky, slope as a result of physical, chemical and biological processes which include climate change, weathering, weather patterns (include heavy rainfall and overflows) human activities and drought.

The change in the statistical distribution of weather patterns when the change lasts for an extended period of time has affected AbaQulusi Region as a results of climate change. The Region has experiencing a drought phase at the moment which is an indication of global warming and increase of green-house gases emissions.

The biodiversity of AbaQulusi has large areas of vegetation transformed as a result of one kind of land-use. Wide spread land transformation occurs mainly in Wards 14 to 20 along the western part of the municipality and Wards 7 to 11 in the north western part. Other areas are significant transformation has occurred are in Wards 5 and 3 at the southern end of the municipality.

Water resources at AbaQulusi consist of watercourses, wetlands, rivers and catchment areas. AbaQulusi falls in varied climatological zones as defined by the bio-resource classification of the KZN Department of Agriculture and Environmental Affairs. The dominant bio-resource groups or vegetation type is as follows:

- Moist Tall Grassveld
- Warm Sour Sandveld
- Warm Moist Transitional Tall Grassland
- Dry Zululand Thornveld

2.8.2 Key Hydrological Features

a) Wetlands

Areas saturated with water either permanent or seasonal are found within AbaQulusi Region. Wetlands make important contributions to the hydrological functioning. The largest wetlands are found within the Western part of Umfolozi catchment in Ward 12 to 19 and from place to place in Vryheid especially around Bhekuzulu location. In Lakeside, Blood River Vlei, and Klipfontein Bird sanctuary, wetlands are also found.

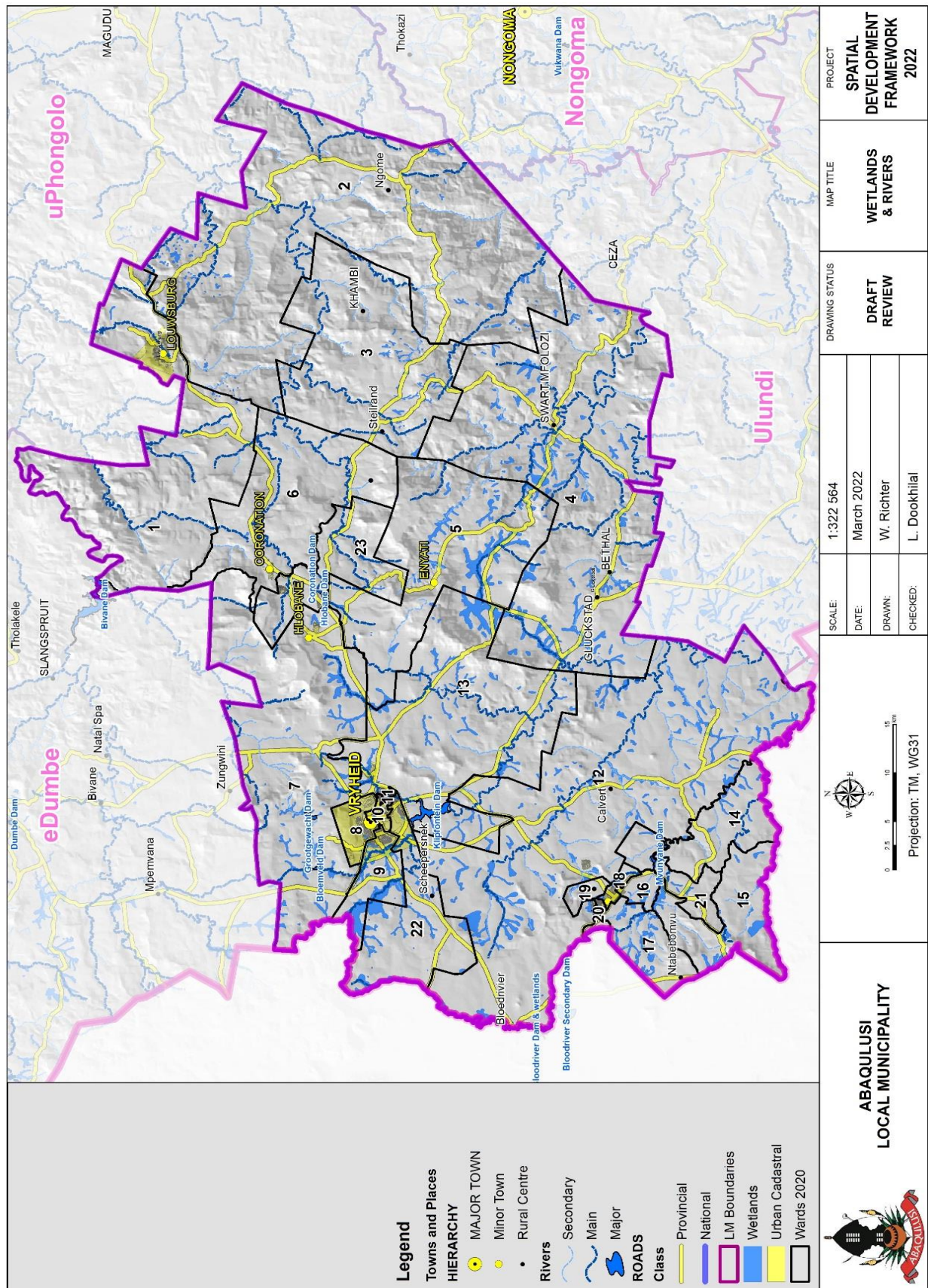
Wetlands in the areas have been significantly drained due to frequent burning, over-grazing, and agricultural activities, climate change and drought. Wetlands have reduced the functionality of storm-water attenuation. However, AbaQulusi Municipality in partnership with Department of Economic Development, Tourism and Environmental Affairs do celebrate wetland day in February and also promote wetlands in a form of education and awareness programme.

b) Catchment Areas / Rivers

Two major catchments originate exist, ie. Umfolozi catchment and Mkhuze catchment. Umfolozi is the largest with approximately twice the total surface area occupied by the Mkhuze catchment. These catchments are the source of several rivers that serve the socio-economic, agricultural, and industrial water demands of AbaQulusi. The following rivers are identified:

- White and Black Umfolozi
- Sandsruit River
- Mkhuze River
- Sikwebezi River
- Mvunyana River
- Thala River
- Bululwana River

Map 15: Wetlands and Rivers



2.8.3 Protected Areas

As per the Municipal SDF, there are only 2 protected areas within the municipality, namely:

- Ithala Game Reserve
- Vryheid Mountain Nature Reserve

These 2 areas mentioned above constitute 1% of the land cover in Abaqulusi.

2.8.4 Biodiversity

The Abaqulusi Municipality is among many municipalities that have had large areas of vegetation transformed as a result of one kind of land use or another. Wide spread land transformation occurs mainly in Wards 14 to 20 along the western part of the municipality and Wards 7 to 11 in the north western part. Other areas where significant transformation has occurred are in Wards 5 and 3 at the southern end of the municipality.

Critical Biodiversity Area 1 – Mandatory: The CBA 1 Mandatory areas are based on the irreplaceability analysis. Identified as having an Irreplaceability value of 1, these planning units represent the only localities for which the conservation targets for one or more of the biodiversity features contained within can be achieved i.e. there are no alternative sites available.

The distribution of the biodiversity features is not always applicable to the entire extent of the PU (Planning Unit), but is more often than not confined to a specific niche habitat e.g. a forest or wetland reflected as a portion of the PU in question. In such cases, development could be considered within the PU if special mitigation measures are put in place to safeguard this feature(s) and if the nature of the development is commiserate with the conservation objectives. This is site and case dependant.

Critical Biodiversity Area 2 – Mandatory: CBA 2 indicate the presence of one (or more) features with a very high irreplaceability score. In practical terms, this means that there are alternate sites within which the targets can be met, but there aren't many. This site was chosen because it represents the most optimal area for choice in the systematic planning process, meeting both the target goals for the features concerned, as well as a number of other guiding criteria such as high agricultural potential area avoidance, falls within a macro-ecological corridor etc. Whilst the targets could be met elsewhere, the revised reserve design would more often than not be slightly more 'land-hungry' in an effort to meet its conservation objectives.

Critical Biodiversity Area 3 – Optimal: CBA3 indicate the presence of one (or more) features with a low irreplaceability score. Derived in the same way as outlined for CBA2 described above, the determination vision of these PU's is driven primarily by the guiding layers.

The areas not highlighted in MINSET ARE NOT OPEN for wholesale development. Important species are still located within them and should be accounted for in the EIA process. They are not highlighted as the MINSET highlights the 'choice' areas from a biodiversity point of view only. Should one or more of the CBA2 and CBA3 sites be utilised for development, it is obvious that the target for whatever feature (s) where located within that PU will no longer be

met. Ideally, MINSET would have to be re-run to calculate the next optimal solution, the new PUs being 'extracted' from the currently blank/un-defined areas.

Biodiversity Area: The areas not highlighted in MINSET ARE NOT OPEN for wholesale development. Important species are still located within them and should be accounted for in the EIA process. They are not highlighted as the MINSET highlights the 'choice' areas from a biodiversity point of view only. Should one or more of the CBA2 and CBA3 sites be utilised for development, it is obvious that the target for whatever feature(s) where located within that PU will no longer be met. Ideally, MINSET would have to be re-run to calculate the next optimal solution, the new PUs being 'extracted' from the currently blank/un-defined areas.

As per the categorisation of biodiversity areas reflected above, the Map below is a representation of the Biodiversity within Abaqulusi.

2.8.5 Climate Change

AbaQulusi Municipality is in a pre-planning stage to introduce the concept or the idea of climate change to the Council and community at large. The idea is to develop a climate change response strategy which will incorporate the mitigation and adaptation selections for the Municipality, identify procedures to reduce Green House Gases emissions; engagements with relevant stakeholders and institutions; and develop a learning exchange relationship with other local, District, Metro and inter-national countries.

Climate Change is regarded by many as the most important environmental challenge in our era. Climate Change is defined by the United Nations Framework Convention on Climate Change (UNFCCC) as “a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability over comparable time periods”. Global Warming has been blamed as that human activity, which has had the most influential impact on climate change. Global warming is defined by the UNFCCC as “the increase in the earth’s temperature, in part due to emissions of greenhouse gases (GHG’s) associated with human activities such as burning fossil fuels, biomass burning, cement manufacture, cow and sheep rearing, deforestation and other land-use changes.”

Climate change is already having and will continue to have far reaching impacts on human livelihoods. As a result, policy and development plans must take cognizance of the implications of a changing climate and develop strategies for both mitigation and adaptation for a changing climate.

Recent studies within South Africa which involve climate change modelling and associated projections all show conclusively that the symptoms of climate change in South Africa are likely to include:

- Higher temperatures
- Altered rainfall patterns
- More frequent or intense extreme weather events, including heat-waves, droughts, storms and floods

The above climate changes could imply that Abaqulusi Local Municipality is faced with:

- More frequent and severe flooding as a result of higher intensity storm events and possibly more frequent hail events. This will impact on human settlements, infrastructure, human health and place a greater burden on particularly impoverished communities
- Higher rainfall may increase agricultural production but water availability could become a limiting factor, requiring increased irrigation. Ground and surface water systems are vulnerable. In this regard small scale farming is likely to be most affected
- Heat waves may result in increased heat stress to plants, animals and humans and will increase associated fire risk placing livestock and grazing capacity under threat.

- Below or average levels of rainfall may result in prolonged shortages in water supply resulting in severe drought for an unknown period of time.

From a spatial planning perspective, responses are largely focused around avoiding new development and insisting on development controls around flood prone areas. Other responses are generally considered good practice and regardless of climate change, there will generally lead to an improved standard of living. These mentioned responses, if implemented should increase the resilience of vulnerable communities to climate change.

2.8.6 Strategic Environmental Assessment

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

2.9 Spatial and Environmental Trends and Analysis

- Illegal developments mushrooming on Agricultural Land posing a problem as productive land is now getting depleted.
- Illegal occupation of privately owned land creating social problems and legal implications involving the municipality.
- More people moving to the Vryheid Town in search of employment, creating additional pressure on municipal services and the environment
- Large geographical area hinders development due to difficulty to provide services
- Housing projects planned around the Primary and Secondary Nodes of the municipality to ensure access to better services

2.10 Spatial and Environmental SWOT analysis

Strengths	Weakness
<ul style="list-style-type: none"> • Planning and Environmental By-laws in place • Availability of Skilled and Registered Planners • Planning Legislation in place • SPLUMA Measures approved and adopted by Council • Functional Planning registry 	<ul style="list-style-type: none"> • Lack of Human Resources • non-compliance with planning, building , and environment legislation • Lack of Training of staff • No peace officers within the department (13 employees identified for training) • Lack of equipment –shared telephone lines, printers and computers

<ul style="list-style-type: none"> • Reviewed Disaster Sector Plan • SPLUMA MPT is in place 	<ul style="list-style-type: none"> • Lack of capacity and funding to implement projects identified in the precinct plans and SDF • Non-formalisation of Towns • No satellite offices for planning
<ul style="list-style-type: none"> • Opportunities 	<ul style="list-style-type: none"> • Threats
<ul style="list-style-type: none"> • Support from Development Planning Shared Services in terms of Technical Support • Support from COGTA, DRDLR, and DEA • Land Audit can be conducted to determine potential of land • Awareness campaigns with communities indicating importance of development, environment and disaster • Favourably located along the provincial secondary corridor (Umhlathuze-Ulundi-Vryheid etc) • Recycling Programme to be introduced (MANCO item) • Preparation of the AbaQulusi Wall-to-wall scheme -land development controls and measures to be put in place 	<ul style="list-style-type: none"> • Illegal Developments • Lack of community awareness on development issues • Illegal dumping • Damage to environmentally sensitive areas • community disputes • Illegal occupation of land • Shortage of land policy – expansion of the Vryheid and eMondlo CBD • Dilapidation of the low order nodes – small towns and mining towns, old infrastructure • Loss of income due to threats received on enforcing municipal by-laws • Building without submission of building plans • Illegal Sand Mining • Land Claims against municipality

2.11 Disaster Management Analysis

The Abaqulusi Local Municipality currently has a Disaster Management Centre where disaster management functions are fully rendered. However, it must be noted that the municipality still requires assistance from all relevant stakeholders in order to have a fully functional and effective unit within the municipality due to the lack of capacity and limited funding. ***The municipality's 2023/2024 Disaster Management Sector Plan is attached as Annexure I 2***

2.11.1 Municipal Institute Capacity

The main objective of the Municipal Institute Capacity is to establish an integrated institutional capacity within the Abaqulusi Municipality to enable the effective implementation of disaster risk management policy and legislation. This institutional capacity establishes the requirements which will ensure the establishment of effective institutional arrangements for the integrated and coordinated implementation of disaster management policy and legislation; and which will give explicit priority to the application of principles of cooperative governance and place appropriate emphasis on the involvement of all stakeholders in disaster management in

strengthening the capabilities of municipal organs of state for the purposes of disaster management. The following sub-objectives need to be implemented:

- Facilitate arrangements for the development of an integrated disaster risk management policy by the municipality.
- Facilitate the establishment instruments that will give direction for successful execution of disaster risk management policy.
- Achieve stakeholder participation and the engagement in all phases and activities of disaster management.
- Key deliverables of this KPA shall therefore include but not limited to:
- An approved and adopted disaster management policy by the municipality.
- Municipal Disaster Management Capacity Report.
- Identified municipal instrument/s that will guide and provide support for the successful implementation of the disaster management plan.
- Implementation plan for stakeholder engagement and participation in disaster management.

2.11.2 Risk Assessment

The main objective of Risk Assessment is to generate an Indicative Local Disaster Risk Profile by establishing and maintaining a uniform methodology to continuously assess and monitor risks. The need for disaster risk assessment and monitoring to set priorities, guide risk reduction action and monitor the effectiveness of efforts. Although the country faces many different types of risk, disaster risk specifically refers to the likelihood of harm or loss due to the action of hazards or other external threats on vulnerable structures, services, areas, communities and households. Therefore, this outlines the requirements for implementing disaster risk assessment and monitoring by organs of state. The following are sub-objective of Risk Assessment:

- Conducting disaster risk assessment to inform disaster risk management and risk reduction policies, planning and programming
- Generating an indicative entity disaster risk profile
- Monitoring, updating and disseminating risk information
- Conducting quality control

2.11.3 Risk Reduction and Prevention

The main objective of Risk Reduction and Prevention is to facilitate co-operation and integration amongst stakeholders and that the municipality develops and implements Disaster Management Objectives as stipulated by the Disaster Management Act. The prevention and

mitigation strategies and disaster response must be aligned with the requirements of the National Disaster Management Centre (NDMC), Provincial Disaster Management Centre (PDMC) Zululand District Municipality framework. Abaqulusi Municipality must mobilise fiscal resources to enable it to plan and implement risk reduction projects and programmes in its area of jurisdiction.

The successful implementation of the Disaster Management Act critically depends on the preparation and alignment of disaster management frameworks and plans for all spheres of government. The legal requirements for the preparation of disaster management frameworks and plans by provincial and municipal organs of state are specified in sections 38 and 52 of the Act. This key performance area addresses requirements for disaster management planning within provincial and municipal spheres of government. It gives particular attention to the planning for and integration of the core risk reduction principles of prevention and mitigation into ongoing programmes and initiatives. The following activities are paramount to be executed:

- Ensure all stakeholders compile integrated and relevant disaster risk management plans.
- Determine priority disaster risks and priority areas, communities and households.
- Scoping and development of risk reduction plans, projects and programmes.
- Inclusion of risk reduction efforts into strategic integrating structures and processes.
- Implement and monitor disaster risk reduction programmes and initiatives.

2.11.3.1 Disaster Risk Reduction Strategies

a) Prevention

- Mitigation
- Effective Land-use
- Basic Public Works
- Effective Municipal Service

b) Mitigation

- Structural Measures
- Non-Structural Measures

c) Municipal Disaster Management Advisory Forum (Local)

- Disaster Risk Reduction Plans, Projects and Programmes
- Implementation of above-mentioned plans, projects and programmes
- Align with Spatial Development Plan
- Align with IDP

d) Inputs for compiling disaster risk reduction measures line Departments such as Engineering, Planning etc.

- Disaster risk assessment is executed for each hazard
- Roles and responsibilities
- Risk reduction on ward level

2.11.4 Vulnerability

Vulnerability can be described as the degree to which an individual, a household, a community, an area or a development may be adversely affected by the impact of a hazard. Conditions of vulnerability and susceptibility to the impact of hazards are determined by physical, social, economic and environmental factors or processes. It is also important to remember that vulnerability is dynamic, not static, as the vulnerability of communities change due to improvements or degradation of social, environmental and economic conditions, as well as interventions specifically aimed at reducing vulnerability, such as disaster mitigating actions.

2.11.5 Resilience

Resilience characteristics relate to the capacity within the AbaQulusi jurisdiction to counter the effects of hazards and vulnerabilities. Resilience levels consist of Manageability and Capacity values. Manageability is defined as the combination of all the strengths and resources available within the government departments and line-functions that can reduce the level of risk or the effects of a disaster. This includes the level of staff or human resources, available expertise, suitable experience, available vehicles, equipment, funding or budget allocations, facilities and risk reduction and response plans. Capacity is defined as the combination of all the strengths and resources

2.11.6 Response and Recovery

The objectives that are summarized below should be executed in collaboration with the Zululand District Municipality Disaster Management Centre. It is expected that the Disaster Management Centre shall have the necessary response and recovery equipment and immediate relief provision and needs. Abaqulusi Municipality is advised to acquire some response and recovery equipment and immediate relief provisions.

Objective: To ensure effective disaster response and recovery by:

- ✓ Implementing early warning systems.
- ✓ Implementing immediate and appropriate response.
- ✓ Implementing recovery and rehabilitation strategies.

Immediate Relief Measures: The Disaster Management Centre needs to ensure that they have measures in place to readily provide emergency relief. These interim relief measures should be

disseminated efficiently to the affected household and communities in the event of a major incident.

Whenever there is threatening or imminent hazard, an early warning is disseminated to communities or relevant stakeholders. Preparedness levels are kept high through public engagement via awareness campaigns, media releases and training sessions. Ward Councillors, Ward Committee Members, Traditional Leaders and Volunteers are utilized to carry out response and recovery plans.

At present, the Municipality has a fire station located in Vryheid CBD in order to respond to emergencies within predetermined times. This service is provided on a 24/7 emergency control centre. Furthermore, the Municipality conducts Fire inspections and fire drills if and when requested. The Municipality proactively conducts regular risk compliance within the Municipal jurisdiction in order to mitigate potential fire risks.

2.11.7 Three levels of Disaster Risk Management

Level	Critical Outcomes
1	1. Establish foundational institutional arrangements for disaster risk management 2. Develop the capability to generate a Level 2 Disaster Risk Management Plan 3. Development and implement contingency plans for known priority risks
2	1. Establish processes for comprehensive disaster risk assessments 2. Identify and establish consultative mechanisms for specific priority disaster risk reduction projects 3. Develop a supportive information management system 4. Develop emergency communication capabilities
3	1. Establish specific institutional arrangements for coordinating and aligning disaster risk management plans 2. Establish mechanisms to ensure informed and ongoing disaster risk assessments 3. Institute mechanisms to ensure ongoing relevance of disaster risk management policy frameworks and plans

2.11.8 Training and Awareness

The Abaqulusi Municipality is committed to Disaster Management Training and Public Awareness campaigns around its area of jurisdiction, particularly in the most vulnerable wards. Volunteers within the municipality are also utilized in order to assist with disasters. Ward Councillors are also workshopped on a time-to-time basis in order to sensitise their communities about potential disaster risks.

The Abaqulusi Municipality Disaster Management Centre core priority is to ensure the vulnerable communities can be able to mitigate effects of disasters by addressing following:

- ✓ Determine the risk and identify possible hazards and emergencies
- ✓ Learn about the hazards that may strike their community

- ✓ The risks they face from these hazards
- ✓ Familiarize communities with plans for warning and evacuation which can be obtained this information from your local Disaster Management Centre of local municipality.

2.11.9 Funding arrangements

The municipality's disaster budget operates on very limited funding; however, funds are made available via the municipal budget and other supporting structures. There is however a dependency from the district municipality and KZN Provincial Disaster Management Centre during an event of a disaster.

There are three funds currently administered by the Department of Social Development that provide financial support after a disaster:

- The Disaster Relief Fund provides ex gratia support to people involved in both natural disasters and human-made disasters. To access this fund, the relevant municipality must request the Premier of the Province to approach the National Department of Social Development to take the necessary steps to have the event declared a disaster. Once the Department of Social Development receives such a request, it advises the President who can declare the event a disaster.
- The Social Relief Fund provides support to organizations that provide relief services to communities that are affected by violence.
- These funds were originally designed to provide immediate relief to persons affected by disasters. However, they have been slow to provide assistance to victims of disasters and organizations involved in relief efforts

2.11.10 Disaster Management SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> • Existence of a Disaster management Centre • Experienced personnel • A DMSP is in place 	<ul style="list-style-type: none"> • Limited budget to operate effectively • Limited officials to respond timeously • Limited equipment to provide effective relief and response
Opportunities	Threats
<ul style="list-style-type: none"> • Municipality has a good relationship with its stakeholders, assist in disasters • Municipality is constantly involved with the provincial and district Disaster forums 	<ul style="list-style-type: none"> • Loss of life • Loss of property • Delayed response to disasters due to large geographical space to cover

2.12 Cross-Cutting Key Challenges

Key Performance Area: Cross-Cutting (Spatial, Environmental and Disaster)			
Key Challenges	Problem Statement (Definition)	Proposed Interventions	Status Quo
1. No wall-to-wall scheme	Difficult to control development outside area of schemes	-Review SDF -Develop wall to wall land use scheme	-SDF is reviewed annually -Urban component of wall-to-wall scheme is complete. Rural component of scheme is to be completed by June 2022.
2. GIS System not linked to Billing and Valuation Roll	Tracing illegal developments and linking properties to utilities is often a challenge	-Link GIS system to all municipal departments	-This is an on-going concern
3. Illegal land use and development	Land invasions with illegal settlements have popped up over the years	-Peace Officer training to existing staff -Workshops to be conducted with communities	-This is an on-going concern
4. Lack of Disaster Management resources	Limited budget and human resources within the disaster management unit makes it difficult to attend to disasters timeously and effectively	-Prioritise and budget for Disaster management equipment	-This is an on-going concern
5. Landfill site is in a poor condition	1 main landfill site that's serves the broader Abaqulusi Population has created an environmental risk over the years.	-Rehabilitate Landfill site -Identify other suitable landfill sites	-This is an on-going concern however rehabilitation has begun.

3. Municipal Transformation and Organisational Development Analysis

3.1 Municipal Transformation

Municipal Transformation and Organizational Development within the sphere of Local Government is a direct obligation that primarily sits within the Corporate Services Department under the Human Resource Section. *Within the Abaqulusi Municipality, the issues of Municipal Transformation and Organizational Development is dealt with by the Human Resource Strategy and Plan.*

3.1.1 Aims and Objectives of the HR Strategy and Plan

- Effective Communication/ consultation between the Departments and Human resources;
- HR Data interpretation, analysis and implementation of corrective action;
- Benchmarking with other municipalities based on results of 3 above;
- Review and update all HR Policies;
- Fill Critical posts;
- Review and adopt organogram;
- Cascade performance Management;
- Design a recognition scheme for high performers;
- Conduct skills Audit;
- Develop and implement workplace skills plan

3.1.2 Strategic Pillars of the HR Strategy and Plan

- Remuneration and reward
- Exit management
- Talent management
- Organisational culture management
- Human resources planning
- Sourcing and placement
- Capacity building
- Performance management
- Wellness management
- Employee relations
- Employee retention management
- Employee retention strategy
- Human resources management and administration reporting
- HR Information system
- HR Communication
- Staff retention
- Employment equity and diversity management

3.1.3 Implementation of HR Strategy and Plan

a) Organogram Review

- The municipal Organogram is reviewed and adopted annually.
- The last review and adoption was finalized by the municipal council on 31 May 2022
- In reviewing that organogram, the municipality undertook a widespread consultative process with all stakeholders and has now adopted its 2022/2023 Organogram. ***This organogram is attached as Annexure I 3.***

b) Placement

- Placement is the allocation of employees whose positions were affected during the process of organogram review.
- Placement policy is in place as a guide and was adopted by Council in 31 May 2022

- Placement Committee is comprised of the following members:

- ✓ Executive Director: Corporate Services
- ✓ Executive Director: Community Services
- ✓ Executive Director :Technical Services
- ✓ Executive Director : Planning and Development
- ✓ Chief Financial Officer
- ✓ Manager: Human Resources
- ✓ Organized Labour- IMATU and SAMWU.

- The Placement Committee does have Terms of Reference in place.
- The placement of employees is not intended to promote and demote or punish employees and it should be effected within one month after adoption of the organogram to avoid hampering of service delivery.
- Currently there are 5 employees that have been placed based on their requests.
- Placement will also be implemented once the Organogram is adopted by Council.

c) Job Description Review

- It is essential to update and review job descriptions for all new and changed post on the adopted organogram. This exercise should be finalized by June 2023
- Organized Labour have been consulted during the process of job description review.
- The new and reviewed job descriptions have been submitted to JEU and be finalized by end of this financial year
- The Assistant Manager: Human Resources was responsible for this process, now the Human Resources Manager have took over after The Assistant Manager retired.

d) Implementation Of Job Evaluation Results

- The job evaluation results should be implemented within one month after adoption by Council.

e) Review Of HR Policies

- Human Resources policies should be reviewed annually in order to ensure that they are still in line with relevant Legislation and the Municipal needs.
- The HR policies were last adopted by Council in 31 May 2022
- Currently HR policies in place include:

- a) Long Services Bonus
- b) Acting Allowance
- c) Special Leave
- d) Emergency Personnel and Emergency work
- e) Night work allowance
- f) Shift Allowance
- g) Standby allowance
- h) Overtime
- i) Special paid sick leave

- j) Recruitment policy
- k) Travelling allowance
- l) Home Owner allowance
- m) Rental allowance

f) Review Employment Equity Plan

- The Employment Equity Act (EEA) of South Africa was promulgated in 1998 to address the inequalities that exist in the workplace. This plan is drafted to address the inequalities that exist within the organization. Therefore, AbaQulusi Municipality is required by law to comply with the Employment Equity Act of 1998. In this respect the main objective will be to focus on implementing the Employment Equity Plan (EEP) so as to achieve a staff profile that will, within set time frames, proportionally reflect the demographic composition of the area.
- The Employment Equity reports have been submitted to Department of Labour in December 2021 as a legal compliant.
- The Employment Equity Committee is comprised of the Manager HRM as a Designated Employment Equity Manager, Organized Labour, Manager: HRD, Manager: Legal Services, employee representatives from all occupational levels, designated groups and non-designated, race gender and people living with disability.
- The Employment Equity Committee sits quarterly.
- The Terms of Reference were drafted and adopted by the Employment Equity Committee and also approved by the Municipal Manager.
- The main objective of the Employment Equity Committee is to conduct an analysis and review the Employment Equity Plan.
- The EEP for 2021- 2024 was finally adopted by September 2021
- The Abaqulusi Employment Equity Plan addresses all aspects of Affirmative Action measures defined by the Act, to redress the disadvantages in employment experienced by designated groups and people with disabilities, in order to ensure their equitable representation in all occupational levels and categories in the workforce.

The EEP is a dynamic document, designed to address the following:

In its attempts to address the discrimination of the past the EEP has two main objectives:-

- ✓ To ensure that our workplaces are free of discrimination and
- ✓ To ensure that active steps are taken to promote employment equity.

The 2 tables below highlights the current employment demographics and the targeted employment demographics as the municipality's EEP which is an important criteria related to the Employment Equity Act:

Current employment demographics

Snapshot of workforce profile for all employees, including people with disabilities:

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1										1
Senior management	3			1	1						5
Professionally qualified and experienced specialists and mid-management	18		1	1	11		1	2			34
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	51		1	9	35	4	1	4			105
Semi-skilled and discretionary decision making	99		1	1	50	1					152
Unskilled and defined decision making	92			1	46						139
TOTAL PERMANENT	264		3	13	143	5	2	6			436
Temporary employees					2						2
GRAND TOTAL	264		3	13	145	5	2	6			438

Targeted employment demographics

Snapshot of workforce profile for all employees, including people with disabilities

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1										1
Senior management	3			1	1						4
Professionally qualified and experienced specialists and mid-management	18		1	1	11		1	2			34
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	51		1	9	35	4	1	4			105
Semi-skilled and discretionary decision making	99		1	1	50	1					152
Unskilled and defined decision making	92			1	46						139
TOTAL PERMANENT	264		3	13	143	5	2	6			436
Temporary employees					2						2
GRAND TOTAL	264		3	13	145	5	2	6			438

- Employment Equity reports were sent to DOL as it is required by the Employment Equity Act in December 2021.
- ***The EEP expired on 30th September 2021 and the new one was reviewed and adopted by Council on September 2021***
- The EEP is now a 3 year plan and not a 5 year plan.
- This Plan will lapse in September 2024
- It is imperative to comply with the EEA and to report to Department of Labour timeously in order to avoid 1.5 Million fine for not complying.
- Employment Equity Committee is in place.
- The Committee is comprised of members from all occupational categories, designated and non-designated groups as well as members of Organized Labour.
- This Committee sits on quarterly basis as per its Terms of Reference.
- The Committee is not fully functional as the quorum is not always being met.

g) Long Service Awards

- Long Service Award was approved and adopted by Council in 2021.
- Council resolved that R10 000.00 should be awarded to employees in recognition of long service instead of awarding R2000.00 or a watch as a gift.
- This is currently being implemented as a tool to motivate and retain employees.
- Long Service Award is also regulated in the Collective Agreement

h) Staff Rotation

- Staff rotation is so essential in order to capacitate employees to perform different tasks and different functions in HRM section. This is multi-tasking which is also crucial since it allows consistency and continuity within the section if one employee is on leave and the remaining employee will then be able to assist employees on that particular function.

i) Setting Achievable Targets/ Goals As Outlined In The SDBIP

- The SDBIP is a service delivery and performance monitoring and assessment tool for all departments of the municipality.
- The SDBIP outlines the projects with measurable and achievable targets. This is the criteria of weighing the performance of the Department on monthly, quarterly and annual basis, hence sections and Departments have a duty and responsibility to ensure that their set targets.
- Therefore, it is imperative that Human Resources Management section sets its achievable targets to ensure good governance within the Municipality.

j) Weekly, Monthly, Quarterly, Annual Plans And Reports

- It is essential that Human Resources prepare and compile weekly, monthly, quarterly and annual plans and report in order to achieve targets which are in line with the SDBIP.
- This is a performance management tool for the employees in the section and without such plans and reports, achieving the sectional targets will be a nightmare.

- Currently this is being achieved as monthly, quarterly, annual plans and reports are being submitted.

k) Departmental And Sectional Staff Monthly Meetings

- **Human Resource staff meetings are crucial for** information sharing and addressing challenges faced by the section and come up with possible solutions thereof. Meetings are a communication tool which brings unity and team spirit amongst the staff in order to enhance high quality of service delivery in the section. This is a platform of discussing, analyzing and interpreting HR policies, procedures and circulars, hence it is imperative and crucial to have weekly or monthly meetings in the section.

l) Leave Plans

- Leave plans are essential in the section in order to ensure consistency, efficiency and effectiveness towards service delivery.
- HR Section should submit their leave plans earlier before taking their annual leave to prevent disruption of service delivery. The culture of HR staff going on annual leave simultaneously leaving the section unattended is unacceptable and thus this should come to an end.

m) Employee Relations

- In terms of the Labour Relations Act employee grievance must be attended speedily within the stipulated time frames in a fair and reasonable manner.
- This prevents and minimizes unnecessary disputes which are costly to the municipality.
- Monthly reports on grievances and disputes should be submitted to Head of Department.
- The Legal and Labour Relation Component has been established in order to promote and maintain a sound Labour Relations within Abaqulusi Municipality.
- The Manager: Legal Services and Legal Officer have been appointed to deal with grievances, disputes and disciplinary matters.
- The Local Labour Forum is in place to ensure Labour peace within the municipality.
- The LLF is comprised of Councillors- 4 members, Administration- 4 Directors, SAMWU union- 6 members and IMATU union- 5 members.
- Officials such as HR Manager, HRD Manager, Legal Services and council Manager and Council Support are part of the LLF but do not form a Quorum.
- LLF meetings sit on a monthly basis and
- LLF functions are being regulated by the Main Collective Agreement.

n) Team Building Exercise

- Team building exercise is essential to have in every departments in order to promote staff unity and boost morale. This enhances a high quality service delivery within the municipality.

o) Human Resources Training And Development

- Training and workshops are essential in the municipality to develop and capacitate employees.
- Skills audit should be conducted through HRD and training plans and WSP should be developed and put in place to capacitate employees.
- Health and safety and wellness programs are in place and are entrusted to HRD.
- Study bursaries should be made available in order to assist employees further their studies.

p) Recruitment of Adequate, Suitable and Qualified Employees.

- Recruitment policy and procedure, Employment Equity Act should be applied and followed when appointing adequate and qualified employees.
- Employment Equity Plan is in place during recruitment process to avoid unfair discrimination and it should address gender equality challenges.
- EEP deals with matters of transformation and diversity where employment equity are being set.
- Shortlisting and interview panel should also be **appointed by the Municipal Manager**.
- Appointment of suitable staff must be done according to set employment equity targets.

q) Staff Retention Strategy

- *The retention strategy is in place* to ensure that Abaqulusi Municipality are well and best utilized.
- *Recruitment policy is in place* to ensure that adequate, qualified and suitable employees are appointed.
- Training programs are also in place to ensure that employees are well capacitated.
- Wellness programs have been put in place to ensure employees wellbeing.
- Job evaluation is being implemented through Job Evaluation committee and Provincial Audit Committee to ensure competitive salaries.
- A negotiated salary approach is being considered to attract scarce skill employees.
- Exit interviews are being conducted to exiting employees to establish the effectiveness of our HR policies, strength and weaknesses of our organization and improvement plans.

3.2 Organisational Development

3.2.1 Institutional Arrangements

The Abaqulusi Municipality's institutional arrangement comprises of a Political and Administrative structure. The Political structure (**EXCO and Council**) plays an oversight role and are the decision makers within the municipality whilst the Administrative structure is responsible for implementing Council's strategic goals. The Administrative structure of the municipality is made up of 6 departments, namely:

- Office of the Municipal Manager
- Finance Department
- Technical Services
- Corporate Services

- Development Planning
- Community Services

The above mentioned departments are monitored by the **5 Portfolio Committees** within the municipality which are established by Council. The role of these Portfolio Committees are to simply track progress and overlook the functionality and performance of the municipality. In addition to the Portfolio Committees, the Council has a further **2 Committees** that play an oversight role within the municipality, namely:

- Audit Committee
- Municipal Public Accounts Committee (MPAC)

3.2.1 Powers and Functions

The Constitution states in section 156(1) that a municipality has executive authority in respect of, and has the right to administer the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5. These functions are contained in the table below.

Table 5: Powers and Functions

Schedule 4: Part B		Schedule 5:Part B	
Powers/Functions	Status	Powers/Functions	Status
Air pollution	Yes	Beaches and amusement facilities	No
Building regulations	Yes	Billboards and the display of advertisements in public places	Yes
Child care facilities	Yes: Partially: Assist DSD	Cemeteries, funeral parlours and crematoria	Yes
Electricity and gas reticulation	Yes: Partially: Assisted by ESKOM	Cleansing	Yes
Firefighting services	Yes	Control of public nuisances	Yes
Local tourism	Yes	Control of undertakings that sell liquor to the public	Yes: Partially: Assist KZN Liquor Board
Municipal airports	Yes: Not operational	Facilities for the accommodation, care and burial of animals	No
Municipal planning	Yes	Fencing and fences	Yes
Municipal health services	No: Performed by District/ Provincial Health	Licensing of dogs	No
Municipal public transport	Yes: Partially: Assist Department of Transport	Licensing and control of undertakings that sell food to the public	Yes: Partially: Assist Department of Health
Municipal public works	No: Provincial Public Works	Local amenities	Yes
Pontoons, ferries, jetties, piers and harbours,	No: Not Applicable	Local sport facilities	Yes
Storm water management systems in built-up areas	Yes	Markets	No
Trading regulations	Yes	Municipal abattoirs	No

Water and Sanitation Services	Yes: Partially: Urban Areas only	Municipal parks and recreation	Yes
		Municipal roads	Yes
		Noise pollution	Yes: But no capacity
		Pounds	No
		Public places	Yes
		Refuse removal, refuse dumps and solid waste disposal	Yes: Not all wards covered
		Street trading	Yes
		Street lighting	Yes
		Traffic and parking	Yes

3.2.3 Organisational Structure

The Abaqulusi Municipality's organisational structure is split into 2 components which is responsible for the functionality of the municipality, ie. the Political wing and Administrative wing.

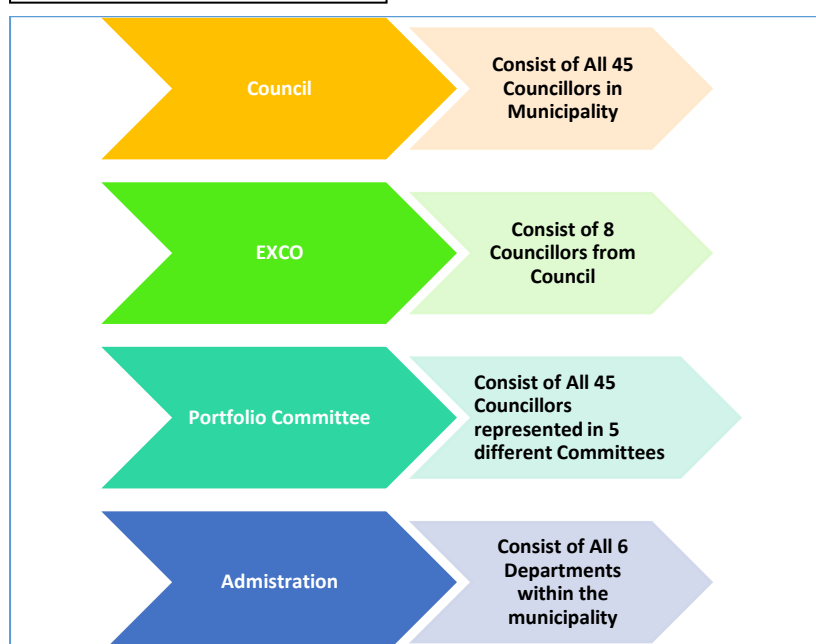
The organogram will endeavour to address various challenges such as staff shortage, indefinite acting practice on vacant positions and excessive overtime.

After the organogram has been adopted by Council, Human Resources Management will embark on the process of reviewing the job descriptions in line with the organisational structure. Thereafter all positions on the organizational structure will be evaluated through the Job Evaluation process.

Placement of employees will also be conducted on affected positions as per the placement policy.

The figure below represents the overall link between the Administration and Political wing of the Abaqulusi Municipality.

Figure 5: Organisation Structure



3.2.3.1 Municipal Organogram

At the beginning of 2019, the municipality embarked on reviewing its Organogram and a new and improved one has been developed which is aligned to the requirements of the Municipal Standard Charts of Accounts (MSCOA).

As per the table below, it is clearly evident that the municipality is currently under capacitated (vacancy rate of 41%) and there is certainly an urgent need to fill those identified vacant posts on the current organogram. The negative impact of such a situation has really affected the municipality with issues surrounding excessive overtime, under achievement of service delivery, timeous delivery of services, under expenditure and over expenditure. In an attempt to curb these problems, the municipality will endeavour to ensure that at least 70%-75% of its Organogram will be filled by the end of the 2023/2024 financial year in order to render efficient and effective service delivery.

Department	Established Posts	Filled Posts	Vacant Post
Executive	29	20	9
Corporate Services	55	43	12
Technical Services	320	177	143
Development Planning	23	11	12
Community Services	159	87	72
Finance Services	61	42	19
Total	665	438	227

The Organogram is attached as Annexure I 3.

3.2.3.2 Municipal Departments and Functions

The table below identifies the 6 different departments that exist within the Municipality as well as their respective functions. The organogram is developed on the basis of these identified departments and their functions.

Table 6: Department Roles and Responsibilities

Department	Functions/Responsibility	Responsible Official
1. Office of the Municipal Manager	<p>To The Municipal Manager is the head of the municipal administration and he/she is also the accounting officer held responsible for financial management of the municipality. The roles and responsibilities of the Municipal Manager/Accounting Officer includes but not limited to the following:</p> <ul style="list-style-type: none"> •The general financial administration of the Municipality •Asset and liability management •Revenue and expenditure management 	Mr ZG Dhlamini (Municipal Manager)

	<ul style="list-style-type: none"> •Budget preparation and implementation •Compliance and oversight reporting to Executive Mayor, Council and provincial and national government <p>As the head of administration, the Municipal Manager is responsible for:</p> <ul style="list-style-type: none"> •Formation of an economical, effective, efficient and accountable administration •Implementation of the IDP of Municipality •Appointment and management of staff. •Effective utilization and training of staff. •Maintenance of discipline of staff, the promotion of sound labour relations and compliance with applicable labour legislation •Advise the political decision makers of the Municipality and managing communication between them and the administration •Implementing the decisions of the Council and Executive Mayor •Administration of municipal laws and implementation of national and provincial legislation •Facilitating participation of the local community in municipal affairs. <p>The Office of the Municipal Manager provides the momentum of the administration and integrates all the components of the Municipality, there are 5 key departments reporting directly to the municipal Manager:</p> <ul style="list-style-type: none"> ➤ Finance ➤ Corporate Services ➤ Technical Services ➤ Community and Emergency Services ➤ Planning and Development 	
2. Corporate Services	<p>The Corporate Services department within the municipality comprises of 3 sections, ie.</p> <ul style="list-style-type: none"> ➤ Administration ➤ Human Resources Management ➤ Human Resource Development ➤ Information Technology ➤ Council Support <p>The main objectives and functions of the Corporate Services department is to ensure the following takes place:</p>	Mrs SP Dlamini (Director)

	<ul style="list-style-type: none"> • To ensure that effective and efficient services are rendered by the Municipality. • To ensure that citizens are satisfied with the quality of services delivered by the Local Municipality. • To ensure that residents are aware of the activities of the municipality. • To ensure that residents are aware of the policies, services and activities of the municipality. • To ensure that the municipality's staff is diverse, representative and skilled. • To Implement workplace skills plan within allocated budget • To provide purposeful systematic and continuous labor relations and effective capacity building to the staff • To Provide secretariat to the council • Implementing Records Management Practices • To ensure that the municipality will use information and communication technology effectively to assist in decision making, in working efficiently, and in delivering services more effectively to clients. • Ensuring proper up keep of council records • To ensure that personnel receive specialised training. <p>The fully established and well functional Corporate Services department within a municipality is of high priority as it is the department that shares a very close relationship with the public.</p>	
3. Budget and Treasury	<p>The Budget and Treasury Office is a directorate within the municipality responsible for the management, control and monitoring of municipal finances.</p> <p>The administrative head of the Directorate is the Chief Financial Officer. The directorate is composed of the following sections:</p> <ul style="list-style-type: none"> ➤ Budget Planning and Financial Reporting ➤ Income and Revenue Management ➤ Expenditure and Salaries ➤ Supply Chain Management Unit ➤ Asset Management <p>The structure is as follows:</p> <ul style="list-style-type: none"> • <i>Budget Planning and Financial Reporting</i> 	Mr MPE Mthembu (CFO)

	<p>This section is responsible for the following activities:</p> <ul style="list-style-type: none"> -Municipal financial planning (Budget Preparation) -Reporting on financial affairs of the municipality in a form of annual financial statements and monthly, quarterly and annual reports as prescribed by the MFMA. • <i>Income and Revenue Management</i> <p>This section is responsible for the following activities:</p> <ul style="list-style-type: none"> -Collection of income from all cashiering points; -Billing of rates and services; -Issuing out of clearance certificates; and -Management of the general valuation. • <i>Expenditure and Salaries</i> <p>This section is responsible for the following activities:</p> <ul style="list-style-type: none"> -Payment of creditors; -Payment of salaries, wages and sundries; -Management of creditors' reconciliations -Management of audit queries • <i>Supply Chain management</i> <p>This section is responsible for the following activities:</p> <ul style="list-style-type: none"> -Implementation of the Supply Chain Management Regulations and related legislation, -Development and Implementation of the Supply Chain Management Policy -This includes demand management, acquisition management, logistics management, disposal management, contract administration and Management of stores items and stationary; and fleet management for the municipality. 	
-4. Community Services	<p>The Community Development Department's core functions is to ensure that the community is well serviced in regards to:</p> <ul style="list-style-type: none"> ➤ Early Childhood Development (Crèches) ➤ Public Safety ➤ Education (Libraries) ➤ Sports ➤ Community Halls ➤ Traffic ➤ Refuse removal and sewerage 	Mr T. Xaba (Director)

	The department is also responsible for ensuring that plans and programmes are developed to focus specifically on the youth, women, disabled and under-privileged.	
5. Technical Services	<p>The Technical Services department's main objectives and functions are to provide the basic needs of the community as well as maintain the standard of service provided. The department focuses on issues surrounding:</p> <ul style="list-style-type: none"> ➤ Water and Sanitation ➤ Electricity ➤ Civil works (roads, bridges etc) ➤ Project Management Unit <p>The department also works very closely with the district municipality because the district also provides certain services on behalf of the Abaqulusi Local Municipality.</p>	Mr N. Mbongwa (Director)
6. Development Planning	<p>The planning and development departments' primary function within the municipality is to regulate and control all development. The department is also responsible for the foll:</p> <ul style="list-style-type: none"> ➤ Town Planning ➤ IDP ➤ LED ➤ Tourism ➤ Housing ➤ GIS ➤ Building Inspectorate <p>The department is seen as a key role-player or contributor in developing the municipality's economy and attracting investment. It is also responsible for ensuring that the use of land is one that is most favourable to the environment promoting sustainability and addressing the spatial injustice of the past.</p>	Mr JS Landman (Director)

3.2.4 Municipal Institutional Capacity and Status of Critical Posts

The status of critical posts within the municipality herein refers to that of the Municipal Manager and all Managers directly accountable to the Municipal Manager.

Currently, all Critical post in the municipality is filled with the most recent appointment of the Municipal Manager concluded in May 2022.

The table below reflects the current status quo of the critical posts within Abaqulusi Municipality.

Table 7: Status of Critical Posts

Position	Status
Municipal Manager	Filled
Director: Technical Services	Filled
Director: CFO	Filled
Director: Community Services	Filled
Director: Corporate Services	Filled
Director: Development Planning	Filled

3.2.5 Human Resource Development

Human Resource Development is a section within Corporate Services Department that is concerned with short and the long term – development plans like Workplace Skills Plan known as WSP in short, Induction Plan and Occupational health and safety and Wellness at the workplace. The long term goal of Workplace Skills Plan is to build capacity of the personnel in response to Skills Development Act. This plan articulates how the municipal staff has to be capacitated to give effect fully to the demands related to training for the scarce skills and other skills required by the municipal to effect service delivery efficiently and effectively. The Workplace Skills plan is submitted to Local Government Seta abbreviated as LGSETA. The LGSETA processes the Work Place Skills Plan submitted to it by each local municipality to claim back the levy charged from each municipality from the overall budget of the staff salaries. This levy in turn must be used to capacitate the personnel of the municipality. The WSP is submitted to LGSETA in each and every year before the 31st of April.

Human Resource Development is the framework for helping employees develop their personal and organizational skills, knowledge and abilities. It is a set of systematic and planned activities designed by AbaQulusi Human Resource Development to provide its employees with the necessary skills to meet the current and future job market demands. This section has three subsections namely: Wellness, Occupational health and safety and Skills development.

Wellness has to look after the wellness of the employees and assist each employee to ensure that he/she is assisted according to employee's needs. Occupational Health and Safety has to do injuries on duty. This section ensures that if the employee is injured on duty assisted to get help immediately. If the employee has sustained a serious injury that employee has to be assisted to be compensated from Compensation fund based on his or her injury. Skills development deals with the skills of the employees by conducting skills audit. This section has become very unpopular amongst the employees because are adamant that they audited every year, but they do not get the necessary training. This is caused by the fact HRD does control its training budget. It is controlled by finance department and secondly the very same finance department does not budget one percent of the total payroll of the staff establishment of the municipality and even the funds acquired from SETA do not go the training vote, but to the municipal account. This does not help the section to perform its duties properly.

Skills development is given the impetus by the direct funding of one percent (1%) from the salary budget of a municipality as well as through an indirect funding from various setas. This

budget has to be included on the Annual Skills Development Plan which is supposed to be implemented through Skills Training Committee. Again training has to take into cognisance for those previously disadvantaged group. The Performance Management Unit will safe guard in ensuring that the skills lacunae identified are closed after evaluation and rewarded accordingly.

Relationship between Human Resource Management (HRM) varies in that HRM deals staff establishment and their benefits whilst HRD looks at the capacity development and skills acquisition and development. It is about improving the knowledge, skills and attitudes of employees for the short term, particular to a specific task. Employee orientation and coaching is essential so as to ease the incumbent and familiarise herself or himself with the new environment. Development is also essential in preparing for future responsibilities, while increasing the capacity to perform at a current position.

The process of improving an organization's effectiveness and members of well-being through the application of wellness program. HRD plays the role of a change agent through on-going process by which individuals' progress through the series of changes until they achieve their personal level of maximum achievement. The career planning and career management are some of the essential tools in developing the staff establishment. The HRD as a section is not without challenges, for example, a person may be trained and thereafter sees a lucrative salary in another organization and he/she applies and goes away with all the skills acquired from AbaQulusi. Furthermore, the changing workforce demographics, competing in global economy, eliminating the skills gaps, financial constraints impose a great threat to that effect, needs for life-long learning and need for organizational learning.

Occupational health and safety act intends to provide for health and safety of persons at work and for the health and safety of persons in connection with the use of plant and machinery, the protection of persons other than persons at work against hazards with the activities of persons at work, to establish an advisory council for occupational health and safety, and to provide for matters connected therewith.

3.2.6 Information Communication Technology

The ICT Policy was developed at the end of 2013 and start of 2014. The IT policy has since been reviewed. It was approved/adopted at the end of November 2014. It was reviewed in mid to late 2015 as part of ensuring that governance and policy is kept up to date. It has been reviewed in March 2016 and in May 2017 as part of the update towards governance. Since the King 4 report has been released a fresh review will need to be done. The purpose of the ICT policy, and as IT, we are mandated not only by law, but good governance, and policy regulations and procedures to ensure the security, integrity, and accessibility of data, equipment, and information. The implementation of IT business model strategies, policies, and procedures to ensure business continuity. Furthermore The last review was during the 28th of June 2022 with an addition of the ICT Steering Committee Terms of Reference or ICT Charter which is formulated to ensure that the Senior Management oversight role is played on current and future ICT projects as well as the prioritization of the important ones that can make a

positive impact on the Municipal business, in addition also, the new subsection that is called a : “ *Mobile Device Management and Acceptable Use Policy*” was formulated and included under the aforementioned policy to ensure effective management of mobile data and equipment thereof. The entire ICT Strategy is being reviewed and realigned to best suit the IDP as well as the SDBIP for financial year 2023/2024

The ICT Policy is there to ensure procedures, and processes are followed so as to ensure the security and integrity of the data. That the security of systems, and system data are paramount. There have been steps taken to increase the security and integrity of data and equipment.

The ICT policy is aligned to the ICT governance framework as well as included in the ICT policy as a subsection.

The ICT policy is fully implemented; however, the municipal manager has the power to bypass security protocols and/or security contingencies, therefore opening up the municipal network to digital attacks of which we have seen in recent years. The bypassing of security protocols/procedures by a higher authority, in its own is a risk that should be addressed strictly, however this is monitored through procedures and protocols that have been put in place.

The ICT policy is set to be reviewed in 2023/2024 budget year and additional procedures and protocols added with additional risk management added in as part of the IT security policy as well as updates to the governance thereof.

3.2.6.1 Information Technology Infrastructure Maintenance & Monitoring

IT ensures not only that security and integrity of data is maintained, but also maintain all systems, workstations, and all IT based equipment owned by the municipality within the IT infrastructure as far as Vryheid, eMondlo, Corronation, Hlobane, Louwsberg, and other areas within AbaQulusi Municipal area is maintained and functioning.

Maintenance and monitoring of the IT networks, server systems, desktop computers and various other technology-based equipment is critical. Lack of maintenance can leave a business vulnerable, hence the aforementioned IT equipment especially desktops and servers should have a minimum of 3 years warranty period so that the replacement strategy may be aligned in such warranty(such that at the end of the warranty , every desktops and servers should be replaced) It is also very critical to ensure that there are backup systems, disaster recovery systems, and to ensure those systems are well maintained as well. The part of IT’s maintenance focus areas is to increase the data storage, to upgrade the technology in order to always keep up with latest technology in the market and to have IT spares available in case any equipment had gets damaged.. Backup power facilities (e.g. The Main Building generator(active) and the invertors (proposed for other small sites) are also a vital component to any IT infrastructure as well to ensure that the business can continue with minimal interruption for a set period if power interruptions are short and minimal.

3.2.6.2 Information Technology Staff

As IT, we have challenges related to staff shortages with the large area of infrastructure needing to be maintained. It is important to have the right staff with the right experience/capabilities to ensure the uptime of such a large infrastructure. We as IT cover Vryheid, eMondlo, Corronation, Hlobane, Louwsburg, and other areas within AbaQulusi Municipal area and therefore our minimal staff is stretched and don't have staff resources to complete all the tasks efficiently.

Furthermore, council should assist the IT unit through the employment of IT technicians and junior clerks (for IT helpdesk and Graphic design), hence such action may assist in accomplishing the Municipal IDP mission .

3.2.6.3 Cyber Security Workshops

The IT Manager is responsible and committed to train all staff members on cybersecurity through official cyber-security workshops. Occasional emails stating procedures and protocols to be adhered to are sent out to all staff that work on computer systems belonging to the municipality. As part of IT's cyber security initiative, we had begun a testing phase of a Cybersecurity Info Program. This is to share Cybersecurity risks, and enhanced users with knowledge on inherent risks involved in the use of technology in the technological world today. This has been fully implemented as a quarterly based ICT Policy and Cyber Security Workshop. The impact of cyber-crime on a business or government institution can be devastating. A lack of focus on cyber security can be greatly damaging to a business or government institution. ... All businesses, no matter its size, needs to ensure everyone involved in the company is up to date on the latest cyber security threats and the best methods for protecting data. Even a simple device like a USB data stick can carry vulnerabilities that can penetrate an institutions network. Similarly, with mobile phones being used as storage devices and plugged into a computer.

The cyber security workshop is set out to teach and share information on the methods used by cyber criminals to gain not only physical access but digital access to user email accounts and personal information by use of SPAM, phishing emails, spear phishing emails, etc, and then that information gained is then used by the cyber criminals. The cyber security workshop is intended to assist in preventing staff from being the 80% risk factor. With risk of cyber-attacks having increased exponentially over the last few years it is important that staff incorporate cyber security into their daily life and ensure that it becomes second nature to them so that the risk of being opened up to cyber-attacks is lowered dramatically.

3.2.6.4 Updated Technology Usage

It is also one of the functions of IT to keep up to date with latest technology [hardware & software] so as to ensure that minimal issues arising from the use of older technology. By budgeting for new equipment and the facilitation of that purchase of new desktop computer

systems, laptops, server systems and various other technology required to upgrade the IT infrastructure.

IT also provides a standardized set of specifications in relation to this to ensure that a set standard of quality equipment is used to maintain the effective IT infrastructure and thus reducing the inherent risk of breakdowns due to inferior equipment usage. It is also important to replace all the above mentioned IT infrastructure warranty so that prevent the Municipality from keeping and utilizing old and outdated technology on any site of Abaqulusi Municipality.

3.3 Municipal Transformation and Organisational Development SWOT Analysis

➤ Strengths	➤ Weakness
<ul style="list-style-type: none"> ➤ HRM Strategy in place ➤ ICT Policy in place ➤ Job evaluations completed ➤ Organogram in place ➤ Councils Annual programme in place ensuring effective functioning of Council and its committees ➤ filling of section 56 posts ➤ Effective and efficient records management ➤ Training plan in place ➤ Functional LLF in place 	<ul style="list-style-type: none"> ➤ Shortage of office space ➤ HR Documents and filing not captured in electronic form ➤ Vacant posts not filled ➤ No secure and safe storage room for documents ➤ Lack of implementation and absence of policies and by-laws ➤ Illegal use of ICT infrastructure ➤ Underutilisation of Biometrics ➤ Poor inter-departmental communications ➤ Non evaluation of new posts ➤ Lack of wellness programs ➤ Late submission of items to Council Support
➤ Opportunities	➤ Threats
<ul style="list-style-type: none"> ➤ External training afforded to staff members and councillors by sector departments ➤ Review of the organogram to fill critical posts ➤ Support from Department of Labour, COGTA, SALGA and LGSETA ➤ In service training for staff and interns 	<ul style="list-style-type: none"> ➤ Loss of critical and vital documentation ➤ High legal costs incurred ➤ ICT Security breaches (Viruses, spams, Trojans, etc) ➤ Abuse or misuse of municipal fleet ➤ Non sitting of Council due to late submission of items to Council Support ➤ Slow implementation of service delivery ➤ Filling of non-critical posts

3.4 Municipal Transformation and Organisational Development Key Challenges

Key Performance Area: Municipal Transformation and Institutional Development			
Key Challenges	Problem Statement (Definition)	Proposed Interventions	Status Quo
1. OHS Committee not functioning	This position in the municipality has been vacant for many years and the associated function was never prioritised, hence no OHS Committee in place to oversee safety issues in and around the workplace.	-Appointment of OHS personnel -Establishment of OHS Committee and monitor their functionality	An OHS official has now being appointed and the OHS Committee is now fully functional.
2. No safe room for storage of HR Documents	Records keeping in the municipality is currently decentralised as there are records kept in various departments. This poses a huge risk to the integrity and safety of the records.	-Development of a central municipal safe room	This is an on-going concern.
3. Shortage of IT Infrastructure	Supply of IT hardware and software is problematic within the municipality due to financial constraints.	-Prioritised acquisition of hardware and software	This is an on-going concern.

4. Basic Service Delivery and Infrastructure Development

Access to basic services such as water, electricity and sanitation, is one of the key development indicators and a reliable measure for social and economic development. The policies of the apartheid past led to uneven development with the majority of the areas populated by the African people largely under-developed. In AbaQulusi, the impact of separate development manifests itself in the form of massive poverty, poor access to basic services and lack of economic development infrastructure.

4.1 Water and Sanitation

4.1.1 Water

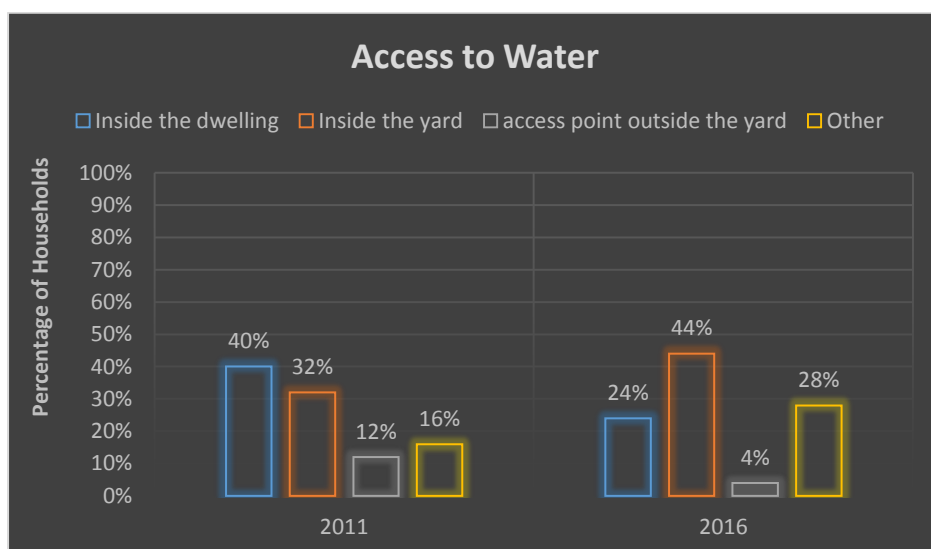
As the table below indicates, there had been a significant drop in access to piped water when comparing the Census 2011 to CS 2016. An 11% decrease in access to water is certainly a call for concern but however it must be noted that there were 2 contributing factors for such a result, ie. Increase in number of households and the drought that was experienced at the time when conducting the survey.

Table 8: Access to Water

Access to water	Census	Community Survey
	2011	2016
Number of Households	43 299	51 910
Inside the dwelling	17237 (40%)	12 621 (24%)
Inside the yard	14020 (32%)	22 362 (44%)
From access point outside the yard	5053 (12%)	2500 (4%)
Access to piped Water	36310 (83%)	37483 (72%)
Other	6989 (16%)	14427 (28%)

Source: Stats SA CS 2016

Figure 6: Access to Water



The responsibility for the provision of water in Abaqulusi is currently shared between Zululand District and Abaqulusi Municipality. Zululand district provides water in the rural areas while Abaqulusi Municipality's area of supply is in urban areas only.

AbaQulusi draws water from various sources including Bloemveld, Grootgewacht, Klipfontein, Louwsburg, Boulder, Hlobane and Mvunyane Dams. The municipality is responsible for six water treatment plants, which are all located within the urban areas.

The maps below indicates the Level of Water Services, Levels of Accessibility and the Water Infrastructure/Network that exist within the Abaqulusi boundary.

[illegible]

Legend

Towns and Places HIERARCHY

- MAJOR TOWN (Yellow dot)
- Minor Town (Small yellow dot)
- Rural Centre (Black dot)

ROADS Class

- Provincial (Yellow line)
- National (Blue line)
- Rural Settlements (Grey line)
- LM Boundaries (Pink line)

WARDS

Water Backlog % per Ward

- 0.0 (Dark Green)
- 0.1 - 10.0 (Green)
- 10.1 - 20.0 (Light Green)
- 20.1 - 30.0 (Yellow-Green)
- 30.1 - 40.0 (Yellow)
- 40.1 - 50.0 (Orange-Yellow)
- 50.1 - 60.0 (Orange)
- 60.1 - 70.0 (Red-Orange)
- 70.1 - 80.0 (Red)
- 80.1 - 100.0 (Dark Red)
- Wards 2020 (White box)

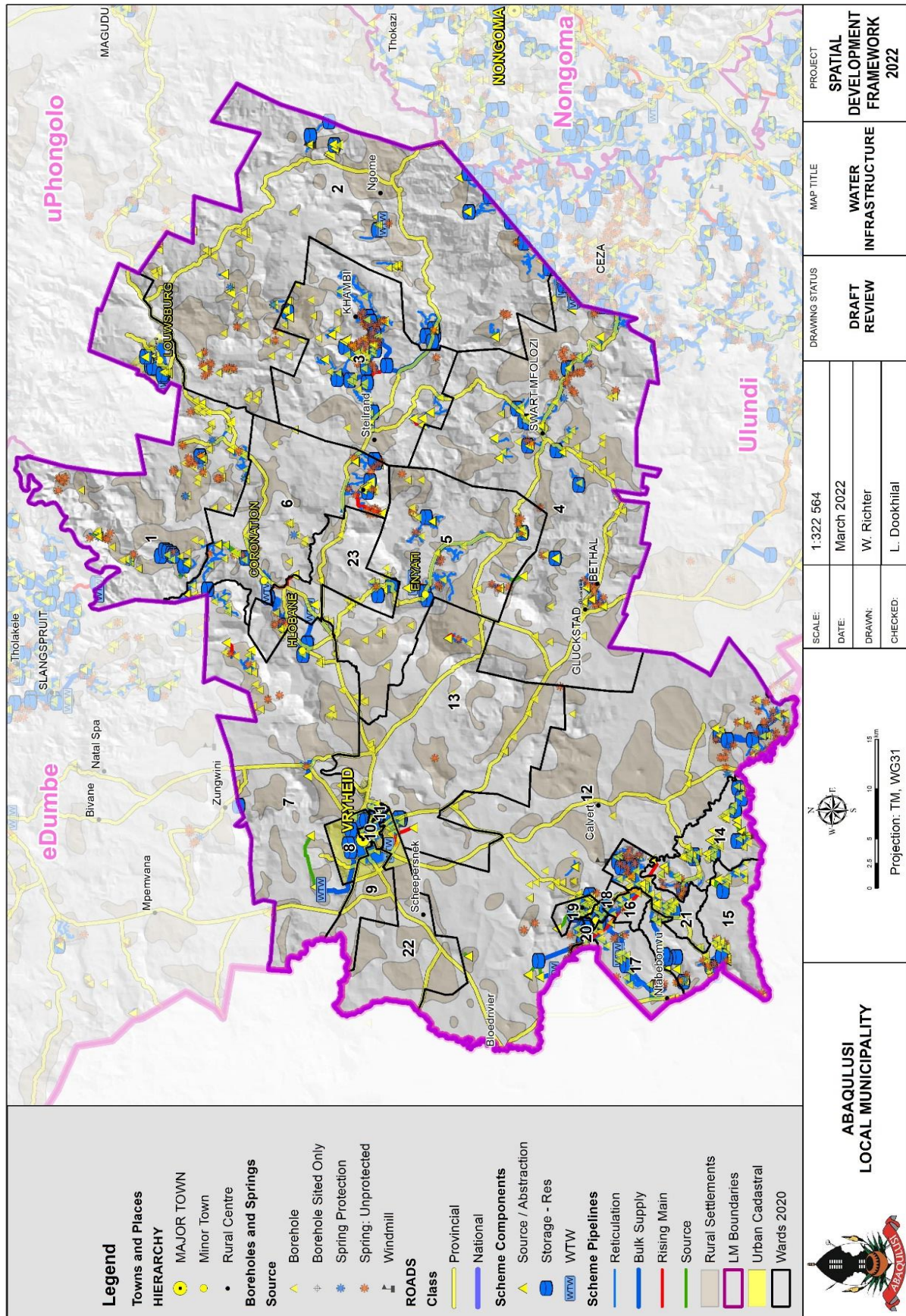
Map Details:

- Scale: 1:322 564
- Date: March 2022
- Drawn: W. Richter
- Checked: L. Dookhlial
- Projection: TM, WG31

Project Information:

- Project: SPATIAL DEVELOPMENT FRAMEWORK 2022
- Map Title: WATER ACCESS (% per Ward)
- Drawing Status: DRAFT REVIEW

Map 19: Water Services Infrastructure



4.1.2 Sanitation

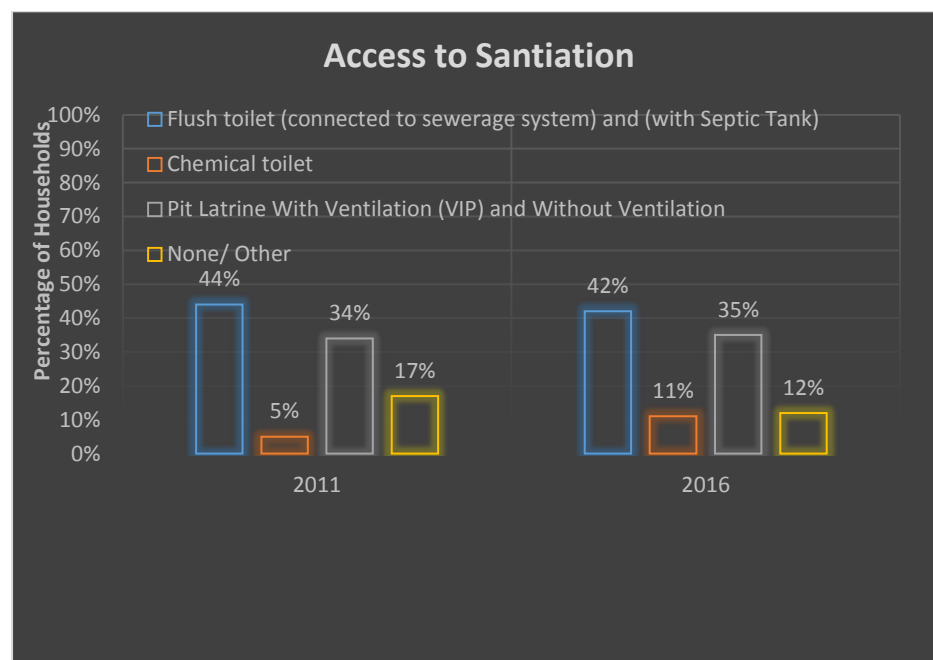
The access to sanitation in terms of a flushing toilet service is a major problem that the municipality is currently faced with, especially in the rural area. As the table below indicates, there has been a drop in that service by 2% in 2016 compared to 2011 as there was also an increase in the number of households in that period. The increase in chemical toilets by 6% is also an indication of the need of formal toilet facilities that are required by the community. The use of pit latrines has also increased by 1% from 2011 to 2016

Table 9: Access to Sanitation

Access to Sanitation	Census	Community Survey
	2011	2016
Number of Households	43 299	51 910
Flush toilet (connected to sewerage system)	18949 (44%)	21520 (42%)
Flush toilet (with septic tank)		
Chemical toilet	2241(5%)	5702 (11%)
Pit latrine with ventilation (VIP)	14618 (34%)	18010 (35%)
Pit latrine without ventilation		
None/Other	7491 (17%)	6678 (12%)

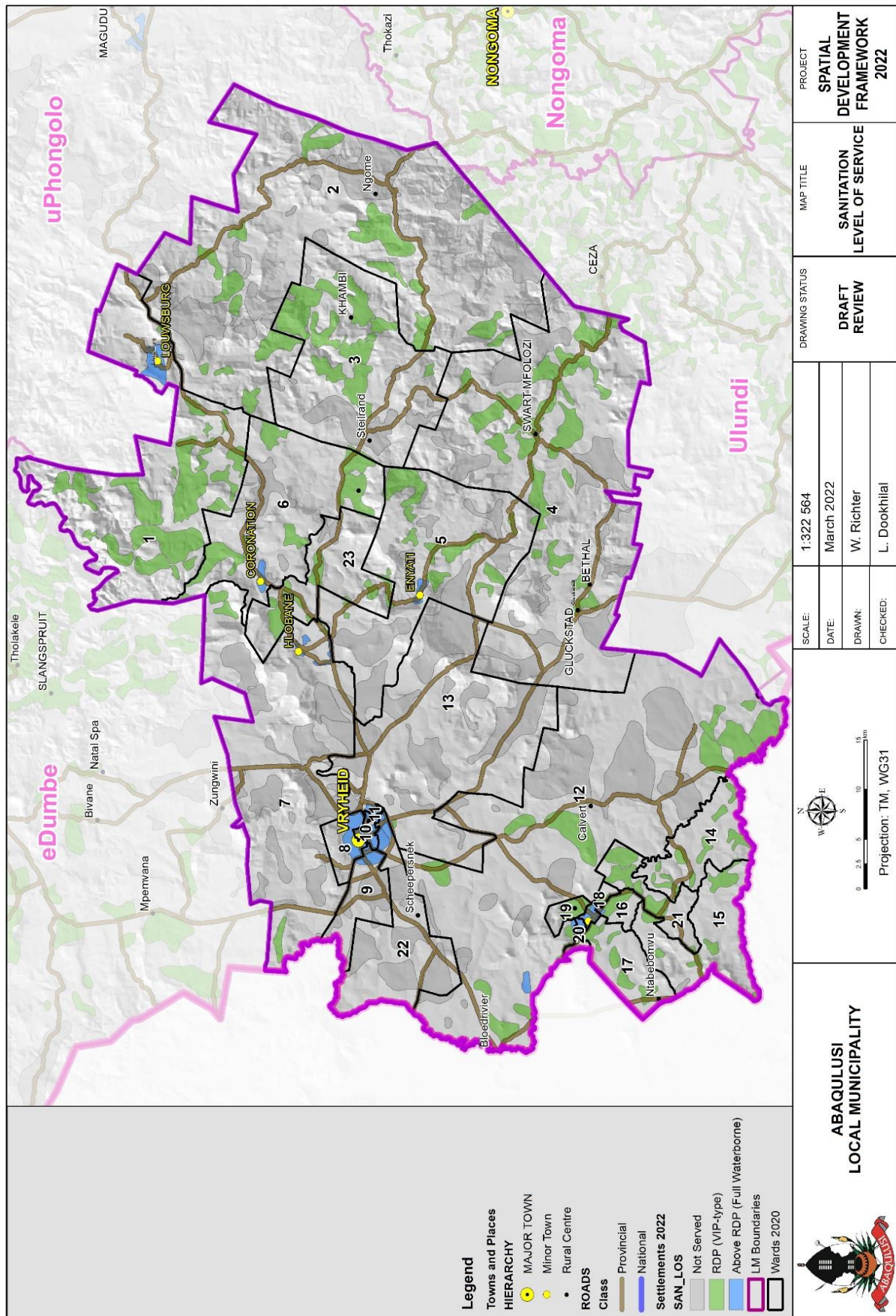
Source: Stats SA CS 2016

Figure 7: Access to Sanitation

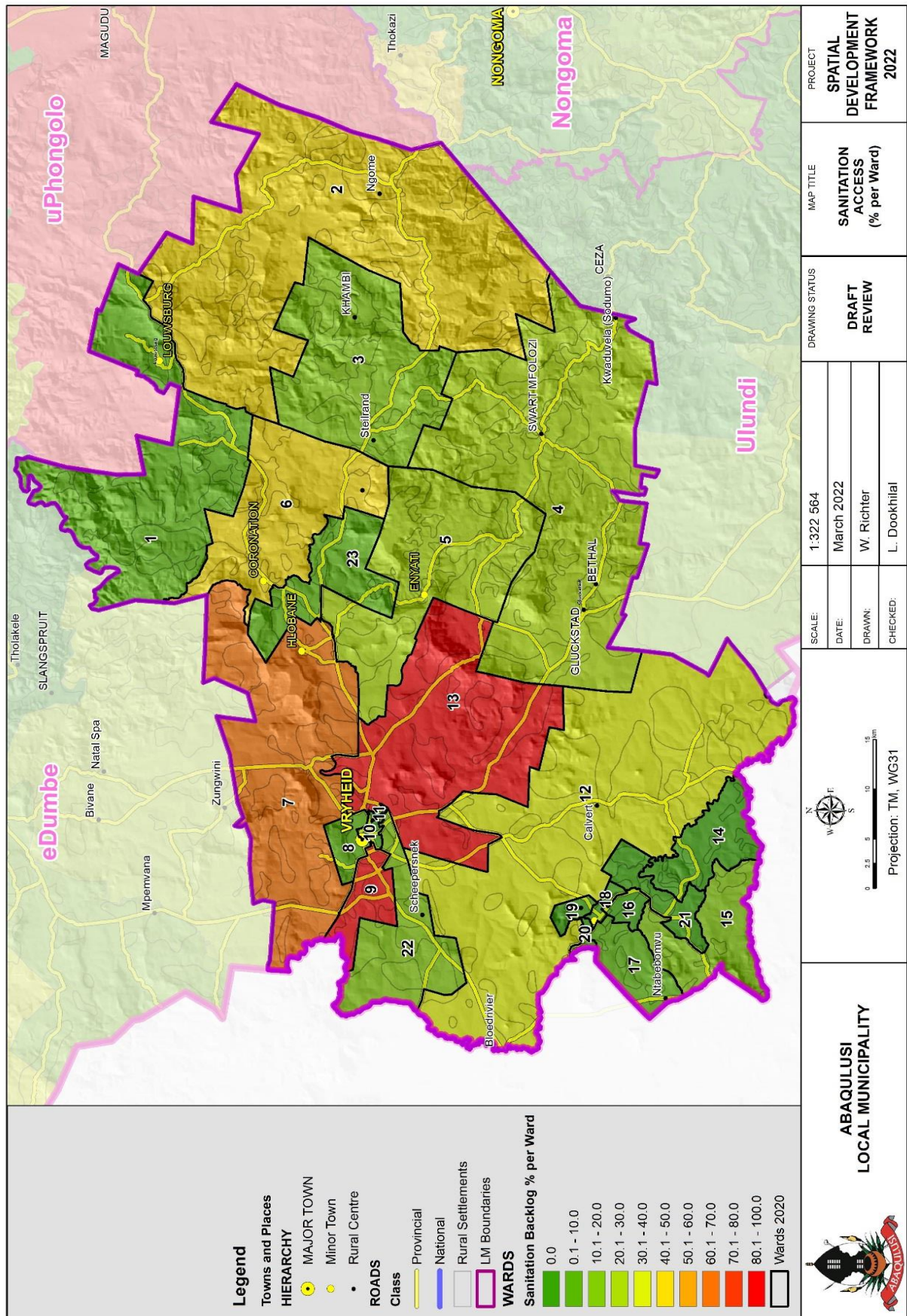


Sanitation services in Abaqulusi municipality is similar to that of the water as the function is split between the District municipality who is responsible for the rural areas and the local who is responsible for the urban areas. The map below represent the Level of Sanitation Services and Level of Accessibility to Sanitation that exist within the Abaqulusi Boundary.

Map 20: Level of Sanitation Services



Map 21: Level of Access to Sanitation



4.1.3 Current Water and Sanitation Operations within Abaqulusi

The table below is a reflection of the Water and Sanitation infrastructure within Abaqulusi Municipality which is utilised on a daily basis to ensure that the communities within the municipality are serviced accordingly. The challenges highlighted depict the difficulties that the Water and Sanitation department is continuously faced with.

Areas served	Water source	Description of the scheme	Challenges
Mondlo Township, section A and B, ZDM areas i.e. Bhukumthetho, amadressi, Khethelo, 1010, oneline, Maria	Raw water is abstracted from Mondlo Dam	The water treatment is located in Mondlo in eZingadini. The plant has a design capacity of 12 ML/day but operates at about 8 ML/day. The plants is operated through shift system. The plant is a conventional chemical treatment plant that uses clarification and filtration	<ul style="list-style-type: none"> • Water loss: plant water loss are a high as 30% due to that the recycle backwash pumps are not installed • Water loss on the reticulation due to erroneous connection of the old reticulation network to the new reticulation network • Plant operating capacity is exceeded by the demand
Mondlo sewage plant and reticulation	Receives wastewater from Mondlo Township A and B	The plant has a design capacity of 8 ML/day. The plant operates through a shift. The plant has a head of work and an oxidation ditch	<ul style="list-style-type: none"> • A number of unit processes are not operational due to breakdowns i.e. aerators, drying beds and head of works. The plant requires refurbishment • Aging infrastructure which result in spillages of sewage
Bloemveld: Vryheid town, Bhokuzulu and Lakeside township	Receives raw water from Bloemveld dam	The plant has a design capacity of 12 ML/day but operates at 6 ML/day due to breakdowns and incomplete project of filter refurbishment. There is also bottleneck on the clarify	<ul style="list-style-type: none"> • The plant is not operational due to a number unit processes that are not operation. • There are only four pressure filters that are used instead of twelve. • Clarify scrappers are not functional. The plant condition is poor • Air blower are not operational
Klipfontein: Vryheid town, Bhokuzulu and Lakeside township	Receives raw water from the Klipfontein dam	The plant has a design capacity of 45 ML/day however it is operated at 15 ML/day to low demand	<ul style="list-style-type: none"> • There are no standby pumps at the raw water pump station • There is no standby pump on the Highlift pump station • The electric panel has to be installed from the standby pump of the Highlift pump station
Potable water reticulation	Receives water from the Bloemveld and Klipfontein WW	The network comprises of various pipe sizes ranging from 200mm to 50mm. the network has old asbestos pipeline and some sections have over the years been replaced with PVC and HDPE	<ul style="list-style-type: none"> • Old asbestos pipes that keeps on breaking resulting in high overtime cost in the reticulation teams • Unavailability of funds to do infrastructure rehabilitation project
Sewage reticulation	Sewage from Vryheid town,	The system has four pump stations.	<ul style="list-style-type: none"> • Old asbestos pipeline that result in pipe burst

networks and pump stations	Bhekuzulu and Lakeside township		
Hlobane water system	Hlobane and Vaalbank	System has a small dam. The plant has a design capacity of 1 ML/day. Water is pumped from the dam and final water is pumped from the onsite reservoir to outstation reservoirs	<ul style="list-style-type: none"> • Iron and manganese in the raw water result in water quality problems in the area. The plant requires modification • Aging infrastructure
Hlobane sewage	Hlobane and Vaalbank	System comprise of a head of works and an oxidation ditch. Final discharge is disinfected with sodium hypochlorite	<ul style="list-style-type: none"> • Equipment failure i.e. aerators • Aging infrastructure
Coronation water system	Coronation dam	Water is pumped from the dam to the treatment works. Final water is then distributed to the command reservoir. The plant has a design capacity of 1 ML/day	<ul style="list-style-type: none"> • Iron and manganese problem in the final water to consumers • There is no standby pump at the raw water abstraction point. • The dam has been always below 35% since the drought of 2014 to 2017.
Wastewater treatment plant and sewage reticulation	Coronation township	The plant treats at least 800 kL/day. The network pipelines are asbestos pipe and some section are steel pipes that were installed by the mines	<ul style="list-style-type: none"> • The plant is total not functional • There are no treatment processes that are operating satisfactory • The network pipeline blockage
Louwsburg	Louwsburg dam	The plant has a design capacity of 1 ML/day	<ul style="list-style-type: none"> • The plant has three pressure filter which requires sand replacement. This is due to mudballing overtime on these types of pressure filter • Dam has a low yield. The dam is usually run dry in winter

4.1.4 Planned Water and Sanitation Projects – Repairs and Maintenance

The table below reflects the planned Water and Sanitation projects within the Abaqulusi Municipality which is to be implemented in the next financial year, 2023/2024. The municipality has allocated a budget of R10m towards the Repairs and Maintenance of its Water and Sanitation infrastructure.

<u>Project Description</u>	<u>Water Budget and Sanitation Budget</u>
Repairs to buildings at waterworks	R10m
Public ablutions	
Waste Water pump stations	
Waste Water reticulation	
Waste Water Treatment works - contact tanks Klipfontein	
Waste Water Treatment works - contact tanks Coronation	
Emergency repairs - waste water	
Water - dams	

Water - pump stations	
Water - Reservoirs	
Water - Reservoirs - Industrial reservoir	
Water - Boreholes	
Water - Bulk main - AC replace Klipfontein to main reservoir	
Water - Bulk main - emergencies	
Water - Distribution - Klipfontein WTW refurbish filter gallery	
Water - Distribution - Bloemveld WTW refurbish filter gallery	
Water - Distribution	
Water Treatment works - emergencies	
Total Budget	R10m

4.2 Solid Waste Management

The proportion of households that do not have access to refuse removal services were found to be about 14% during the Community Survey 2016. Just less than two percent (2%) of the households had access to communal refuse dump or a central point of collection. Over 40% of the households had the refuse removal by the local authority while almost a similar proportion of households (41.9%) made use of their own refuse dump.

Table 11: Access to Refuse Service

Access to Refuse Service	Census	Community Survey
	2011	2016
Number of Households	43 299	51 910
Removed from local authority/private company at least once a week	17985 (42%)	20 001 (38.5%)
....less often	434 (1%)	2 021 (3.9%)
Communal refuse dump	511 (1%)	889 (1.7%)
Own refuse	20764 (48%)	21 774 (41.9%)
Access to Refuse Removal	92%	86%
No rubbish disposal	2728 (6%)	5 355 (10.3%)
Other	878 (2%)	1 870 (3.6%)

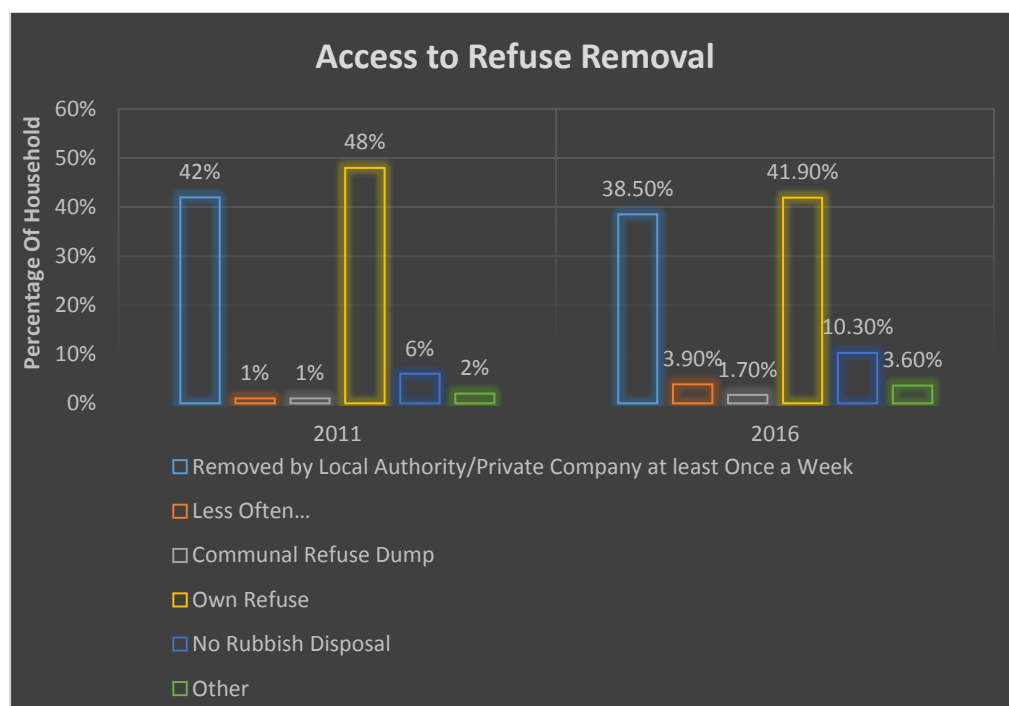
Source: STATS SA CS 2016

The municipality currently collects refuse in urban areas only, namely; Vryheid, eMondlo, Coronation, Hlobane, Vaalbank, Bhokuzulu, Nkongolwane, Louwsburg, Lakeside, Thuthukani, Sasko. Hlobane Hostel, Ithala, Bhokwe, Gadlaza and Cliffdale.

The function of refuse removal is currently being outsourced due to capacity and financial constraints within the municipality. All the existing dump sites are deemed to be illegal as the Vryheid dumpsite is the only legally recognised one within the municipality. Other dumpsites underwent an assessment in the past and licenses for closure of in Louwsburg, Coronation and KwaMnyathi were obtained.

In rural areas individuals tend to dispose of waste in pits in their yard and in some areas communal dumping areas are utilized. This can however lead to associated health problems for individuals living in these areas. The development of an Integrated Waste Management plan, which is currently in a Draft phase and awaiting comments from the Department of Environmental Affairs, explores the need to extend the refuse removal services to the rural areas as well as identifying potential drop-off or buy-back centres sites in other areas around Abaqulusi. Moreover, Abaqulusi has a designated Waste management officer which co-ordinates waste management activities in the manner set out in the national waste management strategy established in terms of Section 6 of NEMA.

Figure 8: Access to Refuse Service



4.2.1 Recycling

Recycling is the process of converting waste materials into reusable objects to prevent waste of potentially useful materials, reduce the consumption of fresh raw materials, energy usage, air pollution and water pollution by decreasing the need for conventional waste disposal and lowering greenhouse gas emissions compared to plastic production. Recycling is a key

component of modern waste reduction and is the third component of the “Reduce, Reuse and Recycle” waste hierarchy.

There are numerous benefits to recycling which has been identified around AbaQulusi. Residents are provided with colour plastic to separate at source. Recycling not only benefits the environment but also has a positive effect on the economy and local residences. There is a multitude of benefits that come from recycling as well as tons of items that can be recycled. The Municipality is also reporting on SAWIS as reporting tool or system on recycling.

Environmental Benefits

- ✓ By recycling, people can prevent millions of tons of material from entering landfills saving space for garbage that cannot be re-purposed. Landfills not only pollute the environment but also hampers the beauty of the Municipality.
- ✓ The pollutants that are released into the air and water can be greatly reduced with an increase in recycling.
- ✓ Recycling reduces the greenhouse gas emissions into the atmosphere.
- ✓ Recycling keeps litter overflow to a minimum keeping the area looking beautiful and environmental friendly.
- ✓ Reporting on SAWIS which assist the Municipality to know the income of waste.

Economic Benefits

- ✓ Recycling creates job opportunities.
- ✓ Recycling capacitates businesses which are privately owned

4.2.2 Environmental Awareness Campaigns

A number of clean-up and education awareness have been conducted within AbaQulusi, however there is still an outcry of the areas been converted to illegal dumps, litter, dirty and un-friendly environment. Environmental Services in partnership with DEA (Green Deed and Youth in Waste Programme), CWP and DEDTEA in conducting environmental education and awareness and clean-up campaigns in making sure that the AbaQulusi community is clean and environmental friendly.

The main purpose of environmental education and clean-ups are to sensitize the public on the importance of a clean environment both in and out of their homes, to encourage participation in the ownership of keeping a clean community and safeguarding their health, reduce the incidences of illness of humans and animals and promote a clean environment.

4.2.3 Environmental Planning, compliance and enforcement

AbaQulusi Municipality has an Environmental Management Inspection which is designated by the Hon. MEC of DETEA to deal with enforcement in the environmental aspects. There is also designated Waste Management Officer which is a compliance from NEMA. Environmental Impact Assessment applications are being reviewed by internal staff and DEA staff (LGS support and Youth Co-ordinator). Air Quality assessment was conducted within AbaQulusi with assistance from DETEA.

4.2.4 EPIP Programmes

EPIP programmes by DEA focus on infrastructure related projects that contribute towards the environmental protection, conservation and sustainability, whilst creating work opportunities, and providing skills development to enable beneficiaries to secure permanent employment. There are number of programmes that DEA has assisted AbaQulusi with: Clothing / Sewing, Landscaping, horticulture, Painting, and also the newly implemented Green Good Deeds Programme which saw the appointment of a Youth Environmental Coordinator within Abaqulusi LM focusing on waste related challenges.

Upcoming projects:

- ✓ Greening of open spaces
- ✓ Rehabilitation of Landfill site
- ✓ Land-care / Rehabilitation of land

4.3 Transportation Infrastructure

4.3.1. Road Network

AbaQulusi Municipality is not adjacent to any major National trade and transportation route. However, it enjoys a relatively good level of access at a Provincial and regional level. This allows for a smooth flow of goods and movement of people in and out of the area. The R34 is the primary transportation route within the area. It runs through Zululand from the N2 and Richards Bay in the south through Ulundi, Vryheid and Paulpietersburg to Mpumalanga and Gauteng. The R69 on the other hand, runs east-west through the northern part of the municipal area.

It carries large volumes of local and regional traffic and links centres such as Vryheid, Hlobane, and Louwsburg and eventually joins to the N2 near uPhongolo. The road network within AbaQulusi Municipality reflects the apartheid planning system. The former whites' only areas are characterized by high quality tarred roads and well developed district roads. The quality of roads in most previously black only areas is generally poor and requires substantial upgrading and maintenance. This has a negative impact on the development of these areas as it is well known that access play a pivotal role in economic development. In addressing the issue of accessibility in rural areas, the Zululand District Municipality has developed a District Rural Roads Asset Management Plan which would guide the rehabilitation and upgrade of all rural roads within the district.

The current Roads network consists of asphalt, paved, gravel and dust or informal roads. The Municipality is currently reducing the backlogs of upgrading gravel roads through as well rolling out repairs and maintenance on a daily basis, however most of the Vryheid CBD roads are showing signs of distress and are in need of rehabilitation. An estimated cost of R156 900 000 is required to repair and maintain 143km of paved roads within the Abaqulusi area.

In its efforts to repair and maintain the existing road network within the municipality, a budget of R11m has been allocated for the 2023/2024 financial year. The table below reflects the breakdown and allocation of the budget:

<u>Project Description</u>	<u>Budget</u>
Roads - resurfacing - President Street and Mark Street	R5m
Repairs to workshop	R6m
Roads - pothole patching	
Roads - grading of gravel roads	
Road Sign material	
Stormwater drains	
Painting of roads	
Pavements	
Bridges	
Total Budget	R11m

4.3.2. Rail

AbaQulusi Municipality does not have an established public rail transport system. However, there is a railway line that runs through the area connecting the coalfields with areas such as Mpumalanga and Richards Bay. It is used mainly to transport goods between these centres. It passes through AbaQulusi in a north-south direction and at Vryheid and then branches off to the west to Hlobane.

4.3.3. Air Transport

Although Vryheid is a district regional centre, it does not have a well-established air transport system. A small airport/landing strip is located in Vryheid. It is built to the standard set by the Civil Aviation Authority but is no longer licensed due to budgetary constraints. It is capable of carrying limited cargo. This facility should be seen as an opportunity for the development of the agricultural and tourism sectors. This is particularly important since the area has been identified at a Provincial level as having potential for agricultural development (PSEDP, 2007), and the potential link with Dube Trade Port.

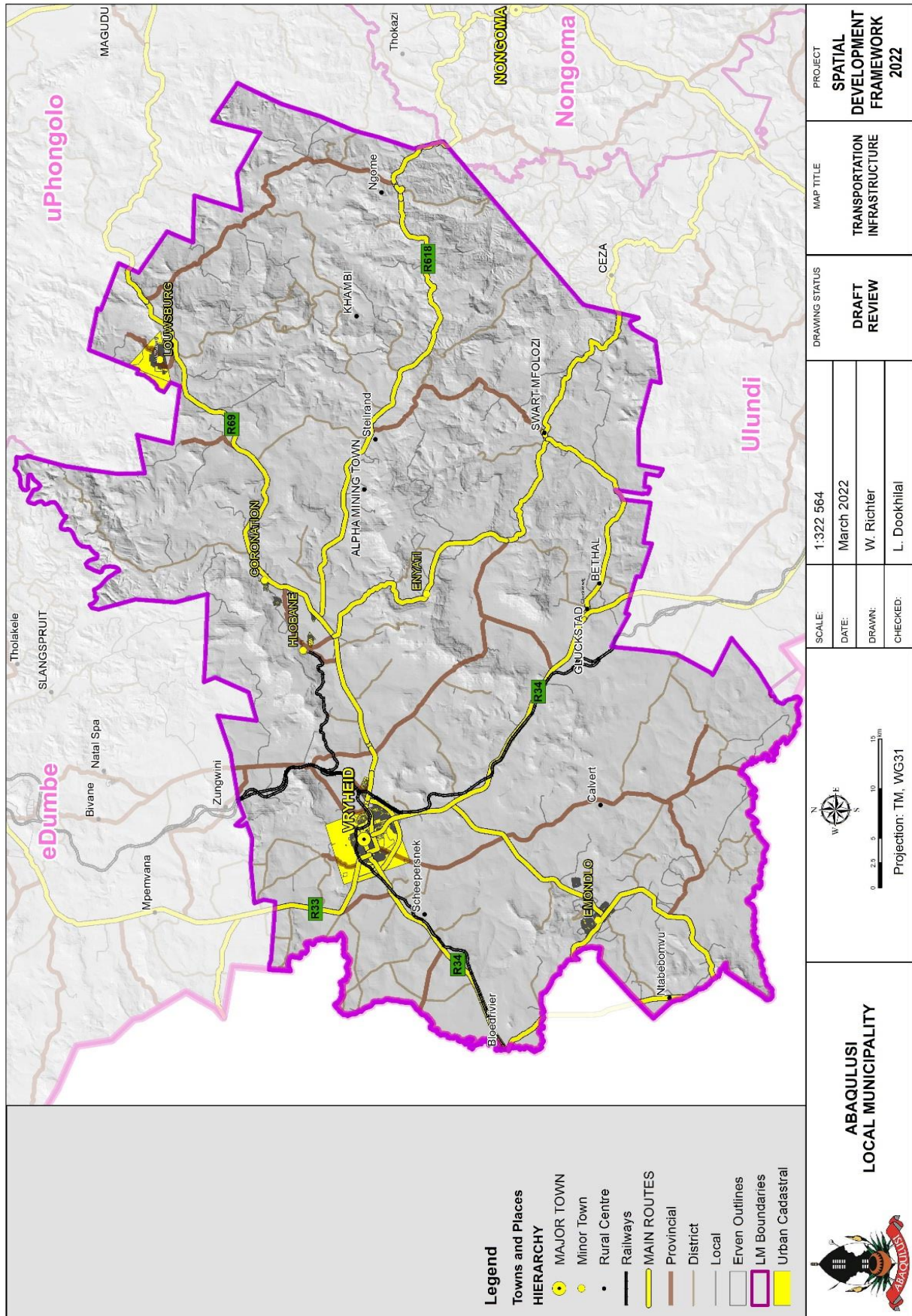
4.3.4 Planned Transport Infrastructure Projects – 2023/2024

On an Annual basis, the AbaQulusi Municipality utilises majority of its MIG Funding for the construction of new roads and maintenance of existing roads. The table below reflects the Planned Projects that involve the Road Infrastructure within AbaQulusi Municipality:

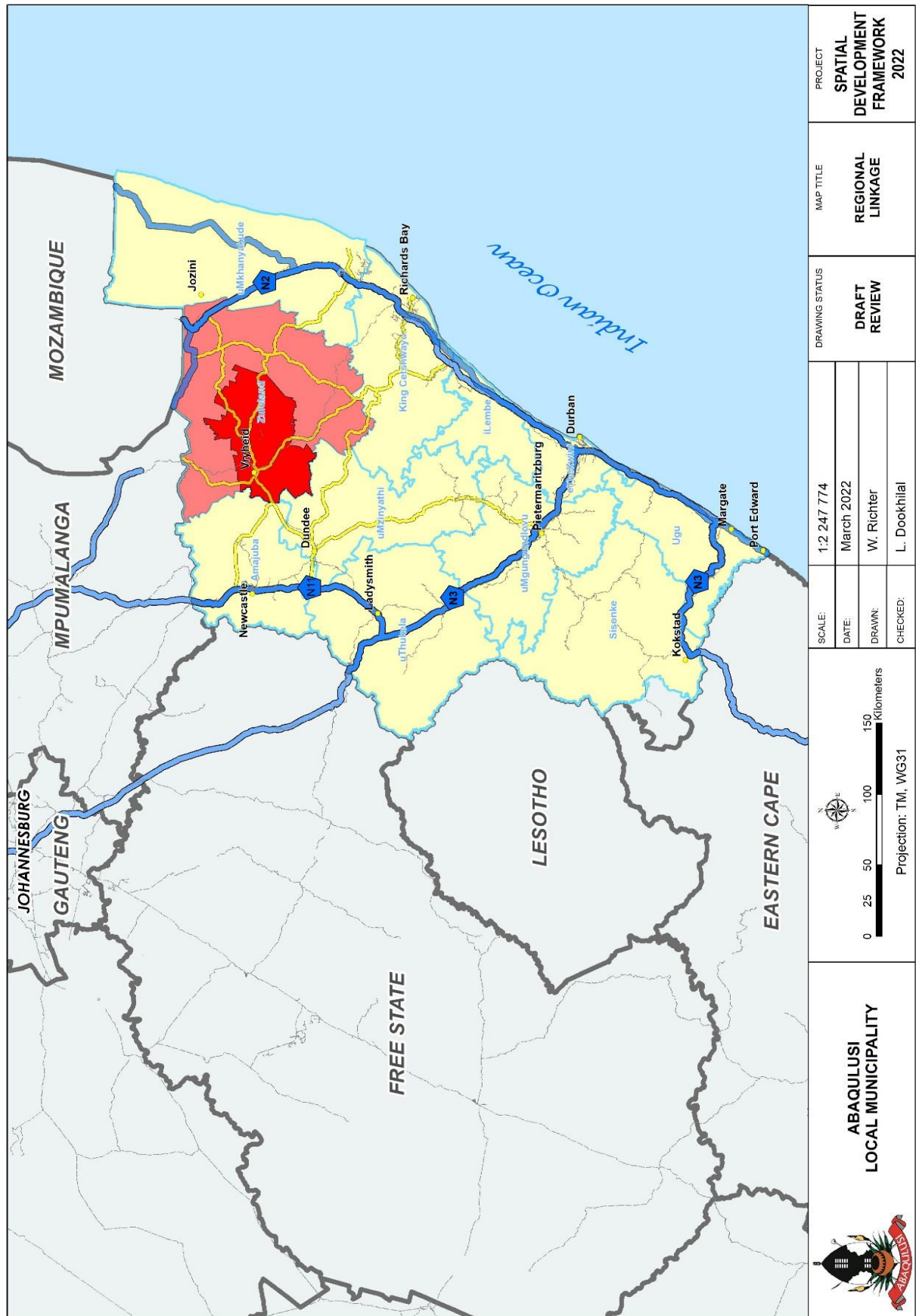
Project Description	Ward Location	Budget '000
Tarring of Kwabalele to next Police Station Ward 19,20 Phase 3	12	1 748
Tarring of Kwabalele to next Police station Ward 19,20 Phase 4	12	5 624
Tarring of Road from Zama to Kwabalele Bhekumthetho Ward 19 Phase 4	19	800
Tarring of Road from Zama to Kwabalele Bhekumthetho Ward 19 Phase 5	19	3 300
Upgrading of Extension 16 (SASKO)Roads -Wrad 8 (Phase 2)	8	3 612
Upgrading of Extension 16 (SASKO)Roads -Ward 8(Phase 3)	8	10 260

The Maps below indicates the Transport Network that exist within the Abaqulusi Municipality and the critical linkage that it has to the region.

Map 22: Transportation Infrastructure



Map 23: Critical Linkage to the Region



4.4 Energy

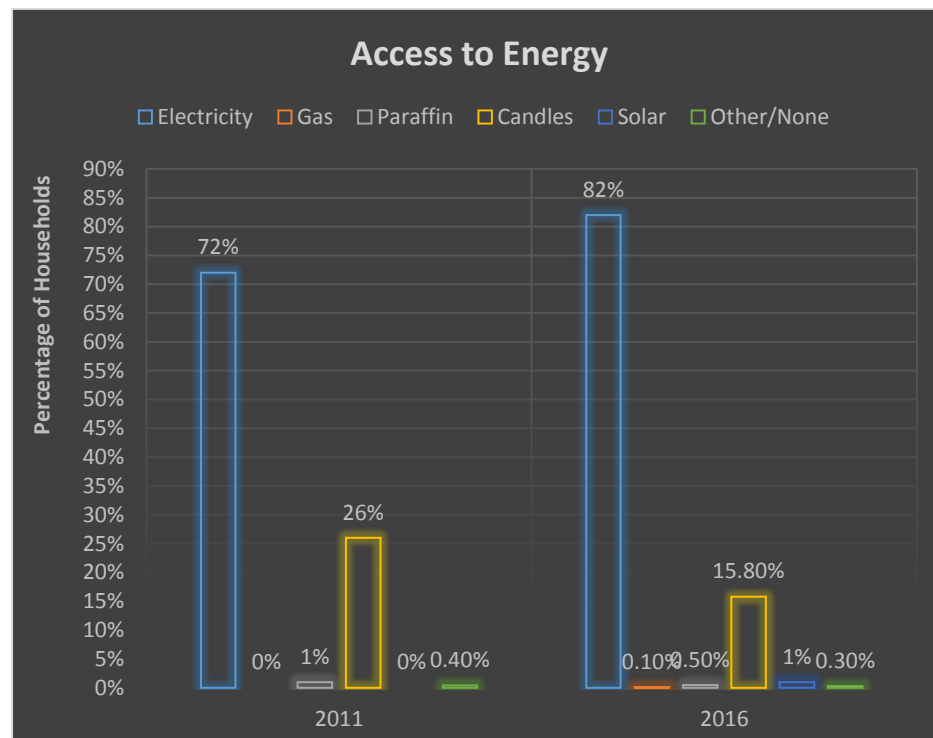
As per the table below, the access to electricity has increased significantly from 72% in 2011 to 82% in 2016, recording a 10% improvement. The increase in electricity is largely due to the grant funding that is received from the Department of Energy on an annual basis of recent. The 2023/2024 financial year will see the municipality yet again receive funding in the region of +-R16.6m from the Department of Energy for electrification projects (INEP Grant). Overall, the stats below is a clear indication that the Municipality is on the rise and is making steady progress in providing energy and electricity to its people.

Table 12: Access to Electricity

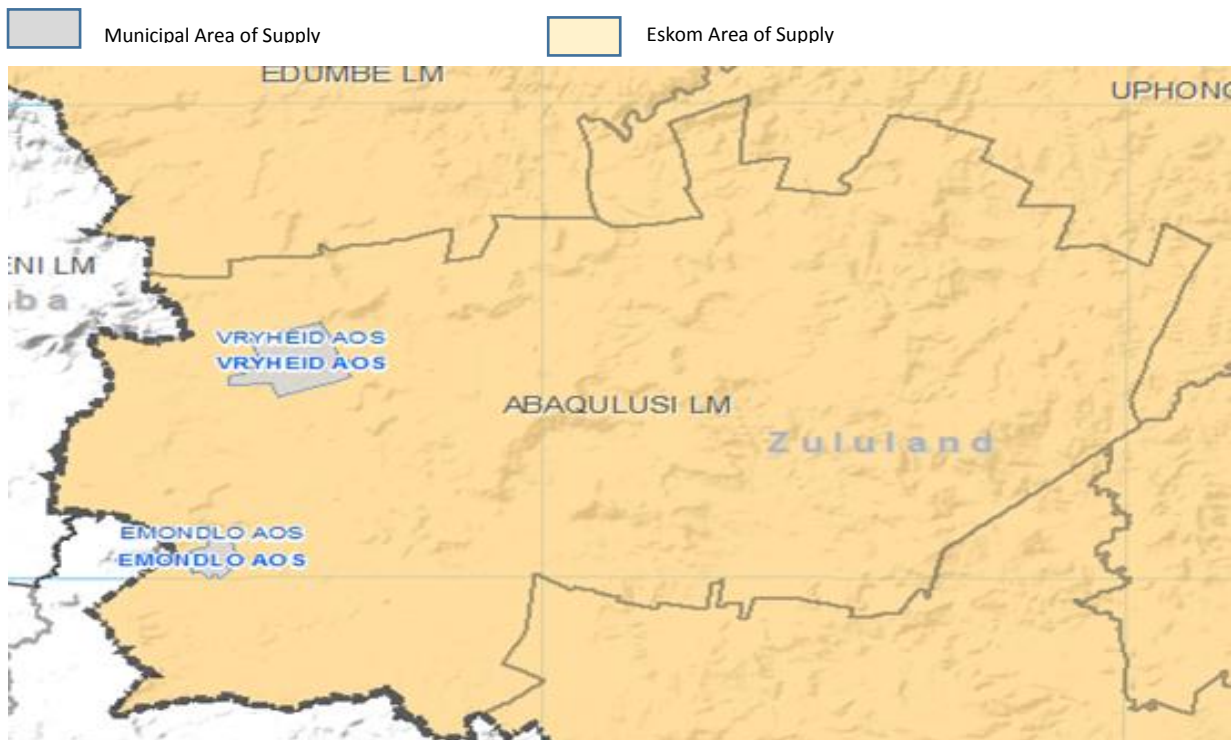
Access to Electricity	Census 2011	Community Survey 2016
Number of Households	43 299	51 910
Electricity	31223 (72%)	42 708 (82%)
Gas	89 (0%)	50 (0.1%)
Paraffin	246 (1%)	253 (0.5%)
Candles	11426 (26%)	8 208 (15.8%)
Solar	125 (0%)	518 (1.0%)
Other/None	190 (0.4%)	170 (0.3%)

Source: STATS SA CS 2016

Figure 9: Access to Electricity



Map 24: Area of Supply



4.4.1 Background of Abaqulusi Municipal Energy Department

The purpose of the Energy Department of the Abaqulusi Municipality is to provide electricity for all residents in the Abaqulusi area. The department covers every intake area known as Vryheid/Bhekuzulu/Lakeside, Emondlo, Hlobane and Coronation. The current bulk networks to sustain development in the towns while also conforming to the Occupational Health and Safety Act as well as the Quality of Electrical Supply in terms of NERSA's requirements for the Abaqulusi Municipality shall be highlighted.

The goals of the Electricity Department for Abaqulusi Municipality are as follows:

- Supporting economic growth and development;
- Improving the reliability of electricity infrastructure;
- Providing a reasonably priced electricity supply;
- Ensuring the security of electricity supply as set by a security of supply standard;
- Diversifying the primary energy sources of electricity;
- Meeting the renewable energy targets as set in the EWP;
- Increasing access to affordable energy services;
- Reducing energy usage through energy efficiency interventions;
- Accelerating household universal access to electricity;

4.4.2 Current Status of Abaqulusi Municipal Energy Supply

The current status of each intake point is as follows:

VRYHEID

An ESKOM supply via an 88/33 kV is supplied to the main intake substation which is transmitted via an overhead line on a 33 kV network to Mason Substation which is known as Mason Street Sub. We have two incoming breakers on the 33 kV networks to Mason substation. From the two incoming outdoor oil circuit breakers pole mounted (OCB's).

From the incoming breakers we have 3 OCB's which feeds transformers 1, 2 and 3 which are stepped down from 33 kV to 11 kV which feeds our major substation known as Mason Substation. This in turn feeds the town of Vryheid/Bhekuzulu/Lakeside/Industrial areas/farm lands etc. Each transformer has a capacity of 20 MVA.

The existing electrical network in Vryheid, Bhekuzulu and Lakeside is reflected on the map below.



EMONDLO

Emondlo is currently supplied via an ESKOM supply from a 22 kV overhead line. There is a 10 MVA transformer currently situated at Emondlo which supplies the sections known A, B, C & D sections.

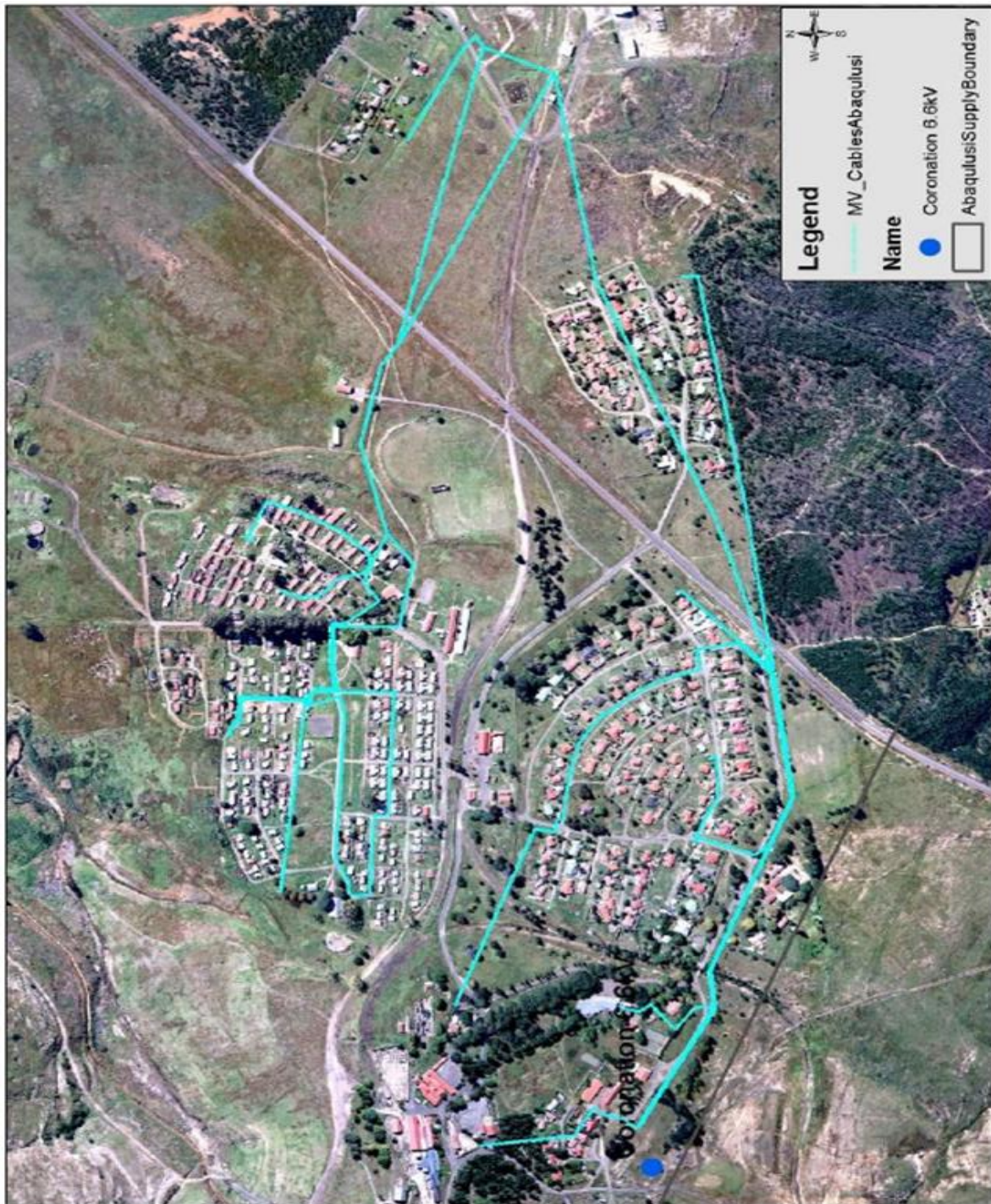
The existing electrical network in eMondlo is reflected on the map below.



CORONATION

Coronation intake sub is fed via a 33 kV overhead line and stepped down via a transformer to 6.6 kV. The municipality in Coronation takes the supply on a 6.6 kV system from ESKOM which is distributed to mini substations and pole transformers. The areas in Coronation are the new village, old village and Zamaqhule.

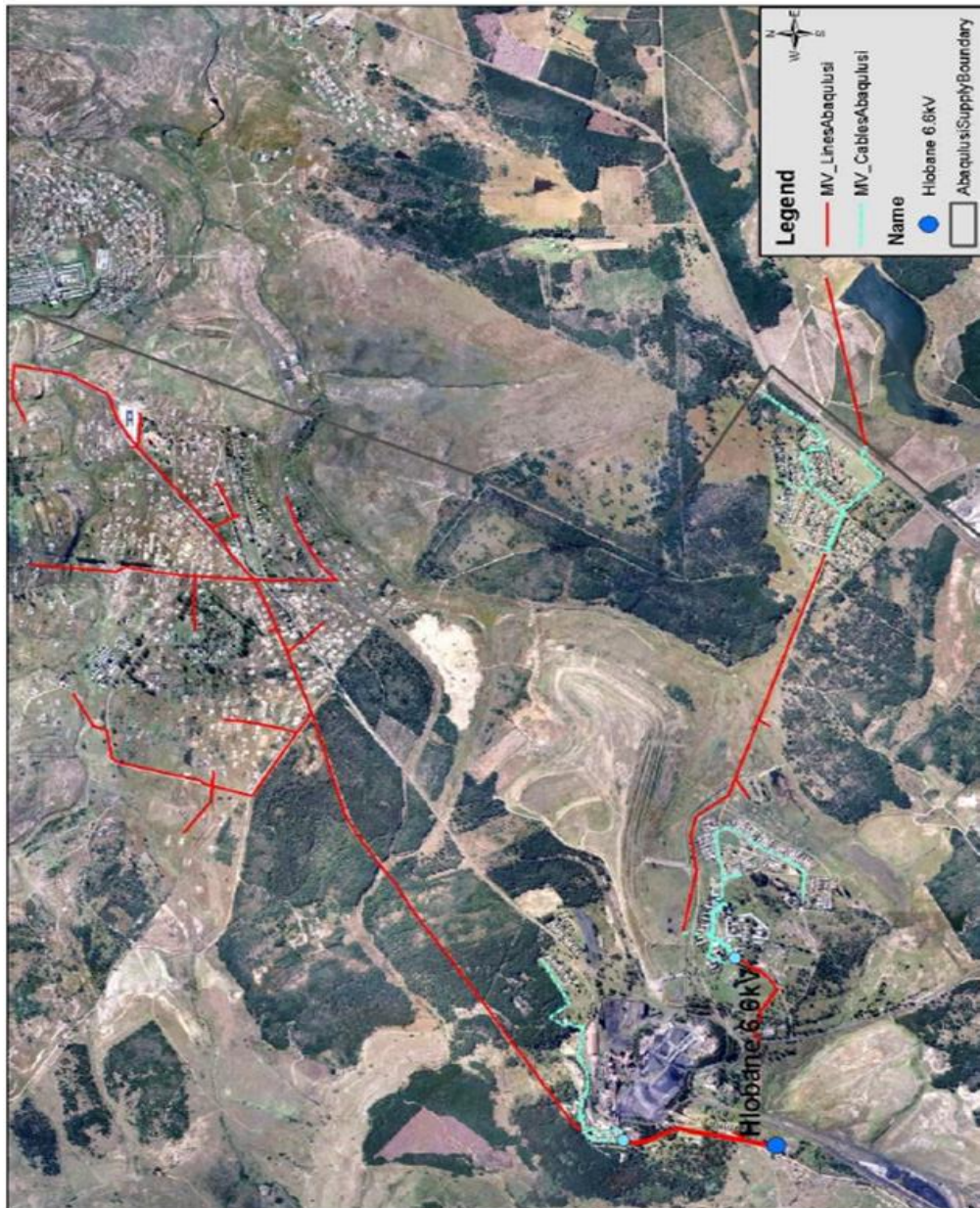
The existing electrical network in Coronation is reflected on the map below.



HLOBANE

Hlobane intake sub is fed via an 88 kV overhead line and stepped down via a transformer to 6.6 kV. The municipality in Hlobane takes the supply on a 6.6 kV system from ESKOM which is distributed to mini substations and pole transformers. This area also supplies Tutukani, Vaalbank and Cliffdale.

The existing electrical network in Hlobane is reflected on the map below.



It must be noted that the municipality has just recently completed its Energy Masterplan in 2018 which was funded by Development Bank of South Africa (DBSA) and will form the basis for implementing all new projects within the municipality in the next 10 years as well as guide the repairs and maintenance of electrical infrastructure.

4.4.3 Planned Projects

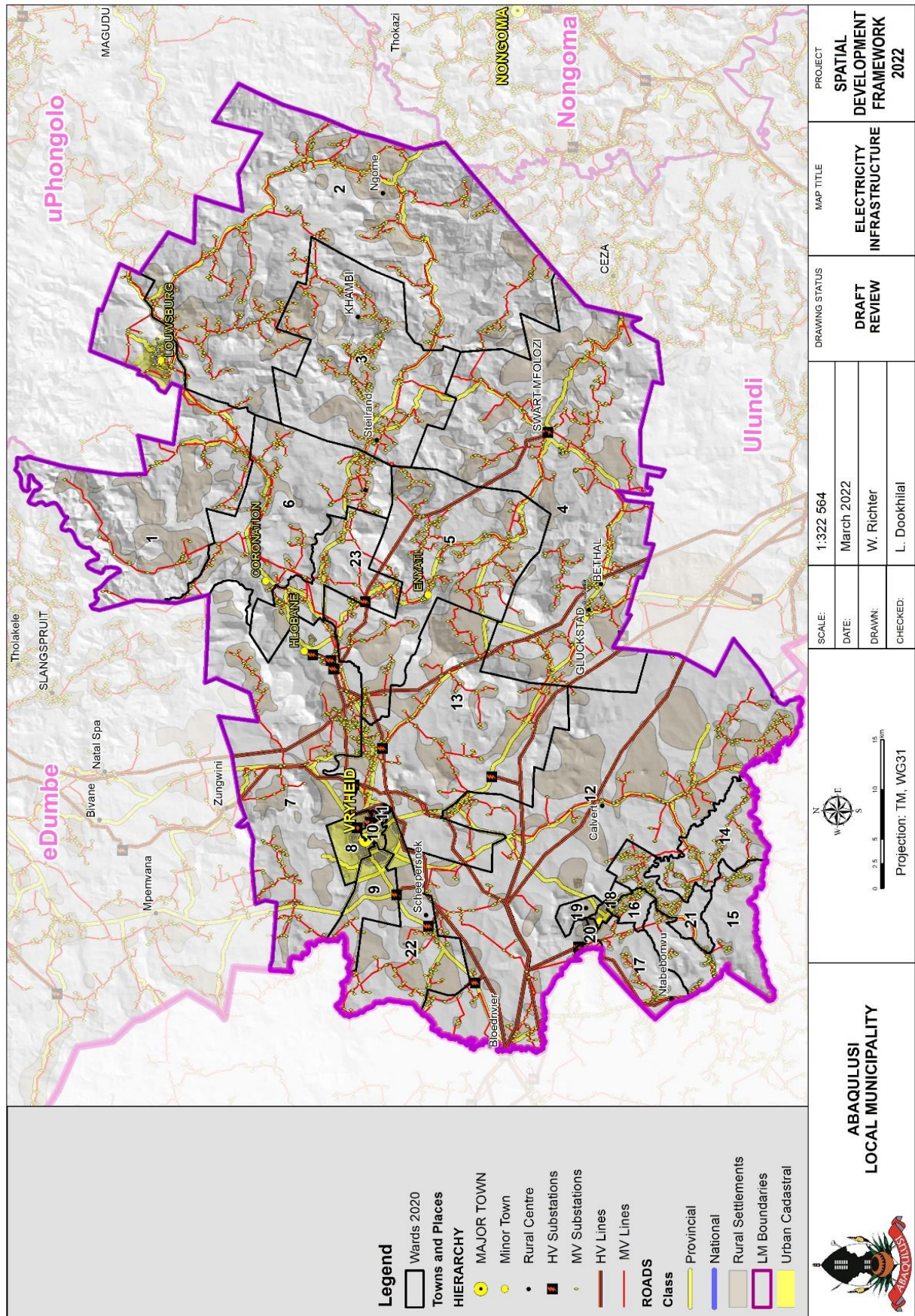
In attempts to reducing the electrical backlogs that exist and extending accessibility to electricity across Abaqulusi Municipality, the table below highlights capital projects-new connections which are to be implemented during the next financial year, 2023/2024, and funded by Department of Energy through the INEP Grant.

Project Name	Project Type	Budget	Number of Connections	Ward
KwaSithole	Households	R780 000	39	2
Madamu	Households	R420 000	21	1
Mthebeni	Households	R1 020 000	51	2
KwaJimani	Households	R5 760 000	288	12
Bhekumthetho	Households	R5 680 000	284	19
Emakwathini	Households	R3 020 000	151	7
Total		R16 680 000	834	

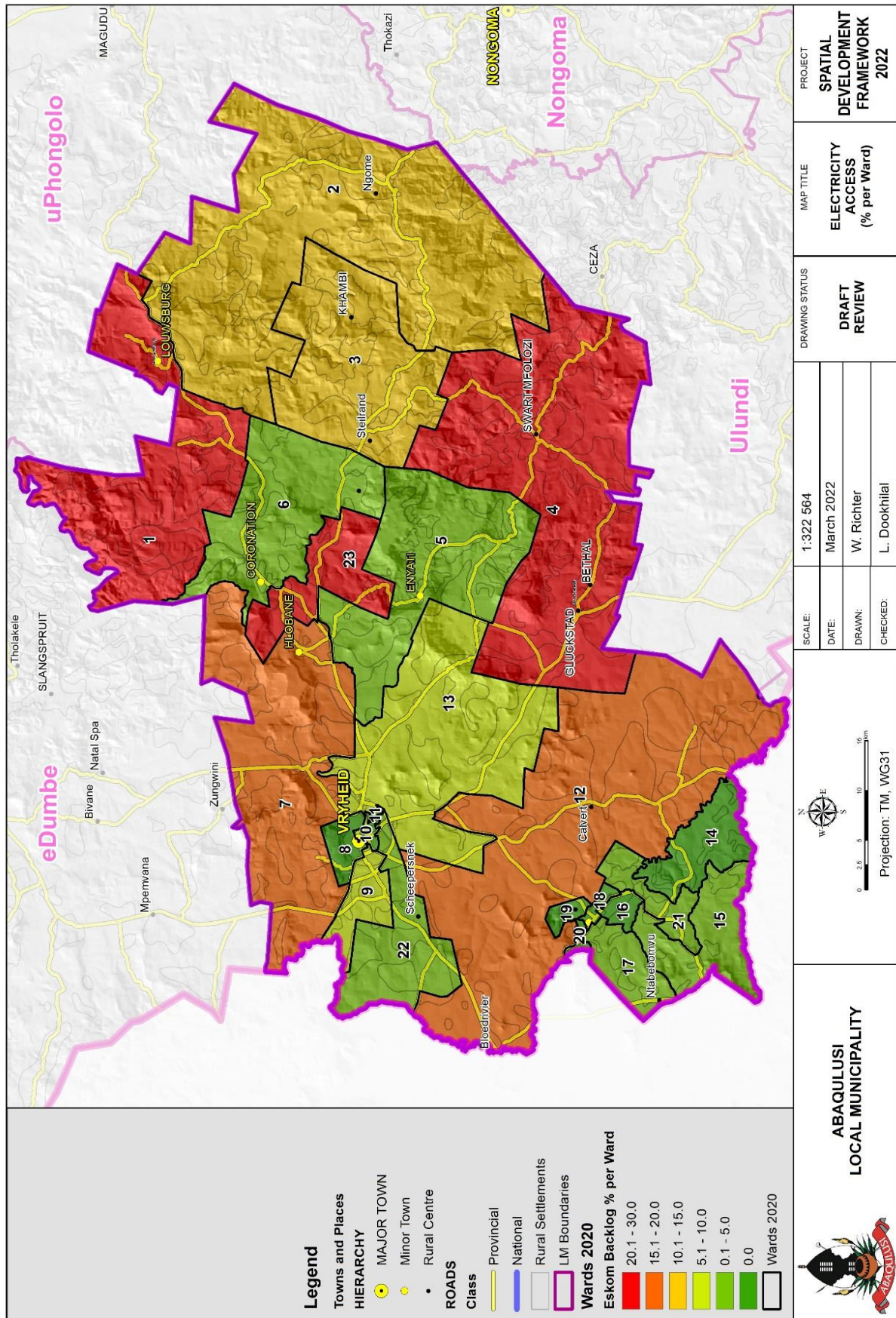
Further to the above, the Abaqulusi Municipality has set aside a budget of R9m that will be utilised on repairs and maintenance on the current infrastructure.

The maps below depict the municipality's Electrical Infrastructure and Access to Electricity.

Map 25: Electrical Infrastructure



Map 26: Access to Electricity



4.5 Access to Social and Community Facilities

4.5.1 Cemeteries

The Abaqulusi Municipality currently has 7 cemeteries, located in Vryheid, Bhekuzulu, Hlobane, Coronation, Mondlo, Louwsburg and Nkongolwane. However, according to municipal statistics, some of these cemeteries have now reached their life-span and have run out of space while the others are also in danger of reaching their life-span and is fast becoming a top priority for the municipality. The municipality is constantly working on establishing new sites for cemeteries and exploring the opportunities of expanding the current existing cemeteries. Deprived maintenance and budget constraints have also hindered and compounded to the issues surrounding the cemeteries. The status of cemeteries within Abaqulusi Municipality is as follows:

•**Vryheid Cemetery:** The potential extension of the existing cemetery to the south should be investigated, or a new site will be identified. An area of about 6 ha would be required.

•**Bhekuzulu Cemetery:** The existing cemetery is full and a new cemetery site has been identified to the Northeast of the existing cemetery, between the bypass road and the railway line. The new site has an approximate area of about 10 ha which should be sufficient for about 10 years. A further 5 ha would be required. The municipality reported that trial pits in the new site indicated a perched water table and the extent of the water table must be investigated.

•**Emondlo Cemetery:** The original cemetery is full and has been extended into the open veld surrounding the cemetery. The municipality has acquired the new 27 hectors for extension and planning principles are essential for the cemetery to be registered.

•**Louwsburg:** The existing cemetery has an estimated lifespan of more than 10 years. The potential extension of the cemetery to the east or west should be investigated. An area of 2 ha should be sufficient.

•**Nkongolwane:** The existing cemetery has an estimated lifespan of approximately 5 years, with extension possibilities to the south and southwest.

•**Coronation:** The cemetery at the Coronation mine has space available for approximately 3 000 graves, and a life expectancy greater than 10 years. Potential for expansion exists to the east of the existing cemetery.

•**Hlobane:** The existing cemetery has an estimated lifespan of approximately 5 years, with extension possibilities to the south and southwest.

4.5.2 Halls and Parks

Due to the large geographic extent of the Abaqulusi Municipal jurisdiction, and the spread of its people over 23 wards, the municipality is constantly trying to ensure that its people have access to community halls and parks. These facilities are considered to be very important in order assist communities in promoting social development. The community halls and parks serve the people of Abaqulusi for various reasons, including weddings, funerals, war rooms,

place for prayer, etc. The following 15 municipal community halls and 16 parks exist within the Abaqulusi Municipality:

Table 13: Municipal Community Halls

Municipal Community Halls	
Name	Location
1. Library hall	Vryheid
2. King Zwelithini hall	Bhekuzulu Location
3. Lakeside hall	Lakeside
4. Cecil Emmett hall	Vryheid
5. Ntinginono hall	Vryheid
6. eMondlo hall	Section A Mondlo
7. Coronation hall	Coronation
8. Hlobane hall	Hlobane
9. Mzamo hall	Louwsburg
10. Nkongolwane hall	Nkongolwane
11. Ezimbovu hall	eMondlo Area
12. Makhukulua Hall	Ward 4
13. Cliffdale Hall	Cliffdale
14. Ezimbomvu Hall	Ward 14
15. eMadreseni Hall	Ward 16

In the next financial year, 2023/2024, the Abaqulusi Municipality will be constructing 2 new community halls funded through MIG allocation. The details of the 2 halls is depicted in the table below:

Name of Project	Budget '000	Ward
KwaMzwezwe Community Hall	R7 735	6
Mvuzini Community Hall	R 8 182	17

Table 14: Municipal Parks

Municipal Parks and Open Spaces	
Name	Location
1. Magoda	Vryheid
2. Dundee park	Vryheid
3. Padda dam park	Vryheid
4. Church Street park	Vryheid
5. Edward Street park	Vryheid
6. Trim park	Vryheid
7. East Street park	Vryheid
8. Pioneer park	Vryheid
9. Clinic park	Vryheid
10. Mayor's park	Vryheid
11. Swimming pool park	Vryheid
12. Lakeside park	Lakeside
13. Hlobane park	Hlobane

14. Bhekuzulu park (open space)	Bhekuzulu location
15. Coronation Park	Coronation
16. eMondlo Park	eMondlo

4.5.3 Sports Facilities

The geographic spread of the sports facilities within AbaQulusi Municipality indicate that only urban areas have benefits of sports facilities. These facilities are found at Hlobane sport field, Bhekuzulu sport field, eMondlo sport field and Cecil Emmet sport complex in Vryheid town. Even though these facilities are found in the above areas, the facilities are lacking to provide all the necessary sport codes/ amenities except Cecil Emmet in town, which provides more than one sport code. The Abaqulusi Municipal sports department does however share a strong relationship with the Department of Sports & Recreation and Sport federations. The promotion of sporting activities within the municipality is on-going.

AbaQulusi municipality sport and recreation serves as the co-ordinating body for the community to seize sport and recreational developmental opportunities through programmes such as:

- Zululand Ultra Marathon
- Abaqulusi Municipality Mayoral Cup Tournament
- Zululand District Municipality Mayoral Cup Tournament
- Golden games (local, district, provincial and national competitions)
- Disability Games (local, district, provincial and national competitions)
- Indigenous games (local, district, provincial and national competitions)
- SALGA KZN Games

All programmes and projects for sports and recreation are implemented in joint venture with KZN Department of Sports and Recreation (KZN DSR), Zululand District Municipality and AbaQulusi Municipality Sport Confederation and sport codes confederations. The provision of recreational facilities is sheltered by the availability of sport fields, sport stadiums and community halls. Parks and halls are managed by the Municipality and they are available for hire to the community.

4.5.4 Other Facilities

Other social services facilities that the municipality provides include the following:

- **Library Services.** At least three well established libraries exist within AbaQulusi Municipality. They are located in Vryheid, Emondlo and in Bhekuzulu. The one in Louwsburg (ward1) requires being re-established. Staff has been trained on modern library service technology courtesy of Provincial Library Services. There is a need to expand the service to rural areas, particularly in ward 2, 3 and 4.

- ***Museum services.*** A museum is a centre of information that manages collections of artefacts or works of art and historical items. This includes dealing with the acquisition, care and display of items with the aim of informing and educating the public. It is essential for museums, galleries, and heritage and tourism attractions to develop collaborative relationships, share collections and disseminate information to the general public. The Department of Arts and Culture is the custodian department and is fully responsible for the endorsement and accreditation of grading of the museums. Abaqulusi Municipality has one museum called Lucas Meijer Museum named after Lucas Meijer who was the first president of the Nuwe Republic as Vryheid as the Capital City.
- ***Community Service Centres:*** The Abaqulusi Local Municipality has recently just developed 2 Community Service Centres within its jurisdiction, located in Ward 18 (eMondlo Thusong Centre) and Ward 5 (Xulu-Msiyane Community Centre). These centres were developed with the grant funding provided by CoGTA. These centres aim to achieve the following:
 - ✓ To centralise community access to government services.
 - ✓ Uplift benefiting Small Business Entrepreneurs within Abaqulusi Local Municipality and Zululand District.
 - ✓ Building capacity by allowing community participation in the implementation and decision-making aspects of the project as well as providing skills training

The eMondlo Thusong Centre provides the following Services:

- **SASSA provides the following services:**
 - Child support grant
 - Disability grant
 - Old age pension grant
 - Foster care grant
 - Care dependency grant
 - Social relief grant
 - Grant in Aid
- **Operating Hours- Monday To Friday**
 - 08H00 to 16H30
- **Home Affairs provides the following services:**
 - Issuing of Death Certificates
 - Issuing of birth certificate
 - Issuing of Identity documents
 - Passport applications

- Issuing of Marriage certificates
- Reissue of birth certificate
- Reissue of Identity documents

➤ **Department Of Labour provides the following services:**

- UIF Applications

➤ **Help Desk is responsible for the following:**

- Boardroom bookings
- Issuing of proof of residence
- Enquiries
- Administrative issues
- Liaison with Departments/ Tenants
- Facilitating meetings with the Departments
- Cleaning the Office and the grounds.

The Xulu-Msiyane Thusong Centre provides the following Services:

- Traditional Court cases
- Umbutho wezintombi gatherings
- Traditional Leaders meetings
- War rooms
- Vaccination
- Community development forum meetings

➤ **Help Desk**

- Bookings of hall and boardroom
- Enquiries
- Liaison with Traditional Leaders
- Issuing of proof of residence
- Cleaning
- Administration issues

➤ **Operating Hours**

- 08H00 to 16H30 Monday to Friday

4.6 Human Settlements and Real Estate

The Human Settlements and Real Estate (Housing) component under the Department of Development Planning derives its core mandate and responsibilities from Section 26 of the Constitution of the Republic of South Africa of 1996 and Section 3 of the Housing Act of 1997, read in conjunction with approved policies and chapter 8 of the National Development Plan (NDP).

Although the core mandate lies with National and Provincial departments, however, this allows the AbaQulusi municipality to work in collaboration with district and province departments to establish and facilitate a sustainable human housing development. The housing section of AbaQulusi municipality does this by: determining the need and avail land for development purposes. This is done in line with provincial / national policy, national norms and standards for housing development;

To give effect to the above the AbaQulusi municipality will focus on four priority areas over the 5-year term: facilitating the development of integrated human settlements, establishment of middle-income housing projects, eradication of slums, providing affordable rental housing through social housing programmes.

Based on the Community Survey 2016, the AbaQulusi Municipal area currently has an estimated population of 243 795 people. Evidently this number has since increased, and this will be ascertained post the National census of 2022. The town of Vryheid represents the primary urban centre in the Municipal area, accommodating between 22% - 25% of the population of the total population. The Community Survey 2016 indicated that the number of households in AbaQulusi grew to 51 910 which is an increase from the 43,299 households in 2011, as per the table below.

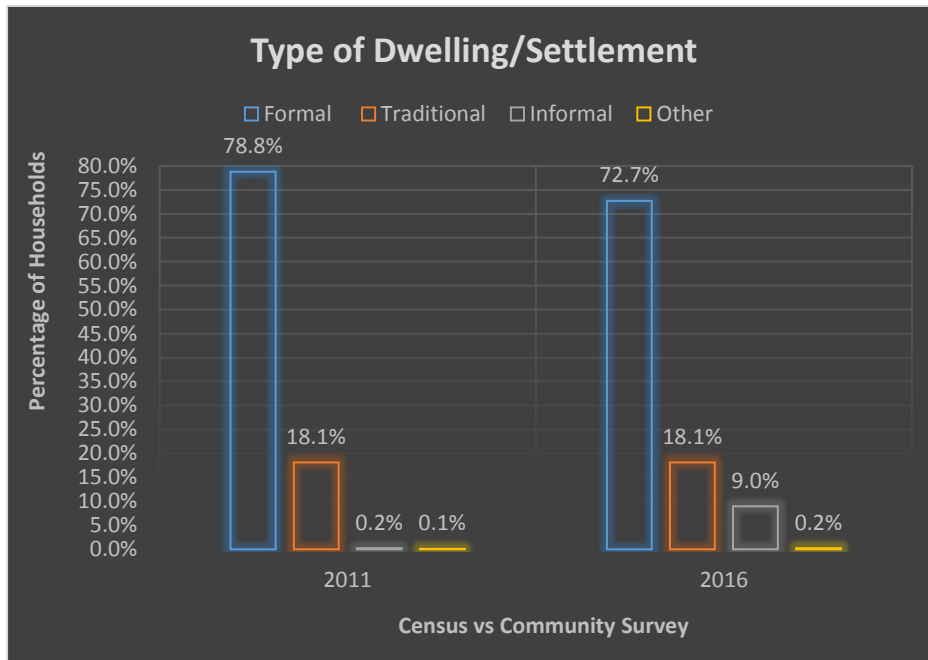
Although an increase in Formal dwellings and Traditional dwellings were noted, the most worrying factor for the municipality is the massive increase of Informal dwellings from 2011, which was 929 to 2016, which is 4 675. This poses a real problem for the municipality in terms of dealing with land rights issues, service delivery pressure, social unrest and other problems associated with informal settlements and dwellings.

Table 15: Settlement Type and Tenure

Type of Settlement	Census 2011		Community Survey 2016	
	Number	Percentage	Number	Percentage
Number of Households	43 299	100	51 910	100
Formal dwelling	34 134	78.8	37 746	72.7
Traditional dwelling	7 863	18.1	9 407	18.1
Informal dwelling	929	0.2	4 675	9.0
Other	374	0.08	82	0.2
Tenure Status	28 577	66.6	32 859	63.3

Source: STATS SA CS 2016

Figure 10: Type of Dwelling/Settlement



The town of Vryheid represents the primary urban centre in the Municipal area, accommodating approximately 47 365 people (22.4% of the population). AbaQulusi serves a largely rural community with low income levels that are more severely affected by conditions of poverty than urban communities are. The families have mostly women as interim heads of household and very high dependency levels marginalise these families even more (StatsSA).

In terms of economic development and potential, the AbaQulusi area is endowed with various resources, which to date, have not yet been fully developed. To facilitate future development and growth it is essential to draw on these resources and through creative and visionary means implement measures that will result in the economic regeneration and upliftment of the population.

The collapse of a mining sector in the early 90s also had a devastating effect on the local economies of the towns that they once supported. The closure of mines in the Hlobane area, created a high unemployment rate in AbaQulusi municipality. Secondly the loss of employment in agricultural sector further contributed to continuous escalation of unemployment in the area. Thus, there is great need to create effective local economic development responses that can resuscitate mining in the former coal-mining areas in AbaQulusi municipality.

Although a range of innovative locally identified strategies have been embarked upon, considerably greater effort and investment will be needed in order to catalyse significant and meaningful regeneration endeavours.

Strategic location of Vryheid town

Vryheid town is strategically located and is considered the economic and social hub of the AbaQulusi area. Vryheid is surrounded by clearly defined urban settlements which include Mondlo and Louwsburg. There are other lower order settlements which include Hlobane, Emnyathi, Coronation and Swart-Mfolozi. The surrounding areas to these urban settlements are predominantly in traditional Authority areas and are densely populated which exerts enormous pressure to provide services in all these areas. To the south of Louwsburg is the Traditional Authority area of Khambi which is also highly populated. Mondlo is also predominantly surrounded by traditional authority area and residents in these rural settlements also require housing and other basic services.

The Housing Demand

Vryheid town and to an extent Mondlo, the former mining towns of Hlobane/ Coronation and Khambi have over the years, experienced increased in-migration leading to a significant number of people requiring accommodation. People from the surrounding areas rely heavily on the main urban centres for the provision of basic services. This therefore requires the AbaQulusi Municipality to provide housing for all the people who migrate closer to the urban settlements. Further there is a need for the Municipality to align itself with National Government policy which called for the eradication of informal settlements, hence the reaction is to plan for and provide low income housing and also make provision for middle income earners.

Currently the AbaQulusi Local Municipality has 4 clearly distinctive nodes. These are

- a) Urban settlements – areas with formal layouts and services and they include Vryheid, Mondlo and Louwsburg.
- b) Traditional Authority settlements – settlements in Traditional Authority areas. There is generally poor service provision. Areas within this category are Hlahlindlela, some parts of Mondlo and Khambi.
- c) Rural settlements – similar in nature to the Traditional Authority Settlements These settlement types are distinguished from each other in terms of the presence or absence of security of tenure and basic municipal services, such as water and electricity. It should be mentioned that, there is another pattern of tenure security that is emerging, which has resulted in rural settlements. These sprouting rural settlements emerge from land sold by Communal Property Associations (CPAs) and Trusts which manage land acquired either through Restitution or Redistribution programmes. These settlements include Shoba, Coronation, Hlobane, Ntseka, Glückstadt and areas in between the clearly defined urban centres. It is worth mentioning that the Planning department at AbaQulusi has initiated plans to formalise Shoba and Ntseka as townships.
- d) Informal settlements - These settlements are primarily found on the periphery of Vryheid and Louwsburg and include part of the Bhokuzulu area in Vryheid. These informal

settlements are characterised by a lack of security of tenure, lack of basic municipal services and housing typologies that are not in good condition. The emergence of informal settlements became prominent subsequent to the diminishing of employment from the mining and agricultural sectors. As the employment became scarce in the aforementioned sectors, an incursion of people began encroaching open areas in Vryheid. The driving factor of this influx is to be close to job opportunities in town and have access social amenities.

4.6.1 Housing Sector Plan

The Review of the Municipality's Housing Sector Plan began in 2017/ 18 and the plan is now considered to be outdated.

The Housing Sector Plan is a 5 years Strategic Plan that introduces a number of programmes to strengthen the strategic objective of Sustainable Human Settlements. The main objective for reviewing Housing Sector Plan is to identify gaps and challenges and take corrective measures to address the challenges in housing delivery. The Housing Sector Plan contains all the current Housing Projects and proposed Housing Projects for the Municipality. In order for the Department of Human Settlements to support or fund the Municipality for housing development purposes, the Housing Sector Plan together with an Integrated Development Plan are of chief priority and are required for funding to be realised.

As a means to align developmental plans, the Housing Section works with the Town Planning section of the Municipality and the Provincial Department of Human Settlements to ensure that Housing is included as a key component related plans such as the Municipal SDF and aligns with the Provincial Human Settlements Master Spatial Plan. Housing stands out as one of national government's achievements, however, there is an increasing awareness of the need to build sustainable settlements and gradually move towards integrating the concept of sustainability into housing delivery and settlement management. *The Housing Sector Plan is attached as Annexure I 5.*

4.6.2 Current Housing Projects

The table below is a representation of the current housing projects within the municipality and their status.

The Housing Sector Plan indicates that there are 24823 housing units that should be built to address housing demand in Abaqulusi Municipality.

Table 16: Current Housing Projects

Project Name	Projected number of Houses	Ward	Project Stage	Implementing Agent	Project Area
Consolidation of Mondlo A & B and Bhekuzulu Phase 3B	1000	13,18 (Mondlo A) and 20 (Mondlo B)	Planning The project is at SPLUMA stage	Business Fezeka Contact person: Xolani Ngcobo 072 890 0176	Mondlo A & B and Bhekuzulu Phase 3B
Bhekumthetho Phase 2	1500	19, 10, 20, 18, 16, 12,	Planning Project is at SPLUMA stage	Maseko Hlongwa & Associates Contact Person S Maseko: 082 854 3957	Bhekumthetho eMondlo
Vumani	1000	5	Planning The contract of previous Implementing Agent (IA) ended on 31 July 2021. The Department of Human Settlements is in the process of appointing another IA	Awaiting appointment of new IA by Department of Human Settlements Contact person: Khayo Mabaso 0823764237	Kwa Mnyathi
Enyathi	594	5	Planning The project is at SPLUMA stage	Business Fezeka Contact person: Xolani Ngcobo 072 890 0176	Kwa Mnyathi
Vryheid Ext. 16 Phase 2	1771	22	Planning Phase 1 of Stage 1 completed Bulk Services Business Plan compiled in November 2022 for funding purposes. Presented to Portfolio	Siyamthanda Projects Contact Person: Phumulani Sithole: 082 906 6816	Lakeside Vryheid Town

			Committee and Exco. Due for presentation to Council in March 2023		
Gluckstadt Housing Project	1500	4	Planning: Phase 1 of Stage 1 All studies completed, Project at SPLUMA and there are discussions concerning the House model or design, soon consensus will be reached prior to request for construction funds	CHS Developments: Contact Person: Doctor Ntuli: 083 321 5673	Gluckstadt and Swart Mfolozi

The table above, demonstrates that we have 6 active projects, with a projected 7365 projects housing units. Based on the Housing Sector Plan there is a backlog of 17458 housing units that still need to be built, and the number is on yearly basis increasing. This backlog is characterised by projects that were earmarked for rural / tribal areas. Based on 2017/18 reviewed Housing Sector Plan, the rural housing backlog is approximately at 15403.

It should be recalled that Department of Human Settlements halted the rural housing projects. The mandate was that the focus should be on slums clearance in and around Vryheid town. The backlog for urban housing demand is only 2055, excluding active projects, meaning that land still needs to be acquired to address this urban backlog. The Housing department in the municipality has approached private land owners to make offers for the municipality to consider and purchase suitable land for a housing project. To address the land availability for rural projects the municipality will engage Communal Property Associates (CPAs), Trusts and Amakhosi/Ingonyama Trust to available land for rural housing

4.6.3 Planned Projects

As part of planning for the coming years and as an attempt to meet the current Housing Backlog, the Housing Section identified areas for new Housing Projects. In terms of the AbaQulusi Housing Sector Plan, focus was on the rural areas where a large population of the

AbaQulusi Municipal area live. The Housing Sector Plan (2012) indicated that 63% of the AbaQulusi Population is concentrated in the Hlahlindlela and Khambi Tribal areas in scattered homesteads. The remainder of the population is concentrated in and around urban areas in informal settlements, particularly around Vryheid, Louwsburg and in the Coronation/Hlobane area. The greatest need for housing was therefore identified in the eMondlo/Hlahlindlela area, the Khambi area and in Coronation/ Hlobane. Various initiatives have provided formal housing in the Bhhekuzulu area but there is continuous pressure for housing in the areas just outside of the urban clusters of Vryheid and Louwsburg.

As aforementioned in 2017 the Department of Human Settlements did not approve the projects that had been identified and approved by the Municipality. The contention of the Department of Human Settlements was that the focus and priority of the National Government was on developing Human Settlements in urban areas and therefore advised the Municipality to prioritize urban projects.

To surmount the lacking of delivery of low-cost housing in rural parts of the municipality. The Housing section unwaveringly engage the Department of Human Settlements to secure funds to build at 100 Low-cost houses per each ward through Operation Sukuma Sakhe (OSS). This initiative will certainly ally the outcry of rural communities over the quandary in the provision of low-cost houses.

The Department of Human Settlements has invited service providers to submit their bid for this housing initiative.

➤ **Real Estate: Land Availability for Middle- Income Development projects**

It is known fact that housing is major problem in South Africa. Vryheid is very fast-growing urban town and despite efforts made by the AbaQulusi Municipality, housing backlog persists and is increasing on yearly basis. Since the closure of mines in early 90s and decline in agricultural employment in AbaQulusi Municipality. Most people have migrated to Vryheid in search of either basic services, shelter or employment. This results in people residing as tenants and /or in informal settlements. Hence this requires the municipality to provide housing for all the people who migrate closer to or into the urban centre of Vryheid.

The results of the 2015 Provincial Citizen Satisfaction Survey identified the provision of housing as the second and/or third priority in AbaQulusi municipality. Economist describes the middle class as a household of four persons with a total income of between R5 600.00 and R40 000.00 per month after direct income tax. These includes teachers, nurses, police officers, prison wardens, municipal workers, private sector employees just to mention a few.

The middle class, does not qualify for an RDP house since the pre-requisite is an income not exceeding R3500.00 per month. This makes it also difficult for middle class to qualify for a home loan. Building cost has escalated and availability of land is scarce and at times costly.

To address the above the municipality has availed land for developers to submit proposals to intervene in terms of investing in the housing spectrum. By assisting the middle-income class

group in acquiring affordable houses. The municipality has identified lands/area in Vryheid town that can be utilized for affordable housing.

The developers will have to co-operate with the technical and planning & development departments of AbaQulusi Municipality during the entire development project to ensure that all the municipal by laws and policies are adhered to during project implementation. All houses will have an approved plan together with registration to National Housing Board Regulation Council (NHBRC).

The success of this initiative will undeniably be another milestone by AbaQulusi Municipality, as the development of Middle -cost houses will indeed provide an opportunity for our citizens that do not qualify in other government funded housing programmes due to their income standards. Secondly the development of such houses will definitely contribute to generation of income in revenue for the municipality.

The current challenge engulfing the municipality is the lack of capacity at Water Works Treatment Plant, which needs to be increased. Hence the Development Planning and Technical Departments have embarked in a process to solicit funds estimated at R124 000 000 to refurbish the existing Water Works Treatment Plant. This situation has become an impediment to any future housing development. Thus, the sooner the funds are secured to improve the bulk services infrastructure, the any intended typology of housing development shall be halted until our bulk services is improved.

➤ **Land Acquisition for future Housing Developments**

Ntseka / Vaalbank farm

The Housing section has since the middle of 2021/22 financial year, engaged the Department of Human Settlements to get funds to acquire privately owned land on behalf of the municipality. It is worthy to mention that the Portion 1 Vaalbank farm No. 244 (also known as Ntseka) which is owned by Independent Baptist Church, is on the verge of being transferred to AbaQulusi Municipality. The acquisition process is at conveyancing (registration and transfer) stage. The purchase of this land shall ensure that the municipality can now provide all the basic services without restrictions, since the land will be under its ownership. the municipality shall post transfer engage the community and other stakeholders in the process of a township establishment.

Coronation

For years the AbaQulusi Municipality has been negotiating with private owners of various parcels of land around Coronation area. Eventually the engagements yielded good outcomes. The private owner of about 64 Ervens (some with houses) made an offer to sell to AbaQulusi municipality. The Department of Human Settlements was again involved. The acquisition process is at conveyancing stage. There is huge demand in the Coronation and this acquisition, and the land will be utilised for provision of houses. Again, the municipality will be able to

plan its future developments of the area without limitations, since the land will be under its ownership.

➤ **Implementation of KwaZulu-Natal Serviced Sites Programme**

The Abaqulusi Municipality previously requested the assistance with funding for the procurement of land for the development of Vryheid Extension Housing Project. The department of Human Settlements eventually purchased Portions: 34, 35, 36 and 37 of Nooitgedacht farm No. 388. The sites are located opposite SASKO (Vryheid Extension 16 Phase 1 Housing Project). The acquired land shall be used to implement the Serviced Sites Programme, which is implemented through the Department of Human Settlements in the KZN province. The objective of the programme is to make available, through relevant processes appropriately sized well located residential serviced sites/ interventions to meet the gap market and affordable housing needs primarily for families earning between R3501.00 AND R40 000.00. The Department of Human Settlements shall solicit funds for implementation and service providers shall be appointed through the Department of Human Settlements.

4.6.4 Backlogs and Demand

There are no updated statistics with regards to recent backlogs and it is expected that the current Housing Sector Plan Review to be completed in December 2022, will indicate the new backlogs. The Housing Sector Plan, 2012 which used 2001 Census data, projected that

- 2011 Backlog of 10 225 housing units
- 2012 Backlog of 10 608 housing units
- 2013 Backlog of 10 995 housing units
- 2014 Backlog of 11 382 housing units
- 2015 Backlog of 11 768 housing units
- 17/18 Backlog of 24 823 housing units

Due to the fact that only a few hundred housing units have been completed since 2015 and no new projects have been approved for since 2017, it is expected that the backlogs have increased significantly.

The results of the 2015 Provincial Citizen Satisfaction Survey identified the provision of housing as the second and/or third priority in all but one districts. Affordable housing was identified by 34.2% of respondents as a critically important service and by 41.7% as a very important service. The housing backlog for the Abaqulusi LM is estimated as 11 786, and the Housing Sector Plan estimates are expected to be generally higher than the census-based figures (HSP, Status Quo Report, 2017)

4.6.5 Trends

More settlements are developing in and around the Mondlo areas due to its urban nature the services it provides. In Vryheid town there has been invasion of land in areas such as Mooiplaas, dumpsite area, parts of Bhekuzulu area and the Transnet land on the periphery of Bhekuzulu Township.

Over the years there has been a migration of people from the rural areas or smaller settlements to the nodal centres of Louwsburg, Hlobane, Khambi and Mondlo for the provision of basic services. There has been an increased settlement in areas around Hlobane and Coronation with invasion of land in certain farms in Nkongolwane. There has also been an increased invasion of land in the Shoba area particularly around the land bought by the Municipality. This land is under dispute with the Mdlalose Family who have also lay claim to the land and this has delayed the Township Establishment process effectively delaying human settlement delivery.

Most people have migrated to Vryheid in search of basic services and employment opportunities. Most people end up residing in these urban centres as tenants, in both formal and informal settlements. This then requires the AbaQulusi Municipality to provide housing for all the people who migrate closer to or into the urban centres. The Municipality therefore has to align itself with National Government policy of eradication of informal settlements, hence the reaction is to plan for and provide low income housing and also make provision for middle income earners in human settlements.

4.6.6 Challenges

There are challenges that the Municipality has experienced in the housing delivery process.

These include but are not limited to:

- a) Lack of land for the development of Human Settlements. Suitable land is owned by private individuals so the municipality needs to purchase the land first. This forces the Municipality to propose Rural Housing Projects yet the Department of Human Settlements is more inclined to approve urban housing projects than rural housing projects.
- b) The land purchase process is long particularly because the Municipality does not have the financial resource to purchase the land directly. There is therefore heavy reliance on the Provincial Department of Human Settlements (PDHS) to purchase the land on behalf of the Municipality. This process can take a minimum of 2 years to complete depending on whether there are no delays during purchase price negotiations and the PDHS has the budget available for the purchase of the land.
- c) There is lack of understanding of the housing delivery process. The process from the identification of the need, land identification, land suitability, land purchase, procuring of Implementing Agent to the actual delivery of the house is very long ranging from 3

years to 5 years. In some instances projects have taken close to 10 years to be completed. The lack of understanding has led to increased expectations for housing to be delivered in a short period and increased pressure on the housing officials to deliver on unrealistic targets.

- d) The Municipality is not an Accredited Municipality hence all the housing delivery administration is not controlled directly by the municipality. The role of the Municipality is mainly project managing the housing delivery process which includes the process of procuring the Implementing Agents, ensuring the sitting of the Housing Forum, monitoring and evaluating the work of the Implementing Agents and general facilitation and coordination. Hence there is no direct control by the Municipality on the pace of some of some of the housing delivery processes.
- e) The Housing Section is generally lacking in capacity to be able to carry out its functions efficiently and effectively.
- f) There has been a slow implementation of the current approved projects by the Implementing Agents.

However, the AbaQulusi Municipality uses all the resources currently at its disposal, to ensure effective delivery of the houses to its community. There are currently very good relations with other government structures particularly the Provincial Department of Human Settlements which is a key partner in the housing delivery process which makes it easier to overcome any challenges that the Municipality experiences in the housing delivery process.

The municipality through Human Settlements and Real Estate department is currently employing strategies to speed up the implementing of the current projects by ensuring that any bottlenecks are resolved, providing the necessary guidance to Implementing Agents, monitoring and evaluating of the projects and ensuring coordination of all project activities.

The Human Settlements and Real Estate department has initiated a Housing Development Technical meeting, where the municipality engaged Implementing Agents on issues affecting projects and devise strategies to mitigate these challenges. Secondly through the Department of Human Settlements, there are set dates for Housing Forums, where all stakeholders meet to further dwell progress, challenges and render tangible solutions for projects to be implemented efficiently.

4.7 Telecommunications and Household Goods

Few goods that were deemed necessary for the wellbeing of the households and that serves as a means for access to information were selected as shown in table below. These were selected from a wide range of goods that the households were required to respond on during the surveys. Looking at the two data sets, it can be observed that during the Community Survey 2016 there

was an increase in the proportion of households having access to Television 74.4%, Cellular phone 93.1 and Refrigerators 68.0% when compared to the Census 2011. Access to Radio and Telephone landlines did however show a decrease in 2016 compared to that of 2011.

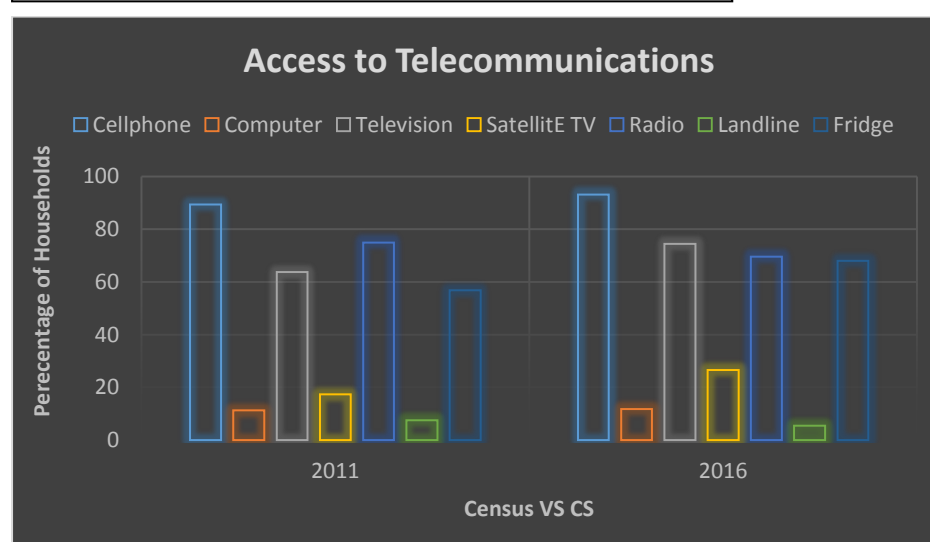
The promotion of internet cafes and computer training centres have been encouraged over the years in order to educate the youth and elderly on the importance of the internet, however the financing of such initiatives have proven to be a problem. On a positive note though, there is a high level of accessibility to cell phones which are proven to be a useful tool especially in rural areas where the landline infrastructure is a problem. It must be noted that the topography and size of the municipality also influences the telecommunications infrastructure that can be accessed or installed within the municipal jurisdiction.

Table 17: Access to Telecommunications and Household Goods

Item	Census 2011		Community Survey 2016	
	Yes	No	Yes	No
Cell phone	89,4%	10,6%	93.1%	6.9%
Computer	11,3%	88,7%	11.8%	88.2%
Television	63,8%	36,2%	74.4%	25.6%
Satellite Television	17,4%	82,6%	26.6%	73.4%
Radio	74,9%	25,1%	69.6%	30.4%
Landline / Telephone	7,5%	92,5%	5.4%	94.6%
Refrigerator	56.8%	43.2%	68.0%	32%

Source: STATS SA CS 2016

Figure 11: Access to Telecommunications and Household Goods



4.8 Basic Service Delivery and Infrastructure Development SWOT Analysis

• Strengths	• Weakness
<ul style="list-style-type: none"> • Availability of Technology and skills to implement projects • Availability of Grant funding • Strong intergovernmental relationship and other stakeholders • Political support to implement projects • Joint effort for revenue enhancement initiatives • Adequate support on coordinating public participation • Ability to provide free basic services to our consumers 	<ul style="list-style-type: none"> • Lack of implementation of technology • Insufficient equipment's and stock to carry out duties and deliver services daily • Number of vacant positions have not been filled over the years • Insufficient funding to carry out maintenance and repairs as and when required • Poor monitoring of service providers • Lack of implementation of policies and by-laws • No infrastructure and maintenance plans in place • There is insufficient fleet available to coordinate field work • There is insufficient office space to carry out all admin duties • Lack of forward planning on projects •
• Opportunities	• Threats
<ul style="list-style-type: none"> • Grant funding available for the implementation of projects • Conduct awareness campaigns on the effects of theft of municipal services • Attract investments as there is existing transport infrastructure networks (Roads, Rails, Airport) • Basic infrastructure development through Private Public Partnership • Eligibility of Water Services Authority • Continued professional development in engineering services to effectively deliver basic services 	<ul style="list-style-type: none"> • Ageing infrastructure could hinder investment and development opportunities • Value for money is not guaranteed from service providers • Large geographical area with scattered settlements makes it difficult to provide services • Theft of municipal services such as water and electrical connections reduces income levels. • Political opportunism/interference • Vandalising of infrastructure • Unplanned settlements- additional pressure on services

4.9 Basic Service Delivery and Infrastructure Development Key Challenges

Key Performance Area: Basic Service Delivery and Infrastructure Development			
Key Challenges	Problem Statement (Definition)	Proposed Interventions	Status Quo
1. Aging Infrastructure	Infrastructure within the urban areas of Abaqulusi municipality has being characterised as old and unreliable due to the number of interruptions experienced in services offered over the years.	-Prioritised planned maintenance with available budget -Development of maintenance plans	-Budget for planned repairs and maintenance is available, however very limited. -Maintenance plans are now in place to guide repairs and maintenance
2. Lack of Equipment and Stock	Financial constraints and difficulties hinder the supply of services as there are shortages in equipment and material required to execute a certain task.	-Municipal stores to report regularly on the levels of stock and equipment available	-This is still an on-going concern.
3. Non-filling of Critical posts	Over the years the municipality has experienced difficulties in filling critical vacant posts and often found that these positions were filled with 'acting' officials.	-Review of the Organogram and prioritising critical vacant posts with available budget	-Municipality has now filled its critical positions except for the MM post which is to be filled by 30 April 2022 -Organogram is reviewed annually in line with the budget and needs.
4. Poor quality work from Service Providers	Service providers contracted to work for the municipality were also found to not be performing from time to time and this severely impacted on municipal finances and service delivery.	-Review of Service Level Agreements and Introduce mechanisms to deal with poor performance. -Provide strict oversight on Contracts Management	-Close monitoring of Service Providers is still an issue, however mechanisms to rate their performance is in place.

5. Local Economic Development and Social Development

5.1 Local Economic Development

The LED unit within Abaqulusi Local Municipality primary focus is to improve the Business (Formal and Informal), Agriculture, Mining, and Tourism Sector. The main purpose for LED is to support economic development initiatives that will empower the community, create job opportunities, minimise income leakages and growth by building partnerships within relevant stakeholders in order to create a conducive environment for job creation. *In giving effect to these goals, the municipality has set aside a budget of R4 000 000 for the 2023-2024 financial year that will be dedicated to LED Projects.*

The current LED Strategy is attached as Annexure I 6.

5.1.1 Municipal Comparative and Competitive Advantage

The municipality's Comparative and Competitive Advantage include following areas of potential:

- ✓ Mining

- ✓ Agriculture
- ✓ Tourism
- ✓ Geographical Location
- ✓ Corridor development

5.1.2 Main Economic Contributors (GVA Sector Share)

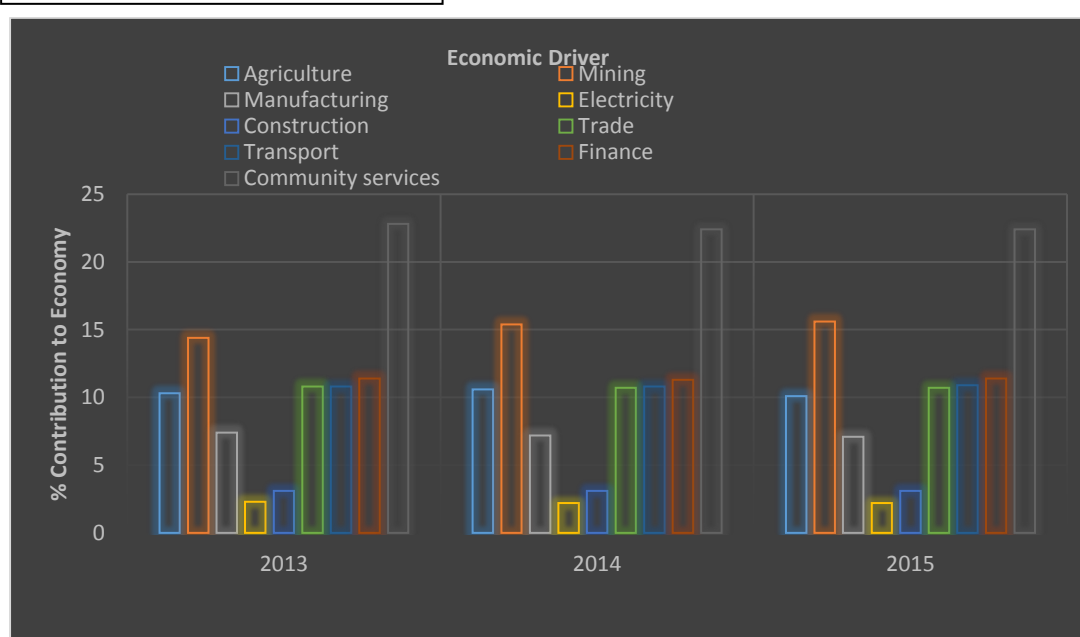
Gross value added (GVA) is the measure of the value of goods and services produced in an area, industry or sector of an economy, in economics. As per the table below, it is clearly evident that the 3 main economic drivers of Abaqulusi include that of Community Services, Mining and Finance Services. Community services contributes just 20% to the economy and is regarded as primary contributor to the economy. The potential to further increase the Mining, Agriculture, Trade and Transport sector of the economy is an opportunity that presents itself to Abaqulusi due to its rich history in Mining activities, large agricultural land and diverse productivity and its favourable location to promote trade and transport.

Table 18: GVA Sector

Economic Driver	2013	2014	2015
Agriculture	10.3%	10.6%	10.1%
Mining	14.4%	15.4%	15.6%
Manufacturing	7.4%	7.2%	7.1%
Electricity	2.3%	2.2%	2.2%
Construction	3.1%	3.1%	3.1%
Trade	10.8%	10.7%	10.7%
Transport	10.8%	10.8%	10.9%
Finance	11.4%	11.3%	11.4%
Community services	22.8%	22.4%	22.4%

Source: EDTEA

Figure 12: GVA Sector Share 2013-2015



5.1.3 Employment and Income Levels

According to the table below, Youth unemployment was high at about 45% during Census 2011 above the average official unemployment rate for the municipality which was found to be 35.4%. The unemployment rate for females at 38.8% was found to be higher than those of males 32.0% during the Census 2011. Even though the employment figures are still higher than average, overall there was noted improvement in the employment figures when comparing the two censuses, i.e Census 2001 and Census 2011 data sets.

No recent dataset on Employment and Income Levels were available from STATS SA.

Table 19: Employment Levels

Employment Status	Census 2001	Community Survey 2016
Labour absorption rate	19.4%	22.3%
Unemployment rate	59.4%	35.4%
Unemployment by sex		
Male	53.8%	32.0%
Female	65.2%	38.8%
Youth unemployment	69.2%	45.1%
Labour participation rate	47.8%	34.5%

Table 20: Income Levels

Income Levels	Year	
	2014	2015
	Number of Households	
0-2400	47	40
2400-6000	376	300
6000-12000	1 776	1 469
12000-18000	2 463	2 111
18000-30000	5 234	4 663
30000-42000	6 156	6 338
42000-54000	5 622	5 804
54000-72000	5 535	5 744
72000-96000	4 381	4 753
96000-132000	3 602	4 017
132000-192000	3 047	3 346
192000-360000	3 449	3 689
360000-600000	1 894	2 050

600000-1200000	1 039	1 148
1200000-2400000	284	323
2400000+	54	94
Total	44 961	45 889

5.1.4 SMMEs

The role of the LED is to capacitate the informal traders aiming at empowering them to play a role in the Local economic growth. Coordinate meetings with Informal Traders establishing their structures like Informal Economy Chamber which is the wing which is accepting all the requirements and needs to the right channels. The Chamber meets quarterly to coordinate the tariffs that is being imposed to the informal traders for trading licenses and rental fees as the investment for the Municipality towards the upgrade of the facilities and sustainability of the operations of the facilities. The Municipality is aiming to build market stalls for the Informal Traders to promote and improve the economy. The Informal Economy Policy and Street Trading By-Laws had been developed and adopted by Council and Informal Traders had been trained according to the Policy and By-laws.

SMMEs are divided into 5 categories in the Abaqulusi Municipality, namely:

- **Agriculture:** commonly is composed of co-operatives, individuals, small scale farmers and Farmers association.
- **Mining** : is still struggling for individual to operate but there are few who are sub –contracting to the big companies.
- **Manufacturing** commonly composed of individuals and co-operatives from medium, small and very small
- **Construction** ; are individuals , from medium, small ,very small ,micro
- **Retails** : are mostly individuals from medium , small , very small and micro

The main objectives of the SMME's in Abaqulusi is as follows:

- ✓ SMMEs contribute to investments, employment and income generation
- ✓ Encourage the previously disadvantaged to contribute to a distribution of economic ownership and income as well as more participatory economy
- ✓ Increase the competitiveness and their ability to fulfil a role in the society
- ✓ To promote the entrepreneurship development
- ✓ To alleviate poverty and uplift the standard of living of the community
- ✓ To reduce the unemployment rate within AbaQulusi Municipality

Abaqulusi local municipality currently supports the development of SMMEs within it area as it provides on-site trainings, workshops, seminars and registrations of businesses. AbaQulusi Municipality is intending to develop an SMME facility where women sewing cooperatives , bakery , and motor mechanic work will take place . The objective of the project is to play a role in poverty alleviation and decrease unemployment levels.

To improve small town economy, Township economy and integrating it to the formal economy, 50 permanent jobs and 20 temporary jobs are to be created on the development of the Facility. The facility will improve 50 households who will be having a proper business facility to do their trade. The Municipality will be looking for interventions which is due to financial constraints and make it not able to finance capital investments as apart from grants. This grant will go a long way in revitalising the township economy. The Municipality has identified a site in the industrial area which has been set aside for this intervention.

According to the KZN Provincial Gazetted Grants, KZN Cooperative Governance and Traditional Affairs, Abaqulusi Local Municipality will receive ***R3 000 000 in the next financial year – 2023/2024 for Rehabilitation of Small Towns. An amount of R5 000 000 and is also allocated in the 2024/2025 financial year.***

The intervention is highly required for the development of Informal traders market stalls at Mondlo and in Town. The development of market stalls is the project that will create the conducive environment for the Informal Traders and also to upgrade of the Informal trade space and facilities provision. Informal Traders play a crucial role in alleviating poverty and unemployment levels that characterized AbaQulusi local economy .The Informal traders will benefit in operating an acceptable environment which will improve the trading.

According to the KZN Provincial Gazetted Grants, KZN Economic Development, Tourism and Environmental Affairs, Abaqulusi Local Municipality will receive ***R2 000 000 in the next financial year – 2023/2024 for the development of Informal Traders Stalls..***

This projects has already begun and site identification with designs are currently being finalised.

5.1.5 Agriculture

Agricultural land is the dominant form of land use in the Abaqulusi Municipal area. The major agricultural practices are crop production (occurring mainly in the highveld areas and fertile valleys of the major rivers that runs through the area), cattle farming ranching, and game farming. A number of commercial farmlands are also subject to land restitution.

Current products farmed are maize, dry beans, soya beans, fruits and vegetables. Cattle farming have played a major role but this market is also strained due to rising input costs and stock theft. International and national meat exports have also been affected as a result of mad cow disease and foot-and-mouth disease. Small game farming provides opportunity for economic development and provides a solution to stock theft, domestic diseases and the demands made by the national and international market.

The agriculture sector is also regarded as a critical economic driver of the local municipality, contributing to just over 10% on annual basis to the local economy. It is also a sector that provides large number of jobs to the population ranging from skilled, semi-skilled and unskilled.

A major investment and boost to the agricultural sector within Abaqulusi can be credited to the on-going development of the Agri-processing Industrial Economic Hub. This project will seeks to generate employment through facilitating lower cost access to inputs, facilitate access to export marketing and enhancing agri-processing.

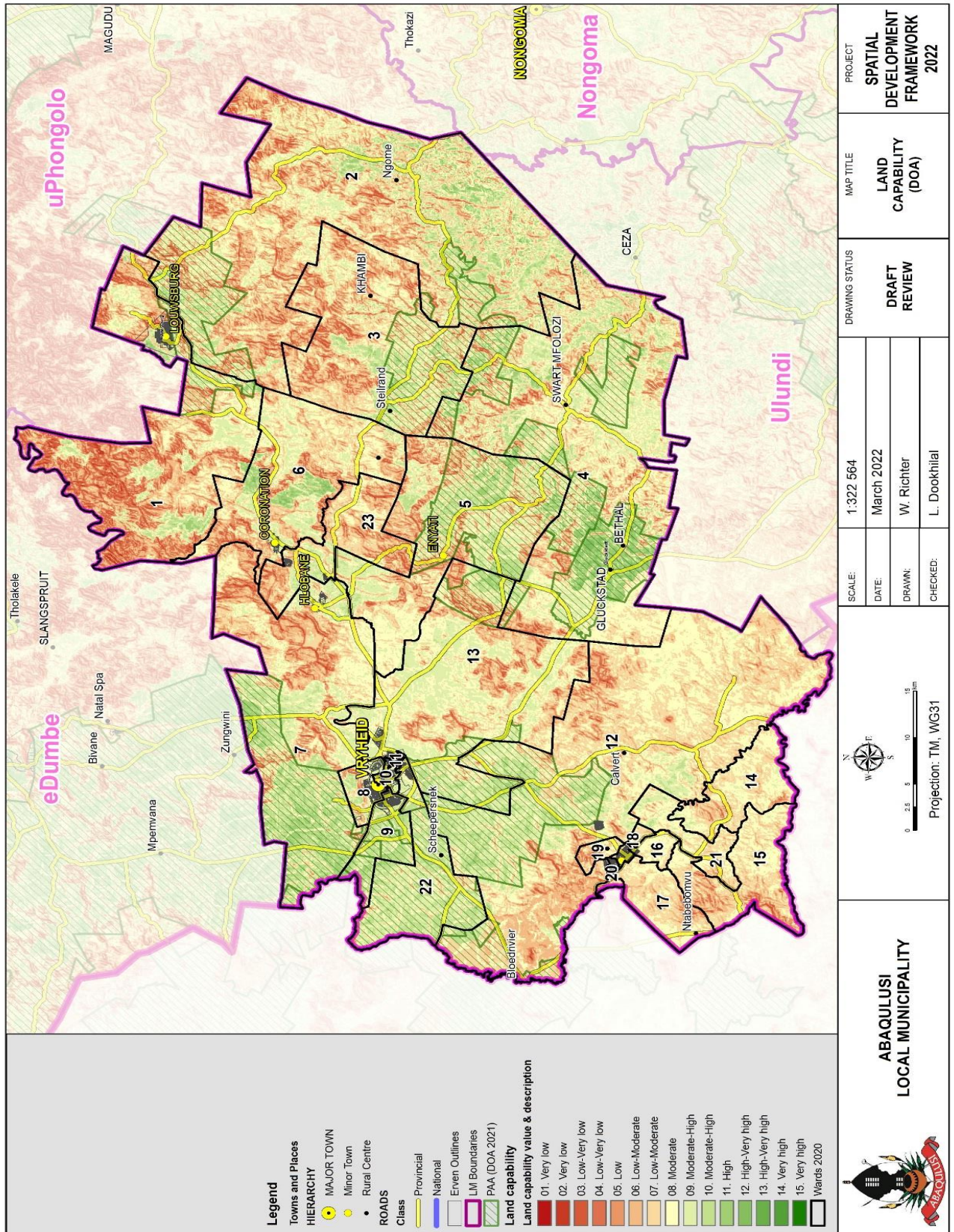
Due to the intense focus on agriculture, the AbaQulusi Agri Business Forum was established which meets quarterly to discuss all agricultural issues.

The objective of the forum is to:

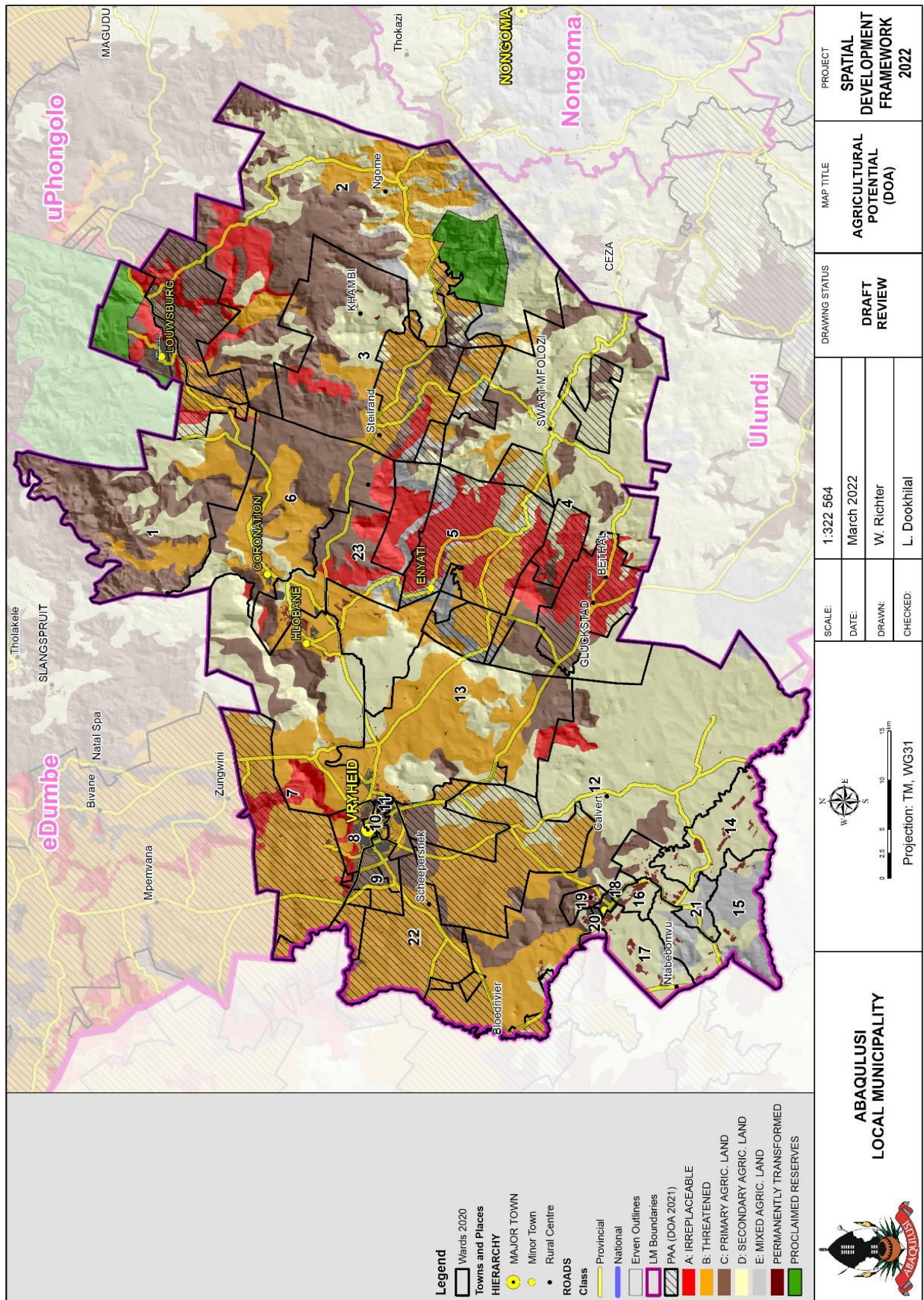
- ✓ Unleashing agricultural potential within Abaqulusi Municipality
- ✓ Uplifting the emerging farmers
- ✓ Promoting agricultural activities for Emerging Farmers
- ✓ Provide mechanization to the agricultural sector as well as a link local farmers to funding organizations.
- ✓ Also AbaQulusi Municipality needs to consider provision of extension of services to Land reform farms , Municipal farms and private farms available within the Municipality
- ✓

The maps below indicate the type of Agricultural Capability and Potential that exist within Abaqulusi.

Map 27: Agricultural Capability



Map 28: Agricultural Potential



5.1.6 Tourism

Tourism is becoming a more important part of the economy of the area and Vryheid is an active role player in the Battlefields Route and Zululand in general.

Vryheid evokes memories of the past. The Museum in town depict this era. At the heart of Vryheid's attractions to visitor's lies its cultural heritage. History has cast the cream of Zulu, Afrikaans, English and German people into the melting pot and out came the diverse entity which has become Vryheid as it is now. Late arrivals are added to the flavor.

Of all Vryheid's attractions, its natural diversity is the biggest draw card. We host the Grootgewacht, Bloemveld, Klipfontein and Bivane Dams which are major tourism destinations because they offer a variety of leisure and accommodation facilities, all centered on water sports.

With over 420 species of birds and many animals, reptiles, insects, amphibians and plants to view, it is an eco-tourist's dream come true. There are numerous game farms, sites of conservation significance, Heritage Sites and other areas of exquisite beauty and great interest. The major game reserves like Ithala, Umfolozi and Mkuzi, where the BIG FIVE can be seen are all easily accessible and a day outing from Vryheid.

Wetlands of national importance abound, with Blood River vlei the most important. The ecologically diverse Vryheid Hill nature Reserve and the Klipfontein Bird Sanctuary both border the town and form a natural haven for shy species such as crakes, fluff tails, warbles and oribi antelope.

Thangami Safari Spa is unique in that it has a number of mud fountains oozing from the river bed. The soothing experience of a warm, smooth, natural mud bath is not to be missed. Healthy mineral rich water gushing from the springs at 41 degrees Celsius.

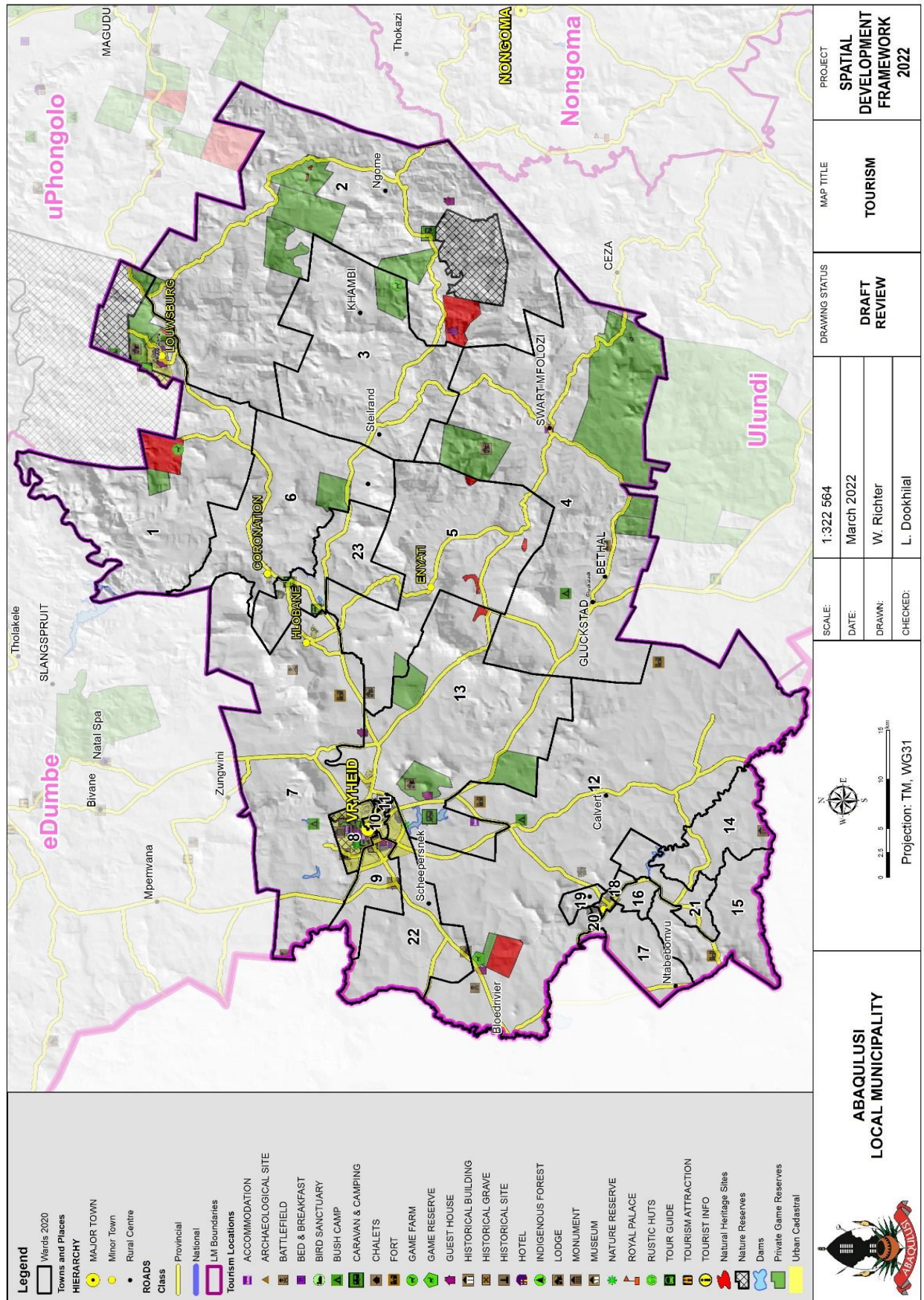
There are 43 Accommodation establishments in Vryheid and close to Vryheid that have joint the Vryheid Tourism association. Vryheid Tourism is an organization established with the assistance of the Municipality (Information Bureau / Tourism) representing the local tourism trade – primary tourism industry.

Challenges are the prime Tourism attraction that are not under Development & Planning but under Community Services, Like the Klipfontein dam, Klipfontein Culture Centre, Vryheid Caravan park, Ntinginono and Vryheid Hill.

It is also important to note that the Municipality recently adopted its new Tourism Strategy which will assist in enhancing this sector of the economy and providing strategies on how the municipality will further unlock the tourism opportunities and potential the municipality possesses.

The map below highlights the tourism points and facilities that are on offer within Abaqulusi.

Map 29: Tourism Facilities



5.1.7 Manufacturing

The manufacturing sector within Abaqulusi is the third lowest contributor to the economy according to the GVA Sector share analysis. However, it is a sector that has the potential to expand due to the natural resources and land available within the municipality. The municipality is currently working with the Department of Economic Development and Department of Small Business in exploring and growing the Sewing industry and Food processing plants within the area. The Municipality is aiming to expand and diversify manufacturing activities. The benefit of the project will be:

- Skill Development
- Women empowerment
- Promote local economic development
- Creation of sustainable decent jobs
- Improve intergovernmental relation
- Improvement of social cohesion
- Crime alleviation
- Youth development

The beneficiaries include emerging business people, taxi associations and Abaqulusi community at large

5.1.8 Services

The Town of Vryheid serves as the primary service centre for Abaqulusi Municipality, offering a diverse range of services. These services vary from financial, administration, government to manufacturing and retail. However, with the large geographical extent of Abaqulusi Municipality hindering development, the municipality has taken strides to increase levels of access to various services. Example to note; the eMondlo Thusong centre which recently opened functions as a multi-purpose centre for the community, offering government, administration and financial services to the people, preventing long distance travelling, travelling expenses and the overcrowding of services in the Vryheid Town. The widespread population within Abaqulusi Local municipality is a great concern because people are currently restricted to services that they are supposed to be exposed to on a daily basis and therefore the development of a Capital Investment Framework will assist the municipality in identifying the gaps and improving service delivery.

5.1.9 Mining

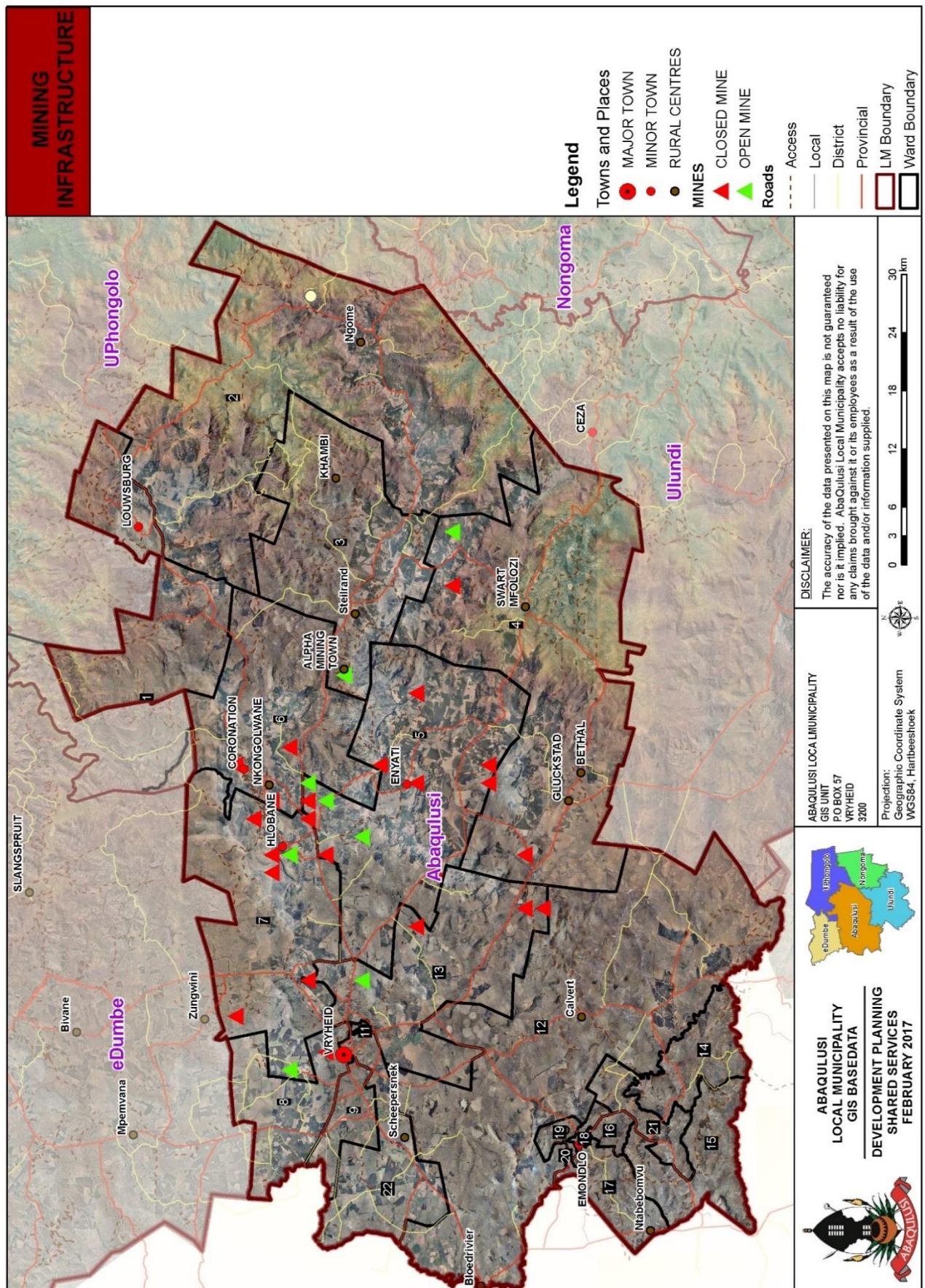
The Vryheid coalfield stretches from west of Vryheid in a broad band to the east of Louwsburg and is further divided into the Zuinguin Mountain area, the Hlobane/Matshongololo area, the Thabankulu/Enyathi Mountain area and Ngwini Mountain area.

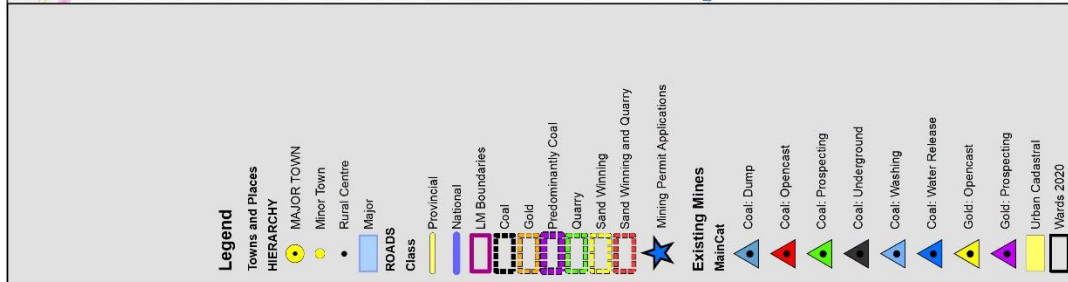
Coal mining historically provided a major force into the local economy of Northern KwaZulu Natal. However, over the past 15 years a number of mines in the area ceased operation

impacting negatively on the regional economy. The Abaqulusi Municipality was particularly affected by the closure of the Coronation and Hlobane mines in 1997 and 1998 respectively. This proved to be a turning point in the economy of Abaqulusi as many people were left unemployed as well as the area experiencing a “drain brain”, where many professional, skilled and semiskilled labourers moved out in order to seek employment opportunities elsewhere.

The effects of the closure of the mines can still be seen today, with many hostels (former mining housing) and developments within these areas left to deteriorate resulting in high levels of poverty and additional pressure on the municipality to provide services. The Abaqulusi Local Economic Development unit will however embark on a study to try and revitalise former mining towns/settlements. It must be also noted that not all mines within the region have shut down, as there are a few that are operating on a very small scale. The maps below clearly indicates the mines that exist/existed within Abaqulusi and the type of mining that was/is practiced. Local Economic Development unit is intending to regulate illegal dune mining. To improve mining infrastructure as well as develop skills in mining industry. The intervention to provide support to beneficiation activities which create large scale employment.

Map 30: Status of Mines





 <p>ABAQULUSI LOCAL MUNICIPALITY</p>					<p>Projection: TM, WG31</p>	
	SCALE:	1:322 564				
	DATE:	March 2022				
	DRAWN:	W. Richter				
CHECKED:		L. Dookhlial				
DRAWING STATUS			MAP TITLE		PROJECT	
DRAFT REVIEW			MINING		SPATIAL DEVELOPMENT FRAMEWORK 2022	

5.1.10 LED Strategic Approach

Economic Principle	Description	Relevance To LED
Broaden economic Base/diversification	<p>An important development principle underlying LED is to broaden the economic base, through the Integration of diverse economic initiatives. This principle encompasses a number of issues including:</p> <ul style="list-style-type: none"> • Introducing new activities, which are not currently operational in the area. • Development of SMMEs to have a broader representation base on the size of establishments; and • Ownership should be broadened to Include all members of the community. 	<ul style="list-style-type: none"> • Diversification and production of new products and services must be considered when identifying programmes and possible projects. • Promote SMMEs, women, youth, people with disability and BBBEE ownership of new and existing companies.
Capacity Building	<p>This principle encompasses the building of capacity of the municipalities and associated public sector role players with respect to LED.</p>	<ul style="list-style-type: none"> • Stakeholder participation at Economic Indabas in LED. • LED training (theory and practice) for public officials. • Business start-up, management and financial training for private sector.
Comparative & Competitive Advantage	<p>Comparative advantage indicates relatively more competitive production function for a product or service in a specific local economy (provincial or national). It therefore measures whether a specific economy produces a product or renders a service more efficiently.</p>	<ul style="list-style-type: none"> • All comparative advantages in the local area must be identified in the SWOT analysis and built upon when identifying programmes and potential projects, thereby exploiting the existing strengths and opportunities in the local area.
Creation of favourable locational factors	<p>The environment in which businesses operate must be conducive to conducting business. This includes:</p> <ul style="list-style-type: none"> • Reducing the establishment and operating costs of businesses; • Improving infrastructure; and • Facilitating the provision of trained labour. 	<ul style="list-style-type: none"> • A locational analysis will reveal what locational factors need to be improved upon to promote the local area as a desirable location to conduct business.
Enabling Environment	<p>Creating favourable conditions for the growth and development of business</p>	<ul style="list-style-type: none"> • One of the roles of the local municipality is to create an

	enterprises by reducing risk and making it more calculable by: <ul style="list-style-type: none"> • Creating a stable business environment (discussed above). • Increase confidence levels of the public and private sectors investors; and • Unlocking under-utilised resources. 	environment that promotes both existing and new business in the local area. The LED process can be used to facilitate this process.
Historically Disadvantaged Individuals (HDIs)	LED should target HDIs, marginalized communities and geographic regions, BBBEE companies and SMMEs to allow them to participate fully in the economy.	<ul style="list-style-type: none"> • This principle must be incorporated during the visioning and setting of LED objectives and may be implemented through specific LED projects.
Income Generation Potential	The sustainable income generation potential is a way to measure market potential and is used to inform the prioritization of projects.	<ul style="list-style-type: none"> • The income generation potential of a specific project must be considered when prioritizing potential projects.
Integrated/Holistic Approach	An integrated and holistic approach to the development planning process is of paramount importance. This implies that the interrelationships between economic activities and other development dimensions such as the social, demographic, institutional, infrastructural, financial and environmental aspects have been carefully considered.	<ul style="list-style-type: none"> • The situational analysis of the local area will identify social, demographic, infrastructural, financial and environmental strengths and opportunities that must be considered and included in potential LED programmes and projects.
Linkages	Linkages refer to the flow of goods and services between at least two agents. Linkages with neighbouring economies refer to: <ul style="list-style-type: none"> • Leakages (the net outflow of buying power) that is households residing within the study but purchasing goods and services outside the local area; and • Injections, (the net inflow of buying power) that are businesses located outside the study area purchasing products inside the study area. 	<ul style="list-style-type: none"> • It is important to encourage circular flow of capital within the community. • One LED objective is to reduce leakages and increase injections through programmes and projects.
Local Markets	LED aims at creating places and opportunities to match supply and demand as well as to discover, propagate and promote new business opportunities.	<ul style="list-style-type: none"> • The identification and involvement of key stakeholders will ensure that local leadership and the local economy are involved in the LED process.

		<ul style="list-style-type: none"> • Specific LED projects may be aimed at increasing the number of locally owned enterprises.
Public Private Partnerships (PPP)	LED involves local, national, and international partnerships between communities, businesses and governments to solve problems create joint business ventures and build up local areas.	<ul style="list-style-type: none"> • The establishment of PPPs should be explored in the implementation of projects.
Promoting Business	This can be the promotion of existing business, start-ups or external companies coming into a location.	<ul style="list-style-type: none"> • Local municipalities are responsible for creating an enabling business environment that encourages the expansion of existing business the emergence of new business ventures.
Maximise the use of existing resources	LED aims at making better use of locally available resources and skills and maximizes opportunities for development of resources.	<ul style="list-style-type: none"> • Local skills and resources of the local area must be identified during the situational analysis and ideally must be utilized during the implementation of projects, as extensively as possible.
Promoting SMMEs	It is important to involve and uplift the SMME sector through enhancing the capacity of local entrepreneurs by establishing support measures and incentives to promote participation. This suggests that appropriate technology transfer needs to place in an environment conducive for the successful establishment of SMMEs.	<ul style="list-style-type: none"> • An enabling environment in which SMMEs can be established and maintained must be created; and • SMMEs can be promoted through specific projects.

5.1.11 Catalytic Projects

The Catalytic Projects identified below are considered to be “game changers” if implemented within the Abaqulusi area. These Projects primarily focus on the goal of job creation and enhancing economic growth and development within the region. An important note to consider is that the municipality does not need a budget to implement these projects as it will encourage investments from private stakeholders.

a) Golf Course Estate (Area 1) and Airport Development (Area 2)

Objective: To enhance the municipal revenue base and create a modern, upmarket area of development which will positively impact the economic growth of the town.

Location: Vryheid

Budget: N/A (Call for Proposal)

Implementation Year: 2023-2024



c) Vryheid Commercial Nodal Development)

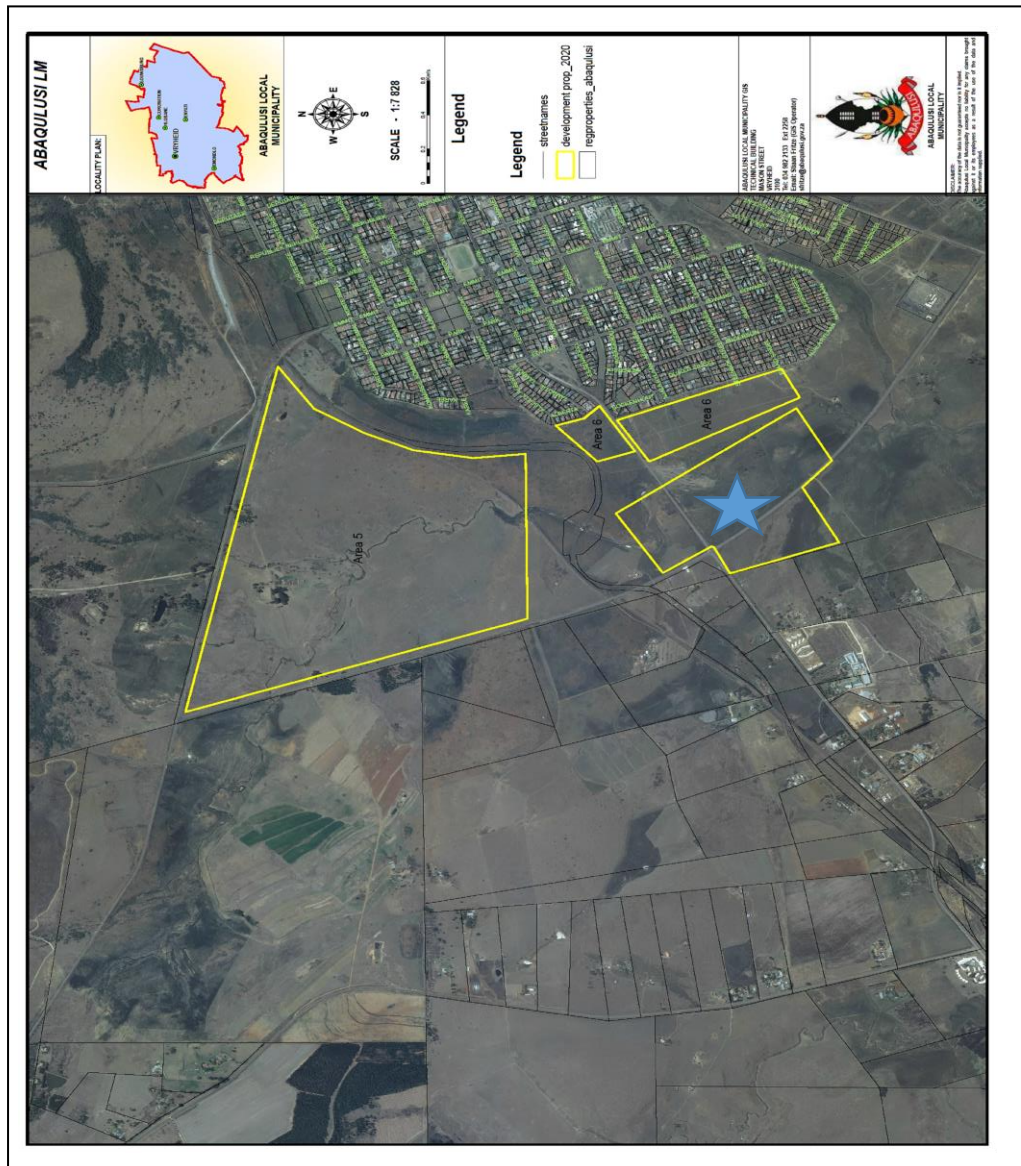


Objective: To increase job opportunities and promote economic growth and development.

Location: Vryheid

Budget: N/A (Call for Proposal)

Implementation Year: 2023-2024



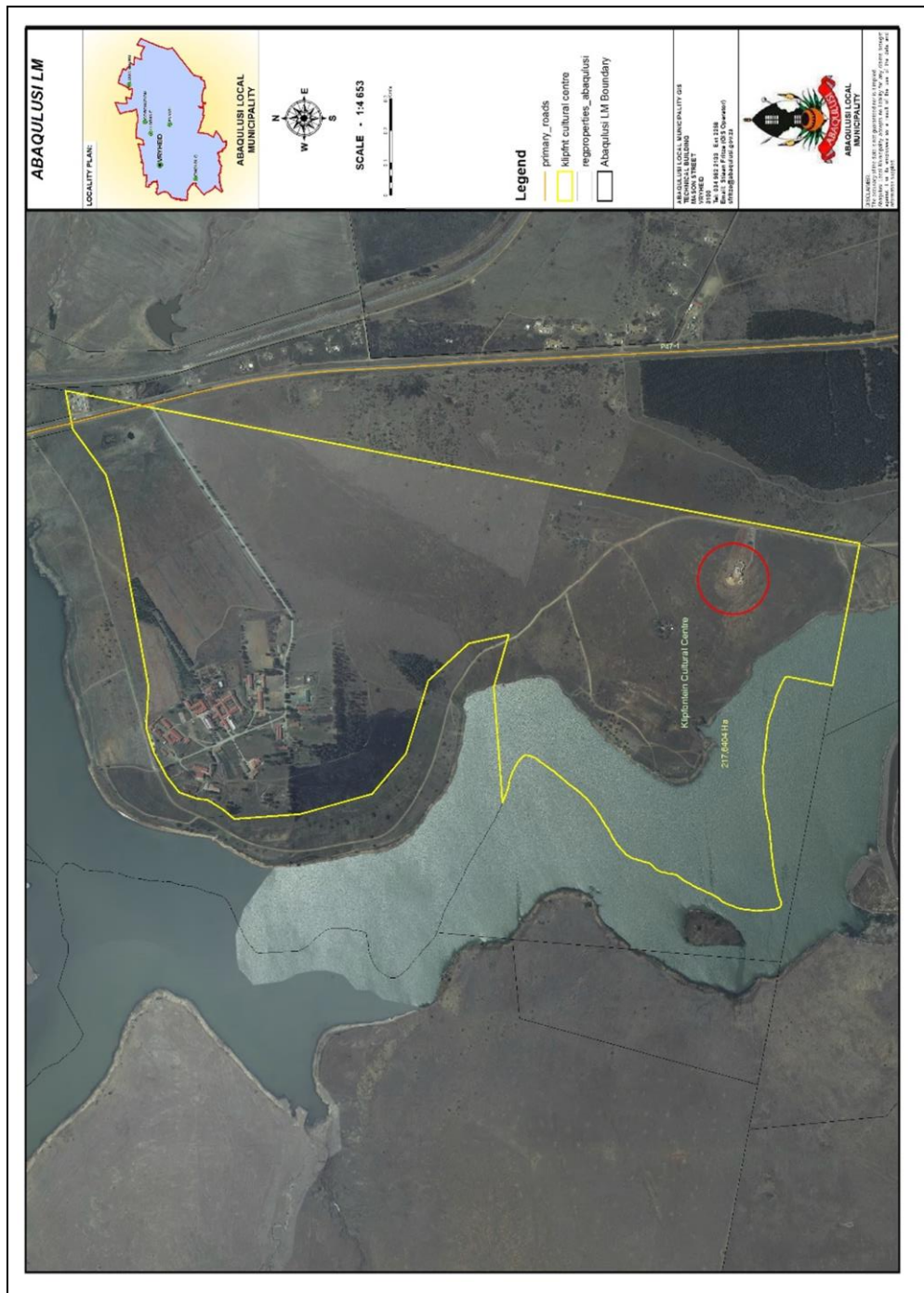
f) Klipfontein Cultural Centre

Objective: To increase job opportunities and unleash tourism potential

Location: Vryheid

Budget: N/A (Call for Proposal.)

Implementation Year: 2023-2024



5.1.12 Local Economic Development SWOT Analysis

• Strengths	• Weakness
<ul style="list-style-type: none"> • Certain LED Policies and by-laws in place • Continuous training and workshops held with SMME's • Active and progressive agri-forum meetings conducted quarterly • Business licenses are issued timeously • Sector plans in place (Tourism, and LED) • Statutory structures in place (SMME, Agricultural, and Tourism) • Community empowerment programs • EPWP initiatives for job creations 	<ul style="list-style-type: none"> • LED budget is very limited • No land release strategy and investment strategy • No skills transfer to EPWP employees • Limited access to businesses by SMME
• Opportunities	• Threats
<ul style="list-style-type: none"> • Area is rich in agriculture and tourism potential • Land available for industrial development and expansion • High Mining prospects with many mines in the municipality • Commercial centers can be established outside of Vryheid due to their threshold • Opportunity to appoint additional LED personnel as positions exist on Organogram • Development of Agri-processing hub underway • Strengthen relations with external stakeholders • Attract funding as there are various committees that are established • Tapping on corridor development • Agricultural development programs • Private Public Partnership • Heritage Routes • Full utilisation of Municipal Land and Properties • Revitalization of mines 	<ul style="list-style-type: none"> • Old data can be very misleading for investor opportunity • Loss of revenue due to Illegal businesses operating in outer lying areas- large geographical area and too little officials to monitor

5.2. Social Development Analysis

Social Services section is one of the components under community services department that is responsible for mobilization, lobbying and motivating the community to seize developmental opportunities from the municipality and all other statutory bodies that are custodians of social services.

The key responsibility of the section is to initiate and implement social upliftment programmes and developmental projects in the following units:

- ✓ Sports and Recreation
- ✓ Arts and culture
- ✓ Historical, Heritage & Museum Services
- ✓ Educational Programmes and Library Services
- ✓ Thusong centres (Community Service Centre)
- ✓ Special programmes (Youth, HIV/AIDS, Gender, Disability, Children and Elderly)

5.2.1 Broad Based Community Needs

The Broad Based Community Needs are a direct result of the public participation process held during the drafting of the IDP. This process is usually held and setup by municipal councillors, led by the honourable Mayor and Speaker within a municipality. An important structure during this process is the Ward Committee Members as they are the community representatives on a ground level.

In the context of Abaqulusi Municipality, the common community needs identified were as follows:

Wish-list	Responsibility
Water	ALM and ZDM
Electricity	ALM and Eskom
Sanitation	ALM and ZDM
Refuse	ALM
Housing	ALM and Human Settlements
Community Halls	ALM
Apollo Lights	ALM
Upgrading of Roads (Access Roads, Gravel Roads, Pothole Patching, Paving, Tarring)	ALM and Department of Transport
Street Names	ALM
Street Lights	ALM
Traffic Signs	ALM
Sewer Blockages	ALM
Sports field	ALM
Gym / Parks	ALM
Fencing of Cemeteries	ALM
New Cemeteries	ALM
Bridges	ALM
LED Projects and Initiatives	ALM
Toilets	ZDM

Clinics	Department of Health
Schools	Department of Education
Boreholes	ALM and ZDM
Taxi Ranks	ALM
Libraries	ALM and Department of Arts and Culture
Creche	ALM and Department of Social Development
Illegal Dumping	ALM
Land Availability	ALM

A detailed wish-list per Ward is attached as Annexure I4.

5.2.2 Poverty

From the table below, Poverty head count refers to the proportion of the population that is poor and living below the poverty line. There are four dimensions of poverty which were measured by the data sets, i.e. Health, Education, Living standards and Economic activity. The data sets shows that there was a marginal increase in the proportion of the population that is poor from 11.2% during Census 2011 to 11.4% during Community Survey 2016. The Intensity of poverty (or poverty gap) is an indicator used to measure the depth to which the standard of living of the poor population is under the poverty line. The higher the indicator, the greater the intensity of poverty (or poverty gap) is said to be, which implies that the standard of living of the poorest is a very long way below the poverty line. From the above data sets it can be observed that there was a slight increase in the intensity of poverty from 41.9% during Census 2011 up to 43.3% during Community Survey 2016.

Table 21: Poverty Status

Category	Census 2011	Community Survey 2016
Poverty head count	11.2%	11.4%
Intensity of poverty	41.9%	43.3%

Source: STATSA CS 2016

5.2.3 Education

As per the table below, there was a significant decrease in the proportion of people aged 20 years or above with no schooling as the figure dropped from 16.9% in 2011 to about 8% in 2016. Also an increase in the proportion of persons aged 20 years or above who have completed matric was observed during the Community Survey 2016 with the figure recorded at 33.4% compared to the 28.1% recorded during Census 2011. The proportion of those with higher education was observed to be just above 6% for both 2011 and 2016.

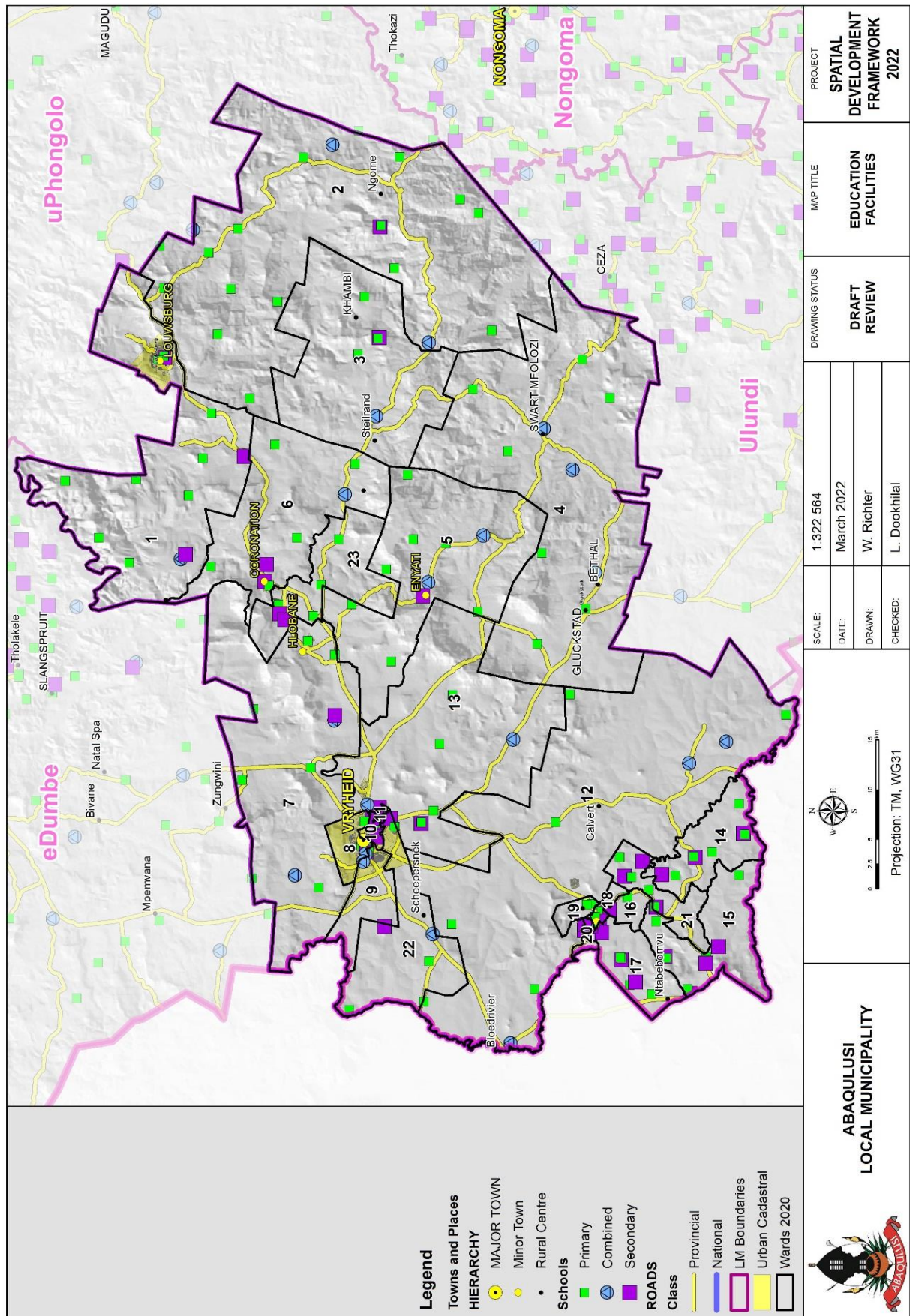
The Mthashana College (technical) offers tertiary courses on a part-time or full-time basis to about 650 students. It should also be noted that Vryheid plays an important regional educational function and draws pupils from the whole sub-region. The municipality also offers bursaries to prospective students on an annual basis, along with in-service training and internships in order to support the drive of having an educated and skilled society. The map below spatially depicts the educational facilities that exist within Abaqulusi.

Table 22: Education Status

Highest Level of Education	Census 2011	Community Survey 2016
No schooling (aged 20+)	16.9%	8.1%
% completed matric (aged 20+)	28.1%	33.4%
% completed higher education	6.6%	6.2%

Source: STATSA CS 2016

Map 32: Educational Facilities



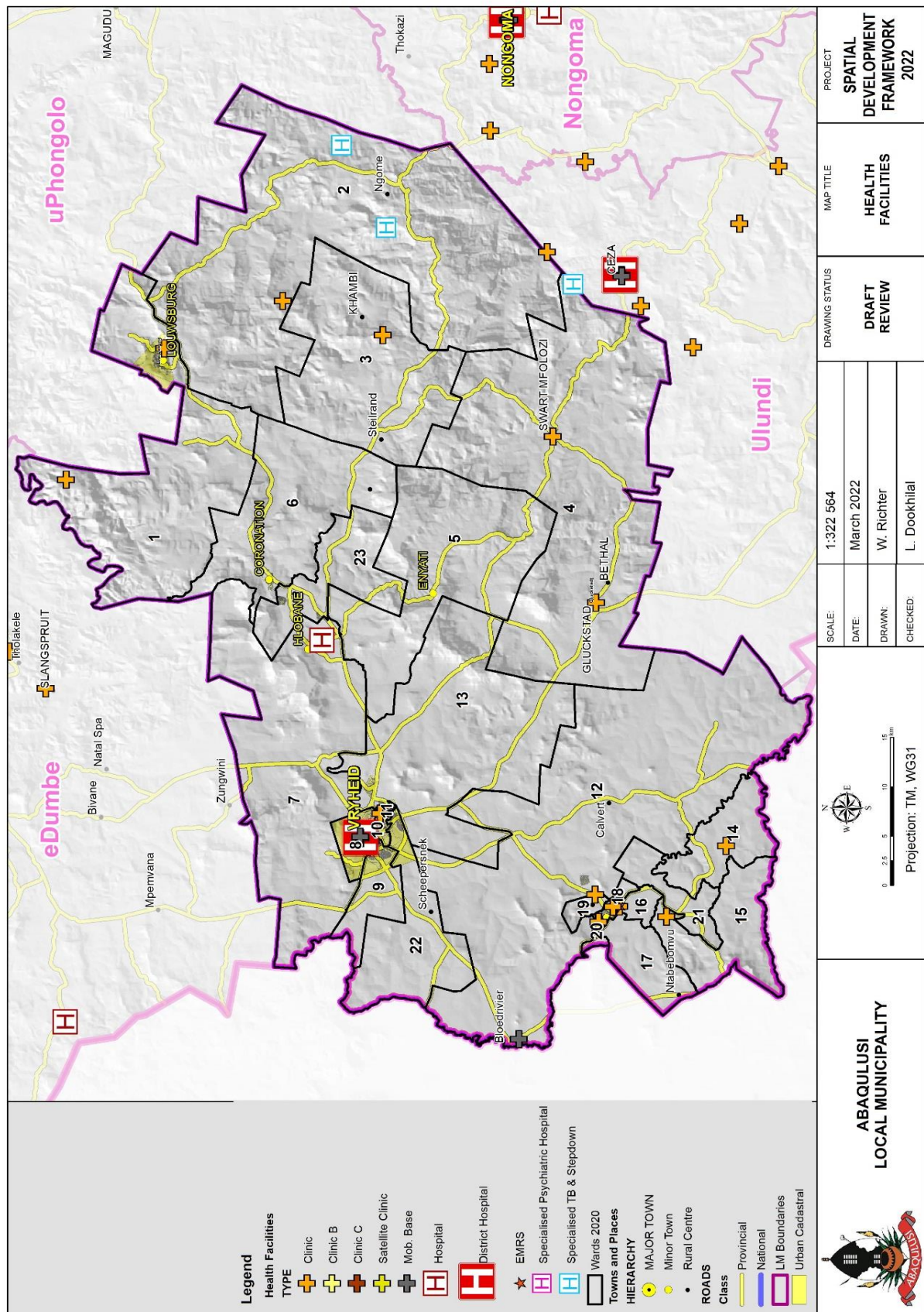
5.2.4 Health

As per the map and table below, there are 3 Hospitals and 17 Clinics within Abaqulusi. The Municipal SDF clearly indicates that there is a shortage of clinics in certain wards according to the CSIR requirements. Healthcare in Abaqulusi, specifically in Vryheid is under extreme pressure due to the Vryheid Hospital serving as the primary regional hospital. Due to the shortage and lack of private medical facilities in Abaqulusi, a private hospital has been developed within the town of Vryheid. This private hospital aims to relieve the pressure of surrounding hospitals and reduce the distance travelled by Abaqulusi residents in search of quality private healthcare.

Clinic/Hospital Name	Area/Suburb	Authority	Type
Bhekumthetho Clinic	eMondlo	Provincial	Clinic B
Bhekuzulu Clinic	Vryheid	Provincial	Clinic
Gluckstadt Clinic	Vryheid	Provincial	Clinic B
Hlobane Clinic	Vryheid	Provincial	Clinic B
Hlobane Mine Clinic	Hlobane	Private	Hospital
Lethimpilo (NGO) Clinic		State Aided	Clinic
Louwsburg Clinic	Vryheid	Provincial	Clinic B
Makhwela Clinic	Louwsburg	Provincial	Clinic B
Mason Street Clinic	Vryheid	Provincial	Clinic B
Mondlo 2 Clinic	eMondlo	Provincial	Clinic C
Mountain View Salvation Army Mission PHC	Ngome Area	State Aided	Specialised TB Clinic
Ntababomvu Clinic	Vryheid	Provincial	Clinic B
Siloah Lutheran Mission TB Hospital	Dlomodlomo Mission Farm	State Aided	Specialised TB Hospital
Siyakhathala Clinic	Vryheid	Provincial	Clinic B
St Davies (NGO) Clinic		State Aided	Clinic
Swart Mfolozi Clinic	Vryheid	Provincial	Clinic B
Thembumusa Clinic	eMondlo	Provincial	Clinic C
Vryheid Gateway Clinic	Vryheid	Provincial	Clinic B
Vumani Clinic	Vumani	Provincial	Clinic
Vryheid Hospital	Vryheid	Provincial	District Hospital
Abaqulusi Private Hospital	Vryheid	Private	Hospital

Source: KZN Department of Health 2018

Map 33: Health Facilities



5.2.5 Safety and Security

Local Government: Municipal Systems Act 32 of 2000 has clearly provided a directive in terms of the role of Local Municipalities towards safer and secure communities. The indication from the Act is that municipalities as the closest sphere of government to the communities must “*Promote safe and healthy environment*” through which social cohesion. The understanding is that as the operational sphere of government, municipalities are severely affected by crime and safety issues on the ground which often impact negatively on the mandate given by communities to the government, namely; service delivery. We further understand and most importantly acknowledge the role played by various sectors through our Security agencies and Community Safety Forum in trying to ameliorate the living conditions of our people and economic development can be enriched and sustained.

When addressing the risk factors for crime by enhancing parenting practices, improving access and investment in education, reducing access to alcohol, illegal substances and weapons, and increasing employment opportunities it is important to simultaneously build the resilience of individuals, families and communities to crime and violence. Resilience is the ‘process of, capacity for, or outcome of, successful adaptation, despite challenging or threatening circumstances. It is important therefore, that safety strategies, particularly those aimed at addressing crime and violence, must include mechanisms which build the capacity of individuals and institutions to deal with the adversity that may makes them more vulnerable to crime.

In developing strategies to deal with crime and violence, risk and protective factors must be disaggregated by target groups. Risk factors for crime and violence include those set out in the table below.

Risk factors for crime and violence

Individual	Risk Factors
	Violence, abuse, maltreatment, neglect
	Dysfunctional families
	Gender
	Age
	Low social status related to class, race, ethnicity
	Poor nutritional, pre-natal and health care
	Disability

Relationship	Risk factors
	Family violence and conflict
	Absent/low levels of parental involvement
	Teenage parenthood
	Gender inequalities
	Violence, abuse, maltreatment, neglect in the home

Community	Risk factors
	Easy availability of drugs, alcohol, firearms
	Lack or poor access to quality education, training opportunities, employment
	Family/community attitudes condoning violence

Macro/structural	Risk factors
	Structural inequalities (social, economic, political)
	Social norms condoning inequality and violence
	Lack of access to /poor delivery of basic services (eg housing, water and sanitation)
	Unemployment

There are six police stations located within the AbaQulusi Municipal area of jurisdiction, namely:

1. Vryheid
2. eMondlo
3. Gluckstadt
4. Louwsburg
5. Driefontein
6. Ngome

The Abaqulusi Public Safety Section which forms part of the Community Services Directorate also responsible for the traffic law enforcement, including road blocks, speed control, attending to road accidents, enforcing Bylaws, conducting road safety, motor vehicle testing and licensing. Its additional functions include crime prevention, and participation in Community Policing Forums (CPF) and supporting the Neighbourhood Watches that exist around the various areas. It also render services in disaster risk management, however, the operations of this unit are limited by the shortage of both financial and human resources.

Legal requirements

Since 1994 a lot of legislation and policy documents were drafted by national government which provide the prerequisites and guidance for the development of a local safety and security strategy. The following are some of the policies and departments that are most relevant to the subject, prepared by:

- Department of Safety and Security
- White Paper on Safety and Security (September 1998)
- The South African Police Service Amendment Bill No 39 of 1998: Municipal Policing
- SAPS Amendment Act No 83 of 1998
- Department of Provincial Affairs and Local Government

- Department of Land Affairs

The first of the above-mentioned policies, namely the White Paper on Safety and Security of September 1998, argues that crime will be reduced through two strategies, namely: law enforcement and social crime prevention. If law enforcement largely involves the police, then crime prevention needs much broader participation by government and community members. In this context, the White Paper makes provisions for the involvement of the different levels of government. When it comes to the local government, the White Paper states that the local governments should actively participate in crime prevention by planning programmes and coordinating a range of local actors to ensure that these are carried out.

The White Paper implies that crime prevention should be an integral part of good urban management and not something that is added on to existing functions. With this in mind, practical ways for local government to reduce crime include:

- Preventing crime in the structures of, and on the property of, the municipality;
- Working with local police;
- Aligning internal resources, objectives and development projects with the principles of crime prevention;
- Coordinating crime prevention efforts in the municipal area to avoid duplication;
- Enforcing by-laws and traffic laws;
- Assisting victims by providing information on services; and
- Initiating targeted crime prevention programmes

The map below indicates the Police Stations located around Abaqulusi.

Legend

- Police Stations (Blue Star)
- Wards 2020 (Black outline)
- Towns and Places (Black dot)
- HIERARCHY**
 - MAJOR TOWN (Yellow circle)
 - Minor Town (Yellow dot)
 - Rural Centre (Black dot)
- ROADS**
 - Class
 - Provincial (Yellow line)
 - National (Blue line)
 - LM Boundaries (Pink line)
 - Urban Cadastral (Yellow line)

Map Labels: eDumbe, uPhongolo, Nongoma, Ulundi, Louwsburg, Hloboane, Vryheid, Gluckstadt, Bethal, Swart-Mfolozi, Ngome, Thokazi, Nongoma, Ceza, Tholakele, SLANGSPRUIT, Bivane, Natal Spa, Mpehvana, Zungwini, Bloodriver, Ntabeboomvu, Calvert, Scheepstrek, Vryheid, Hloboane, Koronation, ENYATI, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23.

Scale: 1:322 564

Date: March 2022

Drawn: W. Richter

Checked: L. Dookhilal

Project: SPATIAL DEVELOPMENT FRAMEWORK

Map Title: PROTECTION SERVICES

Drawing Status: DRAFT REVIEW

ABAQULUSI LOCAL MUNICIPALITY

Projection: TM, WG31

5.2.6 Nation Building and Social Cohesion

AbaQulusi municipality arts and culture unit serves as the co-ordinating body for the community to arts, culture, entertainment and talent developmental opportunities through programmes such as

- ✓ Umbele wethu local competition
- ✓ Umbele wethu district competition
- ✓ Operation siyaya Emhlangeni
- ✓ Artists festival
- ✓ Umkhosi Womhlanga (Reed Dance)
- ✓ Heritage day
- ✓ Mayoral Cup and SALGA Games

5.2.7 Community Development with particular focus on Vulnerable Groups

The implementation of Special Projects within the Abaqulusi Municipality which primarily focuses on vulnerable groups and other initiatives is done so via the Office of the Mayor. Over the years, many challenges were experienced by the municipality in ensuring the functioning of the various committees and support offered to the structures which was largely due to the financial constraints facing the municipality.

5.2.7.1 Youth Development

The municipality has the responsibility of co-coordinating the development and promotion of youth development initiatives, establishment of youth desk, youth structures and implementation of procedures, reporting and upliftment of youth programmes. Due to the high youth population of about 40% according to the Community Survey 2016, and difficult economic climate that we live in, the municipality also has a bursary programme that offers potential students to empower themselves through education. During the 2023/2024 financial year, the Abaqulusi Municipality will aim to achieve the following:

- Establishment of Youth Committee (Youth Council)
- Conduct youth empowerment sessions
- Provide government departments, statutory bodies and private sector with a platform to engage with the youth in order to disseminate developmental information.
- Support programmes: Youth Summit, Youth EXPO, and Youth in dialogue.

5.2.7.2 Development of People with Disabilities

According to the National Disability Strategy, Municipalities are charged with the responsibility to ensure that the playing field is levelled for all people with disabilities, focusing on employment opportunities. During the 2023/2024 financial year, the Abaqulusi Municipality will aim to achieve the following:

- Establishment of Social services stakeholder Committees for the disabled

- Conduct empowerment sessions
- Support DSD in out rolling social development programmes for the disabled

5.2.7.3 Development of the Elderly

The elderly citizens of Abaqulusi municipality comprises of just under 5% of the total population according the Community Survey 2016. However, although the elderly are usually associated with the age group of 65+ and the retired population from the workforce, it is still imperative that they are given the necessary attention that is required. During the 2023/2024 financial year, the Abaqulusi Municipality will aim to achieve the following:

- Establishment of Social services stakeholder Committees for the elderly
- Conduct empowerment sessions
- Support DSD in out rolling social development programmes for the elderly

5.2.7.4 Development of Women

It has been researched that no society thrives where women are not supported and respected. Abaqulusi population studies indicate that its population is comprised of more females than males, accounting for 52% as per the recent Community Survey 2016 results. With this statistic in mind, specific projects are sponsored targeting women empowerment include women in agriculture and in establishing co-operatives with a view to growing them into SMMEs and medium to large businesses. During the 2023/2024 financial year, the Abaqulusi Municipality will aim to achieve the following:

- Establishment of Social services stakeholder Committees for Women
- Conduct empowerment sessions
- Support DSD in out rolling social development programmes for Women
- Co-ordinate responsive programmes such as 16 days of activism against Women abuse

5.2.7.5 People affected by Crime, HIV/AIDS, Drugs, etc

The HIV/AIDS pandemic is major concern in all municipalities around the country. In order to reduce the levels of HIV/AIDS in the Abaqulusi region, the Municipality will set-up a fully functional Local AIDS Council, which will be represented by various stakeholders. The OSS Task Team Members also play a very active role in ensuring that the fight is won at local levels under the collaborative strategies like establishing War-rooms at Ward levels. In the fight against HIV/AIDS, the Abaqulsui Municipality will aim to achieve the following: during the 2023/2024 financial year:

- Establishment of HIV/AIDS Council
- Conduct awareness and empowerment sessions
- Support DSD in out rolling social development programmes for people affected with HIV/AIDS
- Co-ordinate responsive programmes such as commemoration day for HIV/AIDS
- Seek funding to deliver projects related to assisting those people affected with HIV/AIDS

5.2.7.6 Early Childhood Development

It is finding in many studies conducted around the world that the responsibility and development of a child is one that belongs to society. It is for this reason that all spheres of government and various stakeholders play a critical role in protecting and developing children as they are considered to be the future. During the 2023/2024 financial year, the Abaqulusi Municipality will aim to achieve the following:

- Establishment of Social services stakeholder Committees for Children
- Support DSD in out rolling social development programmes for Children
- Co-ordinate responsive programmes such as 16 days of activism against Child abuse

5.2.8 Social Development SWOT Analysis

• Strengths	• Weakness
<ul style="list-style-type: none">• Municipality provides a platform for various committees to discuss social related issues• Special programmes and projects are rolled out annually to enhance social stability• War rooms and OSS is fully functional in addressing social issues	<ul style="list-style-type: none">• Funding for addressing social issues is limited• Support from external stakeholders is limited• Social facilities across the municipality is limited and backlogs exist• Non functionality of War rooms and OSS in certain wards to address social issues
• Opportunities	• Threats
<ul style="list-style-type: none">• Strengthen relations with external stakeholders• Attract funding as there are various committees that are established	<ul style="list-style-type: none">• Lack of social facilities lead to social decay• Lack of job opportunities increase poverty• Low education levels lead to unskilled labour force and increase in social problems

5.3 LED and Social Development Key Challenges

Key Performance Area: LED and Social Development			
Key Challenges	Problem Statement (Definition)	Proposed Interventions	Status Quo
1. Limited development opportunities	Financial climate has made it difficult for large scale developments to occur and the shortage of suitable land has further hindered the process.	-Land availability -Rates Rebates -Discounted services	-Municipality is currently identifying land it owns in order to make available for development. -Rates rebates and discounted services are also offered as a means to attract investments and development
2. High levels of unemployment	Large youthful population within the area characterised with unemployment due to lack of employment opportunities	-Employ people through EPWP programme and support SMMEs and Informal Traders	-EPWP is fully implemented -SMMEs are assisted daily -Large development are encouraged to employ local citizens -This is an on-going concern.
3. Capacity Constraints	Internal and external capacity to drive LED and Social Development	-Appoint LED Manager -Assist local educational and training institutions to expand -Improve Relationship Building	-LED Manager has now been appointed -Workshops and forums are held with local forums and businesses

6. Financial Viability and Management

6.1.1 Capability of the Municipality to Execute Capital Projects

Capital projects in the municipality is executed by utilising the Grant Funding that is received from government and also a portion of the municipality's budget. However, the loss of revenue over the last few years has restricted the municipality in rolling out and executing Capital projects, thereby making it grant dependable to fulfil its service delivery mandate.

For 2023/24 an amount of R7 million has been allocated from internal funding for the development of infrastructure due to cashflow constraints. The projects will be looked at during the preparation of the Adjustment Budget should the financial situation improve.

Total net assets represent 91,3% or R73,9 million of the total capital budget are from grant funding. Eskom and municipal INEP grants will begin funding alternative energy technologies such as rooftop solar and energy-saving devices. Due processes must be followed to access funding for these new technologies and the municipality needs to conform to the set requirements by submitting business plans by 31 October 2023. Priority should be given to new connections; i.e. non-grid technology should be targeted at households that do not have access to electricity. Some of the capital projects to be undertaken over the medium-term includes, amongst others:

- Computers and servers of R1 million from own funding;
- Rehabilitation of roads – Phase 2 of Mark and President street of R5 million from own funding;
- Alternative energy sources of R1 million at water works to provide an uninterrupted power supply in terms of the Disaster Management Act; and
- MIG funded projects of R57,2 million
- The R16,6 million from INEP is not shown as it is for electrification in Eskom licenced areas

As per the assessment and analysis of the table below, it is clearly evident that the Abaqulusi Municipality has taken great steps towards achieving 100% expenditure on all of its MIG Capital Grants received. The municipality has progressed from 87.8% in 2020 to 100% in 2022. The table also depicts a 100% expenditure on the INEP Grant it has received over the last 3 financial years.

Capital Grant Funding	Financial Years – Received Vs Spent					
	Received	Spent	Received	Spent	Received	Spent
	2020		2021		2022	
MIG	42 259 850	37 135 000	37 713 429	36 451 000	39 107 000	39 107 000
INEP	0	0	10 000 000	10 000 000	3 396 000.00	3 396 000

The tables below presents the municipality's CAPEX Performance:

Vote Description R thousand	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<u>Capital expenditure - Vote</u>										
<u>Multi-year expenditure to be appropriated</u>										
Vote 1 - VOTE1	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance & Administration	-	-	-	-	-	-	-	-	-	-
Vote 3 - Community & Social Services	-	-	-	-	-	-	-	-	-	-
Vote 4 - Energy Sources	-	-	-	-	-	-	-	-	-	-
Vote 5 - Housing	-	-	-	-	-	-	-	-	-	-
Vote 6 - Internal Audit	-	-	-	-	-	-	-	-	-	-
Vote 7 - Other	-	-	-	-	-	-	-	-	-	-
Vote 8 - Planning and Development	-	-	-	-	-	-	-	-	-	-
Vote 9 - Public Safety	-	-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport	-	-	-	-	-	-	-	-	-	-
Vote 11 - Sport and Recreation	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Management	-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Water Management	-	-	-	-	-	-	-	-	-	-
Vote 14 - Water Management	-	-	-	-	-	-	-	-	-	-
Vote 15 -	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	-	-	-	-	-	-	-	-	-	-
<u>Single-year expenditure to be appropriated</u>										
Vote 1 - VOTE1	13	-	1 522	500	500	500	500	-	-	-

Vote 2 - Finance & Administration	(21 302)	(363)	(1 366)	7 000	2 000	2 000	2 000	1 000	–	–
Vote 3 - Community & Social Services	23 209	9 423	9 175	–	1 019	1 019	1 019	15 917	15 492	16 637
Vote 4 - Energy Sources	4 305	5 864	(5 345)	2 425	2 875	2 875	2 875	17 680	10 449	10 917
Vote 5 - Housing	–	–	–	–	–	–	–	–	–	–
Vote 6 - Internal Audit	–	–	–	–	100	100	100	–	–	–
Vote 7 - Other	–	–	–	–	–	–	–	–	–	–
Vote 8 - Planning and Development	3 650	(28 056)	–	–	–	–	–	–	–	–
Vote 9 - Public Safety	2 471	–	(120)	–	–	–	–	–	–	–
Vote 10 - Road Transport	44 367	31 307	4 998	45 979	44 960	44 960	44 960	30 343	19 021	17 876
Vote 11 - Sport and Recreation	–	319	–	–	–	–	–	16 500	8 937	13 188
Vote 12 - Waste Management	8 220	7 499	3 391	–	–	–	–	–	–	–
Vote 13 - Waste Water Management	6 940	(3 360)	192	–	–	–	–	–	–	–
Vote 14 - Water Management	(95 394)	6 650	–	–	–	–	–	–	–	–
Vote 15 - Capital single-year expenditure sub-total	(23 522)	29 283	12 447	55 904	51 454	51 454	51 454	81 440	53 899	58 618
Total Capital Expenditure - Vote	(23 522)	29 283	12 447	55 904	51 454	51 454	51 454	81 440	53 899	58 618
Capital Expenditure - Functional										
<i>Governance and administration</i>	(21 289)	(363)	155	7 500	2 600	2 600	2 600	1 000	–	–
Executive and council	13	–	1 522	500	500	500	500	–	–	–
Finance and administration	(21 302)	(363)	(1 366)	7 000	2 000	2 000	2 000	1 000	–	–
Internal audit	–	–	–	–	100	100	100	–	–	–
<i>Community and public safety</i>	25 679	9 742	9 055	–	1 019	1 019	1 019	32 417	24 429	29 825
Community and social services	28 274	9 423	9 175	–	1 019	1 019	1 019	15 917	15 492	16 637
Sport and recreation	–	319	–	–	–	–	–	16 500	8 937	13 188
Public safety	2 471	–	(120)	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–	–
Health	(5 065)	–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>	48 017	3 251	4 998	45 979	46 480	46 480	46 480	32 343	19 021	17 876
Planning and development	3 650	(28 056)	–	–	1 520	1 520	1 520	2 000	–	–
Road transport	44 367	31 307	4 998	45 979	44 960	44 960	44 960	30 343	19 021	17 876
Environmental protection	–	–	–	–	–	–	–	–	–	–
<i>Trading services</i>	(75 929)	16 653	(1 762)	2 425	2 875	2 875	2 875	17 680	10 449	10 917
Energy sources	4 305	5 864	(5 345)	2 425	2 875	2 875	2 875	17 680	10 449	10 917
Water management	(95 394)	6 650	–	–	–	–	–	–	–	–
Waste water management	6 940	(3 360)	192	–	–	–	–	–	–	–
Waste management	8 220	7 499	3 391	–	–	–	–	–	–	–
<i>Other</i>	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	(23 522)	29 283	12 447	55 904	52 974	52 974	52 974	83 440	53 899	58 618
Funded by:										
National Government	69 190	26 597	8 766	40 904	40 904	40 904	40 904	65 940	53 899	58 618
Provincial Government	–	–	–	–	1 520	1 520	1 520	10 500	–	–
District Municipality	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm	–	–	–	–	–	–	–	–	–	–
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	69 190	26 597	8 766	40 904	42 424	42 424	42 424	76 440	53 899	58 618
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	888	17 776	4 184	15 000	10 550	10 550	10 550	7 000	–	–
Total Capital Funding	70 078	44 374	12 950	55 904	52 974	52 974	52 974	83 440	53 899	58 618

6.1.2 Indigent Support (Free Basic Services)

A large portion of the population in AbaQulusi Municipality is indigent; this has an impact of reduced revenue. The Municipality receives the free basic grant from National Treasury, which is utilized to offer the following free basic services:

- Free 50kwh of electricity a month
- Free rates up to the value of R80, 000
- Free 6kl of water per month
- Free refuse

These allocations are per the national government policy guidelines.

The Indigent Support Budget for the 2023/2024 financial year amounts to R14,4 million

The municipality does currently have an Indigent Register in place which is monitored and updated on a monthly basis. In trying to reduce the number of indigents that exist, the municipality will attempt to conduct a thorough analysis of all indigents that appear on the register. ***The Indigent Register is attached as Annexure I 7.***

The tables below indicates the number of households that receive Free Basic Services over the last 3 years and the financial implications thereof as well as a breakdown per service with the cost implications.

Financial Year	Budgeted Amount	Actual Spent	Total Number of Indigents
2019/2020	R 10 081 117.00	R 8 460 859.75	2315
2020/2021	R 13 906 865.00	R 12 021 490.81	2581
2021/2022	R 12 000 000.00	R 6 494 129.76	2800
2022/2023	R 11 400 000.00	-	-

Financial Year: 2023/2024						
Service	Rates	Water	Sanitation	Electricity	Refuse	Total
Cost	-1 705 755	-3 159 000	-2 106 000	-4 828 000	-2 632 500	-14 431 255

6.1.3 Revenue Enhancement and Protection Strategies

In terms of MFMA Circular No 64 the main responsibility of the municipality is to deliver services. In terms of Section 75A of the Municipal Systems Act the municipality is allowed to levy and recover fees, charges or tariffs in respect of municipal service delivery functions and recover collection charges and interest on outstanding amounts. The municipality must adopt by-laws to give effect to the implementation and enforcement of the tariff policies.

Revenue generation is everyone's responsibility, not just that of the revenue Section. The municipality must effectively manage all functions that impact protecting and growing the revenue base. The implementation of internal controls along the revenue value chain will aid effective data handovers; utilising system data validation mechanisms and ensuring that service

level standards are fundamental to ensuring the integrity of the billing data but are advised to stay away from costly data cleansing exercises.

The following strategies are fundamental to maximising the existing revenue of Abaqulusi Municipality:

- Billing system that correctly reflects all billing and customer information required to issue accurate accounts to consumers.
- All property within the municipal jurisdiction must be correctly valued and the billing system must be updated with any change in property ownership. This is necessary to protect and grow the property rates base.
- Effective business processes to ensure new property development as well as improvements to existing properties are valued as required.
- Correct categorisation of properties.
- Water and electricity meter numbers must be recorded correctly and linked to corresponding property.
- Continual maintenance of water and electricity meters to minimise losses due to leakages or incorrectly metered consumption.
- Accurate meter reading and minimising the amount of meter reading estimates.
- Refuse and sanitation service charges must be included in all billing records and the municipality must ensure these services are not run at a loss.
- Billing queries to be resolved within reasonable timeframes.
- Municipal functions must be adequately staffed with competently skilled individuals who understand the job requirements and how to deliver on it.
- A data management strategy and develop internal capacity to perform reconciliations and investigations to improve the completeness of billing
- The interruption or restriction of the supply of water services to a defaulting customer
- Restriction of both water and electricity supply as a collection tool effective from 1 July 2023 with by-laws and policies clearly stipulating the order in which any partial payment of the consolidated municipal bill (including property rates) will be applied as well as the process before the supply of water and electricity services will be cut. The recommended order by National Treasury is that the payment firstly be applied to property rates, waste water, waste management, water and lastly electricity

It must also be noted that through KZN CoGTA, a Revenue Enhancement team was recently appointed to further assist the municipality in increasing its revenue.

6.1.4 Municipal Consumer Debt Position (Debtors Age Analysis)

The increased number of indigents is negatively affecting the municipality's ability to collect all service revenue billed; there has been a considerable increase in the debtors' balances over 90 days as a result of this. These outstanding balances have been adequately provided for as

doubtful debts. The table below is a representation of the municipal consumer debt position and age analysis for such debt within the municipality and includes indigents as well.

As indicated in the table below, it is clearly evident that the municipality is owed a substantial amount of money as per the various services that it offers to its citizens. The Debt owed to the municipality for a period for over 1 Year is **R187 174 218.40**

Type_Of_Service	202306 (Current)	202305 (30 Days)	202304 (60 Days)	202303 (90 Days)	202302 (120 Days)	202301 (150 Days)	202212 (180 Days)	202211- 202207 (210 Days to 1 Year)	202206+ (Over 1 Year)	Total
V.A.T.	656.16	3799578	975399.2	773398.2	687336.2	741979.9	429242	2097432	11559703	21064725
Deposit Elec	13224.05	8340.97	-108988	-4799.88	-43286.3	-7632.7	-3195.56	-20634	9234.49	-157737
Interest	105.5	1576441	1536449	1658935	1411383	1355305	1338414	5687658	27005110	41569800
Adjustments	0	0	44784.82	0	0	0	0	0	127329	172113.8
Electricity	0	7266758	1424741	714684.7	633299	361770.3	307943.8	1700892	3041361	15451449
Demand/Basic Charges	0	3860492	523867.8	272063.5	138245.9	118332.4	84975.01	569426.9	1782788	7350192
Water Consump	0	3383946	898030.5	577661.7	619172.8	684114	463467.2	2127973	15363001	24117366
Refuse	733.6	2301332	1333053	1139491	1060302	1008025	767878.4	3493126	19323350	30427291
Add Sewerage	0	445595.9	188374.6	48253.49	48468.92	68754.58	39105.48	114049.4	412332.7	1364935
Rates General	253.52	6089399	2362748	1854925	1557660	1459736	1384645	6493209	68806915	90009490
Avail Sewer	812.78	6865507	1320272	1131360	1039279	998361.5	783105.6	3535069	24983007	40656773
Avail Water	273.05	790122.8	524726.8	460824.5	429853.6	409795.5	314078	1453195	9499148	13882017
Service Charge	0	0	0	0	0	0	0	0	939	939
Old Debt	0	0	0	148106.4	393545.1	0	0	0	1048.01	542699.5
Penalties Late Payment	-235.29	787695.4	1500	632369.3	504299.1	683718	0	675875.2	3800627	7085849
Coll. Fees	0	0	0	0	0	0	0	0	46499.53	46499.53
Legal Fees	0	0	0	0	0	0	0	10754.03	681987.4	692741.5
Deposit Water	-750	4784.13	-4146.33	925.93	-984.15	-1618	-1036.21	-3189.8	5139.14	-875.29
Sundry Charge	0	131759.7	93311	44068.47	70037.81	30655.73	0	0	247829.9	617662.7
Indigent Suppor	0	53562.8	40640.67	39247.21	34752.88	31753.39	27519.53	103603.7	772.89	331853
Agreements	12298.9	1947282	398101.2	286104.9	215466.4	2300622	242674.1	1425837	2482932	9311318
Receipts	-13165.1	-801187	-716485	-160449	-155606	-312010	-82740.1	-1723564	-2006836	-5972042
Total	14207.13	38511410	10836380	9617171	8643225	9931662	6096076	27740710	187174218.4	298565060.2

6.1.5 Grants and Subsidies

The Equitable Share has increased from R187,4 million to R203,7 million.

The subsidies allocated in terms of the Provincial DORA for the below mentioned services are:

- Library Services – R3,540,000
- Museum – R249,000
- Library Funding to provide internet and other ICT facilities for the public and staff to provide training – R1,223,000
- Economic Development – Informal Trader Stores – R2,000,000

The following grants have been allocated in terms of the National DORA:

- MIG – R51,853,000
- INEP – R16,680,000
- EPWP – R2,357,000
- FMG – R3,000,000
- MIG – R8,000,000 for the construction of Emondlo Sports field

The following grants have been allocated in terms of the National DORA to Zululand District Municipality for Abaqulusi Municipality:

- MIG – R56,856,000
- WSIG – R23,000,000
- Equitable Share – R203,715,000
- Equitable Share Sanitation – R58,297,000
- Equitable Share Water – R86,460,000

The following grant has been allocated in terms of the National DORA to Eskom for Abaqulusi Municipality:

- INEP – R23,695,000

Description R thousand	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
EXPENDITURE:	152 511	205 771	176 142	212 112	212 112	212 112	225 746	233 772	234 913
<u>Operating expenditure of Transfers and Grants</u>									
National Government:									
Local Government									
Equitable Share Finance	148 281	191 340	167 581	187 494	187 494	187 494	203 715	220 323	220 996
Management	2 235	2 600	2 650	3 000	3 000	3 000	3 000	3 000	3 000
EPWP Incentive	1 995	1 831	2 515	2 773	2 773	2 773	2 351	10 449	10 917
Integrated National Electrification Programme	–	10 000	3 396	18 845	18 845	18 845	16 680		
Other transfers/grants [insert description]									
Provincial Government:	4 319	5 372	5 119	15 498	15 498	15 498	10 012	10 234	5 468
Sport and Recreation	4 319	5 372	5 119	8 500	8 500	8 500	2 000	260	272
				2 000	2 000	2 000	249	3 697	3 862
				235	235	235	3 540	1 277	1 334
Economic Development				3 540	3 540	3 540	1 223	5 000	
Arts & Culture - Museum				1 223	1 223	1 223	3 000		
Arts & Culture - Libraries									
Arts & Culture - Libraries Information Support									
Cogta - Small Towns									

Other transfers/grants [insert description]									
District Municipality:	–	–	–	–	–	–	–	–	–
<i>[insert description]</i>									
Other grant providers:	–	–	–	–	–	–	–	–	–
<i>[insert description]</i>									
Total operating expenditure of Transfers and Grants:	156 830	211 143	181 261	227 610	227 610	227 610	235 758	244 006	240 381
<u>Capital expenditure of Tr ansfers and Grants</u>	37 135	36 451	39 107	42 083	42 083	42 083	59 853	45 737	47 701
National Government: Municipal Infrastructure Grant (MIG)	37 135	36 451	39 107	42 083	42 083	42 083	59 853	45 737	47 701
Other capital transfers/grants [insert desc]									
Provincial Government:	–	–	–	–	–	–	–	–	–
Other capital transfers/grants [insert description]									
District Municipality:	–	–	–	–	–	–	–	–	–
<i>[insert description]</i>									
Other grant providers:	–	–	–	–	–	–	–	–	–
<i>[insert description]</i>									
Total capital expenditure of Transfers and Grants	37 135	36 451	39 107	42 083	42 083	42 083	59 853	45 737	47 701
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	193 965	247 594	220 368	269 693	269 693	269 693	295 611	289 743	288 082

6.1.6 Municipal Infrastructure Assets and Maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2023/24 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by MFMA Circular 98 as well as the outcome of the 2021/2022 audit the municipality should budget for 8% of its expenditure budget to be allocated to repairs and maintenance and the on-going health of the municipality's infrastructure must be supported by an asset management plan. A further 40% of the municipal budget must be allocated to Capital for the renewal of existing assets and provide a detailed explanation and assurance that the budgeted amount is adequate to secure the on-going health of the municipality's infrastructure supported by reference to its asset management plan. The municipality in the state of local government finances and financial management has been accused of persistent under spending on capital and that the municipality is too reliant on capital grants. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2023/24 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by MFMA Circular 122 and MFMA Circular 123, as well as the outcome of the 2021/2022 audit the municipality should budget for 8% of its expenditure budget to be allocated to repairs and maintenance and the on-going health of the municipality's infrastructure must be supported by an asset management plan. A further 40% of the municipal budget must be allocated to Capital for the renewal of existing assets and provide a detailed explanation and assurance that the budgeted amount is adequate to secure the on-going health of the municipality's infrastructure supported by reference to its asset management plan. The municipality in the state of local government finances and financial management has been accused of persistent under spending on capital and that the municipality is too reliant on capital grants. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Table A9 Asset Management

Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
CAPITAL EXPENDITURE									
Total New Assets	24 734	(10 573)	(18 941)	41 154	38 449	38 449	71 068	40 476	40 742
Roads Infrastructure	17 404	(9 216)	(31 802)	37 229	31 435	31 435	17 971	5 598	–
Storm water Infrastructure	–	–	–	–	–	–	–	–	–
Electrical Infrastructure	735	–	–	1 425	1 425	1 425	16 680	10 449	10 917
Water Supply Infrastructure	(278)	6 650	–	–	–	–	–	–	–
Sanitation Infrastructure	(1 675)	–	–	–	–	–	–	–	–
Solid Waste Infrastructure	4 829	6 417	1 925	–	–	–	–	–	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	21 014	3 851	(29 877)	38 654	32 860	32 860	34 651	16 047	10 917
Community Facilities	(2 461)	(16 477)	9 367	–	2 539	2 539	17 917	15 492	16 637
Sport and Recreation Facilities	–	–	–	–	–	–	16 500	8 937	13 188
Community Assets	(2 461)	(16 477)	9 367	–	2 539	2 539	34 417	24 429	29 825
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	–	–	2 150	1 500	1 950	1 950	1 000	–	–
Housing	–	–	–	–	–	–	–	–	–
Other Assets	–	–	2 150	1 500	1 950	1 950	1 000	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	503	31	434	1 000	1 000	1 000	1 000	–	–
Furniture and Office Equipment	490	–	(576)	–	100	100	–	–	–

Machinery and Equipment	(2 764)	1 467	67	—	—	—	—	—	—
Transport Assets	7 952	554	(506)	—	—	—	—	—	—
Land	—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals	—	—	—	—	—	—	—	—	—
Mature	—	-	-	-	-	-	-	-	-
Immature	—	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	(78 047)	0	0	—	—	—	—	—	—
<i>Roads Infrastructure</i>	1 240	0	0	—	—	—	—	—	—
<i>Storm water Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Electrical Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Water Supply Infrastructure</i>	(95 142)	—	—	—	—	—	—	—	—
<i>Sanitation Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Solid Waste Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Rail Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Coastal Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Information and Communication Infrastructure</i>	—	—	—	—	—	—	—	—	—
Infrastructure	(93 902)	0	0	—	—	—	—	—	—
Community Facilities	14 650	—	—	—	—	—	—	—	—
Sport and Recreation Facilities	—	—	—	—	—	—	—	—	—
Community Assets	14 650	—	—	—	—	—	—	—	—
Heritage Assets	—	—	—	—	—	—	—	—	—
Revenue Generating	—	—	—	—	—	—	—	—	—
Non-revenue Generating	—	—	—	—	—	—	—	—	—
Investment properties	—	—	—	—	—	—	—	—	—
Operational Buildings	1 205	—	—	—	—	—	—	—	—
Housing	—	—	—	—	—	—	—	—	—
Other Assets	1 205	—	—	—	—	—	—	—	—
Biological or Cultivated Assets	—	—	—	—	—	—	—	—	—
Servitudes	—	—	—	—	—	—	—	—	—
Licences and Rights	—	—	—	—	—	—	—	—	—
Intangible Assets	—	—	—	—	—	—	—	—	—
Computer Equipment	—	—	—	—	—	—	—	—	—
Furniture and Office Equipment	—	—	—	—	—	—	—	—	—
Machinery and Equipment	—	—	—	—	—	—	—	—	—
Transport Assets	—	—	—	—	—	—	—	—	—
Land	—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals	—	—	—	—	—	—	—	—	—
Mature	—	-	-	-	-	-	-	-	-
Immature	—	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets	29 791	39 856	31 388	14 750	14 525	14 525	12 372	13 423	17 876
<i>Roads Infrastructure</i>	16 500	40 523	29 637	8 750	13 525	13 525	12 372	13 423	17 876
<i>Storm water Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Electrical Infrastructure</i>	1 742	4 531	1 751	1 000	1 000	1 000	—	—	—
<i>Water Supply Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Sanitation Infrastructure</i>	3 256	(5 564)	—	—	—	—	—	—	—
<i>Solid Waste Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Rail Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Coastal Infrastructure</i>	—	—	—	—	—	—	—	—	—
<i>Information and Communication Infrastructure</i>	—	—	—	—	—	—	—	—	—
Infrastructure	21 497	39 491	31 388	9 750	14 525	14 525	12 372	13 423	17 876
Community Facilities	(5 465)	46	—	—	—	—	—	—	—
Sport and Recreation Facilities	—	319	—	—	—	—	—	—	—
Community Assets	(5 465)	366	—	—	—	—	—	—	—

Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Other Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	7	–	–	–	–	–	–	–	–
Furniture and Office Equipment	57	–	–	–	–	–	–	–	–
Machinery and Equipment	–	–	–	–	–	–	–	–	–
Transport Assets	13 695	–	–	5 000	–	–	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Mature	–	-	-	-	-	-	-	-	-
Immature	–	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	(23 522)	29 283	12 447	55 904	52 974	52 974	83 440	53 899	58 618
<i>Roads Infrastructure</i>	<i>35 143</i>	<i>31 307</i>	<i>(2 165)</i>	<i>45 979</i>	<i>44 960</i>	<i>44 960</i>	<i>30 343</i>	<i>19 021</i>	<i>17 876</i>
<i>Storm water Infrastructure</i>	–	–	–	–	–	–	–	–	–
<i>Electrical Infrastructure</i>	<i>2 477</i>	<i>4 531</i>	<i>1 751</i>	<i>2 425</i>	<i>2 425</i>	<i>2 425</i>	<i>16 680</i>	<i>10 449</i>	<i>10 917</i>
<i>Water Supply Infrastructure</i>	<i>(95 420)</i>	<i>6 650</i>	–	–	–	–	–	–	–
<i>Sanitation Infrastructure</i>	<i>1 581</i>	<i>(5 564)</i>	–	–	–	–	–	–	–
<i>Solid Waste Infrastructure</i>	<i>4 829</i>	<i>6 417</i>	<i>1 925</i>	–	–	–	–	–	–
<i>Rail Infrastructure</i>	–	–	–	–	–	–	–	–	–
<i>Coastal Infrastructure</i>	–	–	–	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>	–	–	–	–	–	–	–	–	–
<i>Infrastructure</i>	<i>(51 391)</i>	<i>43 342</i>	<i>1 510</i>	<i>48 404</i>	<i>47 385</i>	<i>47 385</i>	<i>47 023</i>	<i>29 470</i>	<i>28 793</i>
Community Facilities	6 724	(16 430)	9 367	–	2 539	2 539	17 917	15 492	16 637
Sport and Recreation Facilities	–	319	–	–	–	–	16 500	8 937	13 188
Community Assets	6 724	(16 111)	9 367	–	2 539	2 539	34 417	24 429	29 825
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	1 205	–	2 150	1 500	1 950	1 950	1 000	–	–
Housing	–	–	–	–	–	–	–	–	–
Other Assets	1 205	–	2 150	1 500	1 950	1 950	1 000	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	510	31	434	1 000	1 000	1 000	1 000	–	–
Furniture and Office Equipment	547	–	(576)	–	100	100	–	–	–
Machinery and Equipment	(2 764)	1 467	67	–	–	–	–	–	–
Transport Assets	21 647	554	(506)	5 000	–	–	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Mature	–	-	-	-	-	-	-	-	-
Immature	–	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	(23 522)	29 283	12 447	55 904	52 974	52 974	83 440	53 899	58 618

ASSET REGISTER SUMMARY - PPE (WDV)	1 292 745	1 427 270	1 345 028	1 356 683	1 312 254	1 312 254	1 309 524	1 264 939	1 218 257
Roads Infrastructure	215 535	230 874	210 816	241 806	201 827	201 827	202 016	187 541	172 386
Storm water Infrastructure	0	–	–	–	–	–	–	–	–
Electrical Infrastructure	396 690	338 295	300 064	371 074	371 074	371 074	293 251	286 105	278 623
Water Supply Infrastructure	119 374	112 981	97 334	99 461	99 461	99 461	89 326	80 925	72 130
Sanitation Infrastructure	105 004	96 984	82 268	107 827	107 827	107 827	80 457	78 557	76 568
Solid Waste Infrastructure	7 800	24 899	25 738	10 529	10 529	10 529	22 967	20 060	17 016
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	844 403	804 033	716 219	830 697	790 718	790 718	688 017	653 189	616 723
Community Assets	103 241	113 737	114 846	164 116	164 116	164 116	109 358	103 601	97 573
Heritage Assets	3 855	3 855	3 855	3 855	3 855	3 855	3 855	3 855	3 855
Investment properties	54 678	91 161	99 933	70 605	70 605	70 605	99 933	99 933	99 933
Other Assets	78 879	75 156	72 422	77 355	77 805	77 805	73 370	73 316	73 259
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Intangible Assets	364	467	322	141	141	141	152	(27)	(213)
Computer Equipment	654	494	743	1 410	1 410	1 410	1 569	1 387	1 196
Furniture and Office Equipment	420	346	218	(2 323)	(2 223)	(2 223)	(3 199)	(6 785)	(10 539)
Machinery and Equipment	1 069	955	441	1 131	1 131	1 131	441	441	441
Transport Assets	7 946	8 371	7 679	12 462	7 462	7 462	7 679	7 679	7 679
Land	197 235	328 694	328 349	197 235	197 235	197 235	328 349	328 349	328 349
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Living Resources	–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	1 292 745	1 427 270	1 345 028	1 356 683	1 312 254	1 312 254	1 309 524	1 264 939	1 218 257
EXPENDITURE OTHER ITEMS	59 910	103 975	153 809	64 357	67 067	67 067	63 503	68 042	71 239
Depreciation	45 692	80 135	108 971	32 695	32 695	32 695	42 503	44 586	46 681
Repairs and Maintenance by Asset Class	14 218	23 840	44 838	31 662	34 372	34 372	21 000	23 456	24 558
Roads Infrastructure	4 267	250	8 993	5 000	6 377	6 377	6 000	5 465	5 722
Storm water Infrastructure	–	–	–	–	–	–	–	–	–
Electrical Infrastructure	3 395	5 999	7 458	6 270	7 035	7 035	12 000	11 539	12 081
Water Supply Infrastructure	5 011	10 885	15 986	5 100	4 650	4 650	500	548	573
Sanitation Infrastructure	442	2 966	3 893	2 750	2 300	2 300	1 000	548	573
Solid Waste Infrastructure	–	–	3 631	4 367	4 200	4 200	–	–	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	13 116	20 100	39 961	23 487	24 562	24 562	19 500	18 099	18 950
Community Facilities	5	–	58	1 500	120	120	–	3 147	3 295
Sport and Recreation Facilities	–	–	54	–	4 000	4 000	–	–	–
Community Assets	5	–	112	1 500	4 120	4 120	–	3 147	3 295
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	186	2 404	937	2 390	2 040	2 040	1 500	2 209	2 313
Housing	–	–	–	–	–	–	–	–	–
Other Assets	186	2 404	937	2 390	2 040	2 040	1 500	2 209	2 313
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	7	–	–	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–	–	–	–

Machinery and Equipment	11	35	130	1 285	750	750	–	–	–
Transport Assets	894	1 302	3 698	3 000	2 900	2 900	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Mature	–	-	-	-	-	-	-	-	-
Immature	–	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS	59 910	103 975	153 809	64 357	67 067	67 067	63 503	68 042	71 239
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	<i>205.2%</i>	<i>136.1%</i>	<i>252.2%</i>	<i>26.4%</i>	<i>27.4%</i>	<i>27.4%</i>	<i>14.8%</i>	<i>24.9%</i>	<i>30.5%</i>
<i>Renewal and upgrading of Existing Assets as % of deprecn R&M as a % of PPE</i>	<i>-105.6%</i>	<i>49.7%</i>	<i>28.8%</i>	<i>45.1%</i>	<i>44.4%</i>	<i>44.4%</i>	<i>29.1%</i>	<i>30.1%</i>	<i>38.3%</i>
<i>Renewal and upgrading and R&M as a % of PPE</i>	<i>1.1%</i>	<i>1.7%</i>	<i>3.3%</i>	<i>2.3%</i>	<i>2.6%</i>	<i>2.6%</i>	<i>1.6%</i>	<i>1.9%</i>	<i>2.0%</i>
	<i>-2.6%</i>	<i>4.5%</i>	<i>5.7%</i>	<i>3.4%</i>	<i>3.7%</i>	<i>3.7%</i>	<i>2.6%</i>	<i>2.9%</i>	<i>3.5%</i>

During the compilation of the 2023/24 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the ageing of the Municipality's infrastructure and historic deferred maintenance. To this end, repairs and maintenance is allocated an amount of R21,3 million and will increase in 2024/25 to R23,4 million and then increase to R24,5 million by 2025/26. Notwithstanding, as part of the 2023/24 MTREF this strategic imperative remains a priority as can be seen by the budget appropriations over the MTREF. The total allocation for 2023/24 equates to R12,2 million in relation to the Adjustment Budget and continues to grow over the MTREF. In relation to the total operating expenditure, repairs and maintenance comprises of 3.2% for the respective financial years of the MTREF.

Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description R thousand	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<u>Repairs and maintenance Expenditure by Asset Class/Sub-class</u>									
Infrastructure	13 116								
Roads Infrastructure		20 100	39 961	23 487	24 562	24 562	19 500	18 099	18 950
Roads	4 267	250	8 993	5 000	6 377	6 377	6 000	5 465	5 722
Road Structures Road Furniture	4 267	234	8 677	5 000	6 377	6 377	6 000	5 465	5 722
Capital Spares	–	–	–	–	–	–	–	–	–
Storm water Infrastructure	–	15	316	–	–	–	–	–	–
Drainage Collection Storm water	–	–	–	–	–	–	–	–	–
Conveyance Attenuation	–	–	–	–	–	–	–	–	–
Electrical Infrastructure	–	–	–	–	–	–	–	–	–
Power Plants HV Substations	–	–	–	–	–	–	–	–	–
HV Switching Station	–	–	–	–	–	–	–	–	–
HV Transmission Conductors MV Substations	–	–	–	–	–	–	–	–	–
MV Switching Stations MV Networks	–	–	–	–	–	–	–	–	–
LV Networks Capital Spares	3 395	5 999	7 458	6 270	7 035	7 035	12 000	11 539	12 081

Water Supply Infrastructure Dams and Weirs Boreholes	—	—	—	—	—	—	—	—	—
Reservoirs Pump Stations	—	—	—	—	—	—	—	—	—
Water Treatment Works Bulk Mains	—	—	—	—	—	—	—	—	—
Distribution Distribution Points	1 706	5 034	4 571	4 270	6 000	6 000	9 000	9 441	9 885
PRV Stations Capital Spares	704	0	250	—	—	—	—	—	—
Sanitation Infrastructure Pump	862	848	1 391	2 000	1 035	1 035	3 000	2 098	2 197
Station Reticulation	123	117	1 247	—	—	—	—	—	—
Waste Water Treatment Works	—	—	—	—	—	—	—	—	—
Outfall Sewers	—	—	—	—	—	—	—	—	—
Toilet Facilities Capital Spares	—	—	—	—	—	—	—	—	—
Solid Waste Infrastructure	—	—	—	—	—	—	—	—	—
Landfill Sites	—	—	—	—	—	—	—	—	—
Waste Transfer Stations Waste	5 011	10 885	15 986	5 100	4 650	4 650	500	548	573
Processing Facilities Waste Drop-off Points Waste Separation	—	—	—	300	300	300	—	—	—
Facilities	—	—	—	—	—	—	—	—	—
Electricity Generation Facilities	—	—	497	—	—	—	—	—	—
Capital Spares	—	—	—	3 300	2 850	2 850	—	—	—
Rail Infrastructure	5 011	9 150	15 189	—	—	—	—	—	—
Rail Lines	—	1 735	300	—	—	—	—	—	—
Rail Structures Rail Furniture	—	—	—	1 500	1 500	1 500	500	548	573
Drainage Collection Storm water	—	—	—	—	—	—	—	—	—
Conveyance Attenuation	—	—	—	—	—	—	—	—	—
MV Substations LV Networks	—	—	—	—	—	—	—	—	—
Capital Spares	—	—	—	—	—	—	—	—	—
Coastal Infrastructure	—	—	—	—	—	—	—	—	—
Sand Pumps Piers Revetments	—	—	—	—	—	—	—	—	—
Promenades Capital Spares	—	—	—	—	—	—	—	—	—
Information and Communication	442	2 966	3 893	2 750	2 300	2 300	1 000	548	573
Infrastructure	—	—	968	1 750	1 300	1 300	1 000	548	573
Data Centres Core Layers	—	—	—	—	—	—	—	—	—
Distribution Layers Capital Spares	—	2 174	—	—	—	—	—	—	—
Community Assets	442	792	2 925	1 000	1 000	1 000	—	—	—
Community Facilities	—	—	—	—	—	—	—	—	—
Halls Centres Crèches	—	—	—	—	—	—	—	—	—
Clinics/Care Centres	—	—	—	—	—	—	—	—	—
Fire/Ambulance Stations Testing	—	—	—	—	—	—	—	—	—
Stations	—	—	3 631	4 367	4 200	4 200	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
5	—	112	1 500	4 120	4 120	—	3 147	3 295	—
5	—	58	1 500	120	120	—	3 147	3 295	—
5	—	58	500	100	100	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
Total Repairs and Maintenance Expenditure	14 218	23 840	44 838	31 662	34 372	34 372	21 000	23 456	24 558
R&M as a % of PPE & Investment Property	1.1%	1.7%	3.3%	2.3%	2.6%	2.6%	1.6%	1.9%	2.0%
R&M as % Operating Expenditure	2.5%	3.5%	5.7%	4.5%	5.2%	5.2%	3.2%	3.3%	2.9%

6.1.7 Current and Planned Borrowings

The municipality has no current or planned borrowings.

Borrowing - Categorised by type R thousand	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality									
Annuity and Bullet Loans									
Long-Term Loans (non-annuity) Local registered stock									
Instalment Credit									
Financial Leases PPP liabilities									
Finance Granted By Cap									
Equipment Supplier Marketable Bonds									
Non-Marketable Bonds Bankers									
Acceptances Financial derivatives Other Securities									
Municipality sub-total									
	–	–	–	–	–	–	–	–	–
Entities									
Annuity and Bullet Loans									
Long-Term Loans (non-annuity) Local registered stock									
Instalment Credit									
Financial Leases PPP liabilities									
Finance Granted By Cap									
Equipment Supplier Marketable Bonds									
Non-Marketable Bonds Bankers									
Acceptances Financial derivatives Other Securities									
Entities sub-total									
	–	–	–	–	–	–	–	–	–
Total Borrowing	–	–	–	–	–	–	–	–	–
Unspent Borrowing - Categorised by type									
Parent municipality									
Long-Term Loans (annuity/reducing balance)									
Long-Term Loans (non-annuity)									
Local registered stock									
Instalment Credit Financial									
Leases PPP liabilities									
Finance Granted By Cap									
Equipment Supplier Marketable Bonds									
Non-Marketable Bonds Bankers									
Acceptances Financial derivatives Other Securities									
Municipality sub-total									
	–	–	–	–	–	–	–	–	–

<u>Entities</u> Long-Term Loans (annuity/reducing balance) Long-Term Loans (non- annuity) Local registered stock Instalment Credit Financial Leases PPP liabilities Finance Granted By Cap Equipment Supplier Marketable Bonds Non-Marketable Bonds Bankers Acceptances Financial derivatives Other Securities Entities sub-total									
Total Unspent Borrowing	–	–	–	–	–	–	–	–	–

6.1.8 Municipal Credit Rating

The municipality currently does not have a credit rating.

6.1.9 Municipal Ratios

The table below depicts the Municipal Ratios.

Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<u>Borrowing Management</u>											
Credit Rating Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.2%	1.2%	0.0%	0.0%	0.3%	0.3%	0.5%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.2%	1.2%	0.0%	0.0%	0.3%	0.3%	0.4%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
<u>Gearing Liquidity</u>	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Current Ratio Current Ratio adjusted for aged debtors	Current assets/current liabilities Current assets less debtors > 90 days/current liabilities	0.9 0.9	1.0 1.0	1.0 1.0	2.1 2.1	1.7 1.7	1.7 1.7	1.3 1.3	1.8 1.8	2.3 2.3	3.2 3.2
Liquidity Ratio Revenue Manag ement	Monetary Assets/Current Liabilities	0.3	0.3	0.3	0.7	0.7	0.7	0.6	1.7	2.3	3.3
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		94.3%	78.1%	97.1%	104.1%	107.2%	107.2%	91.9%	93.2%	93.5%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		94.3%	78.1%	97.1%	104.1%	107.2%	107.2%	91.9%	93.2%	93.5%	93.5%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	39.9%	40.4%	54.4%	40.5%	49.1%	49.1%	67.9%	14.5%	11.7%	9.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Tota l Debtors > 12 Months Old										
Creditors Mana gement											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		16.4%	17.5%	74.4%	417.8%	224.6%	76.3%	61.1%	86.9%	68.9%	41.5%
Other Indicators											
	Total Volume Losses (kW) technical										
	Total Volume Losses (kW) non technical										
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										

Water Volumes :System input	Bulk Purchase Water treatment works Natural sources Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	25.0%	22.9%	28.1%	26.9%	27.4%	27.4%	23.5%	23.9%	22.8%	22.0%
Remuneration	Total remuneration/(T otal Revenue - capital revenue)	25.0%	22.9%	28.1%	29.6%	30.1%	30.1%		26.5%	25.4%	24.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	2.5%	3.6%	7.1%	4.4%	4.8%	4.8%		2.8%	2.8%	2.7%
Finance charges & Depreciation IDP regulation f inancial viabilit y indicators i. Debt coverage	FC&D/(Total Revenue - capital revenue)	8.3% (25 715.2)	13.7% 925.0	18.9% 404.8	4.6% 441.7	4.8% 441.7	4.8% 441.7	0.4% 317.5	5.4% 438.9	5.2% 454.5	5.0% 493.4
ii.O/S Service Debtors to Revenue	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	65.2%	62.8%	78.2%	67.0%	85.4%	85.4%	118.8%	3.4%	-0.1%	-3.0%
iii. Cost coverage	Total outstanding service debtors/annual revenue received for services (Available cash + Investments)/m onthly fixed operational expenditure	22.4	11.3	3.9	0.4	1.5	4.3	5.5	2.1	2.2	2.7

6.1.10 Employee Related Costs

The budgeted allocation for employee related costs for the 2023/24 financial year totals R188,3 million, which equals 24,1% of the total operating expenditure. The multi-year Salary and Wage Collective Agreement from SALGBC to be implemented from 1 July 2023 is CPI (5,3%) in terms of the agreement.

The cost associated with the remuneration of councillors is determined through Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils notice issued by the Minister of Co-operative Governance and Traditional Affairs. Section 167 of the MFMA provides that the municipality may remunerate Councillors within the framework of the Public Office Bearers Act, 1998 (Act 20 of 1998) setting the upper limits of the salaries, allowances and benefits for political office-bearers. Any benefit which is not included in the above-mentioned notice constitutes irregular expenditure with recovery thereof from the Councillor concerned is mandatory.

KZN263 Abaqulusi - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue Framework	
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25
<u>Councillors (Political Office Bearers plus Other)</u>								
Basic Salaries and Wages	–	–	–	–	–	–	–	–
Pension and UIF Contributions	–	–	–	–	–	–	–	–
Medical Aid Contributions	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	–	–	–	–	–	–	–	–
Cellphone Allowance	–	–	–	2 174	2 174	2 174	2 282	2 397
Housing Allowances	–	–	–	–	–	–	–	–
Other benefits and allowances	–	–	–	17 633	17 633	17 633	18 514	19 440
Sub Total - Councillors	–	–	–	19 806	19 806	19 806	20 797	21 836
% increase		–	–	–	–	–	5.0%	5.0%
<u>Senior Managers of the Municipality</u>								
Basic Salaries and Wages	6 729	5 373	5 499	8 098	7 204	7 204	7 290	7 647
Pension and UIF Contributions	11	–	1	12	12	12	13	14
Medical Aid Contributions	–	–	–	–	–	–	–	–
Overtime	–	–	–	–	–	–	–	–
Performance Bonus	–	758	–	206	206	206	216	226
Motor Vehicle Allowance	–	–	1 358	–	1 440	1 440	1 466	1 537
Cellphone Allowance	179	165	159	202	156	156	195	205
Housing Allowances	–	–	–	–	–	–	–	–
Other benefits and allowances	–	1	0	–	–	–	–	–
Payments in lieu of leave	–	–	85	–	–	–	–	–
Long service awards	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality	6 918	6 297	7 102	8 518	9 018	9 018	9 180	9 630

% increase		(9.0%)	12.8%	19.9%	5.9%	–	1.8%	4.9%
Other Municipal Staff								
Basic Salaries and Wages	103 969	93 198	94 084	122 695	122 424	122 424	107 500	110 351
Pension and UIF Contributions	16 334	18 128	19 304	19 231	20 085	20 085	21 148	22 134
Medical Aid Contributions	5 584	5 609	8 410	11 556	11 190	11 190	9 866	10 349
Overtime	1 625	12 171	16 611	10 894	15 609	15 609	16 510	17 319
Performance Bonus	6 817	6 339	7 599	8 740	7 584	7 584	8 683	9 109
Motor Vehicle Allowance	2 299	9 241	9 835	2 708	1 392	1 392	10 568	11 086
Cellphone Allowance	1 158	1 149	1 265	1 539	1 539	1 539	1 302	1 366
Housing Allowances	1 062	1 090	533	–	337	337	381	399
Other benefits and allowances	385	1 042	2 779	2 791	2 614	2 614	2 205	2 313
Payments in lieu of leave	–	3 251	–	–	–	–	–	–
Long service awards	3 457	1 844	1 994	1 153	1 153	1 153	–	–
Post-retirement benefit obligations	(7 893)	(5 787)	7 563	2 340	2 340	2 340	–	–
Sub Total - Other Municipal Staff	134 796	147 273	169 978	183 647	186 267	186 267	178 162	184 426
% increase		9.3%	15.4%	8.0%	1.4%	–	(4.4%)	3.5%
Total Parent Municipality	141 715	153 571	177 080	211 972	215 091	215 091	208 138	215 892
		8.4%	15.3%	19.7%	1.5%	–	(3.2%)	3.7%
Total Salary, Allowances & Benefits	141 715	153 571	177 080	211 972	215 091	215 091	208 138	215 892
% Increase		8.4%	15.3%	19.7%	1.5%	–	(3.2%)	3.7%
TOTAL MANAGERS AND STAFF	141 715	153 571	177 132	192 166	195 285	195 285	188 376	194 055

6.1.11 Supply Chain Management

The Abaqulusi Municipality currently has a Supply Chain Management unit that manages the flow of goods and services via the municipal SCM Policy. In order to give effect to the SCM Policy, the municipality has an established Bid Specification, Evaluation and Adjudication Committee that is fully functional.

The composition of the committees and members that serve on them is as follows:

Bid Specification Committee			
Name of Official	Department	Position	Position in Committee
L Mthembu	Technical	Manager Water	Chairperson
V. Sithole	Planning	Manager Housing	Member
B Buthelezi	Finance	Manager Income	Member
S. Skhosana	Finance	Manager Asset	Member
NS Zulu	Finance	SCM Clerk	Member

Bid Evaluation Committee

Name of Official	Department	Position	Position in Committee
L Dookhilal	Development Planning	Manager: IDP/PMS	Chairperson
CS Thungo	Finance	SCM Accountant	Member
PJ Ndlovu	Technical	Manager: Road & Storm water	Member
TS Mthembu	Community	Manager Public Safety	Member

Bid Adjudication Committee

Name of Official	Department	Position	Position in Committee
MPE Mthembu	Finance	CFO	Chairperson
SP Dlamini	Corporate	Director	Member
JS Landman	Planning	Director	Member
T Xaba	Community	Director	Member
N Mbongwa	Technical	Director	Member
PH Nxumalo	Finance	SCM Manager	Member

6.1.11.1 SCM BID Committee Meetings held over the 2022/2023 Financial Year

Bid Specification Meeting		Bid Evaluation Meeting		Bid Adjudication Meeting	
Number of Meetings	Date	Number of Meetings	Date	Number of Meetings	Date
1.	19/07/2022	1.	06/07/2022	1.	21/07/2022
2.	23/08/2022	2.	10/08/2022	2.	25/08/2022
3.	27/09/2022	3.	14/09/2022	3.	29/09/2022
4.	25/10/2022	4.	12/10/2022	4.	27/10/2022
5.	29/11/2022	5.	09/11/2022	5.	24/11/2022
6.		6.	07/12/2022	6.	08/12/2022
7.	31/01/2023	7.	17/01/2023	7.	SPECIAL
8.	27/02/2023	8.	07/02/2023	8.	23/02/2023
9.	21/03/2023	9.	13/03/2023	9.	30/03/2023
10.	25/04/2023	10.	03/04/2023	10.	27/04/2023
11.	30/05/2023	11.	01/05/2023	11.	SPECIAL
12.	SPECIAL	12.	11/06/2023	12.	SPECIAL

6.1.12 Auditor General's Opinion and 2019-2020 Action Plan

Over the last 3 financial years the Abaqulusi Municipality has received the following Opinion from the Auditor General.

- 2017/2018 – Qualified
- 2018/2019 – Unqualified
- 2019/2020 – Qualified
- 2020/2021 – Qualified
- 2021/2022 – Unqualified

In addressing the issues raised by the Auditor General in order to improve its financial affairs and performance, the Abaqulusi Municipality has in place an Audit Action Plan which it is currently implementing.

No.	AFS Component affected	Matters as per Audit Report 30 June 2021	Audit Report Item Ref	Start Date	End Date	Department/ Official Responsible for Implementation	Action required
1	Report on the audit of compliance with legislation	Procurement and contract management Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of SCM regulation 17(1)(a) and (c). Similar non-compliance was also reported in the prior year.	30	20-Jan-23	30-Jun-23	SCM Manager	SCM Manager to monitor implementation of the compliance checklist before making the order. Expenditure manager must also monitor the implementation of the compliance checklist before making the payment. Conduct voucher audit of SCM transactions to confirm implementation of the SCM Compliance Checklist. Internal Audit to assist MPAC in conducting investigations of identified irregular expenditure. Consequence management to be implemented based on the Internal Audit investigation. SCM officials , BEC and BAC will receive training on SCM Regulations. Quotation will be sourced from the panel

							SCM policy to be reviewed to include selection criteria on utilisation of panel of service providers by March 2023 SCM Procedure manual to be developed by March 2023
2	Report on the audit of compliance with legislation	Procurement and contract management Quotations were accepted from bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c).	31	20-Jan-23	30-Jun-23	SCM Manager	SCM Manager to monitor implementation of the compliance checklist before making the order. Expenditure manager must also monitor the implementation of the compliance checklist before making the payment. Conduct voucher audit of SCM transactions to confirm implementation of the SCM Compliance Checklist. Internal Audit to assist MPAC in conducting investigations of identified irregular expenditure. Consequence management to be implemented based on the Internal Audit investigation. SCM officials, BEC and BAC will receive training on SCM Regulations.
3	Report on the audit of compliance with legislation	Procurement and contract management Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation	32	20-Jan-23	30-Jun-23	SCM Manager/CFO	The municipality appointed a panel of service providers through a process of competitive bidding for services which are normally required on an emergency basis. CFO to review reasons for deviations to ensure they are valid before approval.

		19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1). Similar non-compliance was also reported in the prior year.					Management to draft a policy /SOP for selection of service providers from a panel.
4	Report on the audit of compliance with legislation	Procurement and contract management Some of the contracts were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c).	33	20-Jan-23	30-Jun-23	SCM Manager	SCM Manager to monitor implementation of the compliance checklist before making the order. Expenditure manager must also monitor the implementation of the compliance checklist before making the payment. Conduct voucher audit of SCM transactions to confirm implementation of the SCM Compliance Checklist. Internal Audit to assist MPAC in conducting investigations of identified irregular expenditure. Consequence management to be implemented based on the Internal Audit investigation. SCM officials , BEC and BAC will receive training on SCM Regulations.

5	Report on the audit of compliance with legislation	Procurement and contract management Some of the contracts were awarded to providers whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM regulation 43. Similar non-compliance was also reported in the prior year.	34	20-Jan-23	30-Jun-22	SCM Manager	SCM Manager to monitor implementation of the compliance checklist before making the order. Expenditure manager must also monitor the implementation of the compliance checklist before making the payment. Conduct voucher audit of SCM transactions to confirm implementation of the SCM Compliance Checklist. Internal Audit to assist MPAC in conducting investigations of identified irregular expenditure. Consequence management to be implemented based on the Internal Audit investigation. SCM officials , BEC and BAC will receive training on SCM Regulations. Service providers to be disqualified if tax matters are not in order
6	Report on the audit of compliance with legislation	Procurement and contract management Tenders which achieved the minimum qualifying score for functionality criteria were not evaluated further in accordance with the 2017 Preferential Procurement Regulation 5(7).	35	20-Jan-23	28-Feb-23	SCM Manager	The BEC and BAC must ensure compliance with the 2017 Preferential Procurement Regulations when awarding tenders. The BEC and BAC must ensure that all the pre requisite processes are followed and therefore any deviation from the process will result in consequence management. Minimum tender requirements to be stipulated on the advert

7	Report on the audit of compliance with legislation	Procurement and contract management Some of the contracts above R30 million did not include a condition for mandatory subcontracting to advance designated groups, as required by the 2017 Preferential Procurement Regulation 9(1).	36	20-Jan-23	28-Feb-23	SCM Manager /CFO/MM	Management must investigate if it is feasible to include a condition for mandatory subcontracting to advance designated groups before advertising for a contract over R30 million. Specification committee should provide the analysis on whether it is feasible to subcontract. Management will do a feasibility study for subcontracting on tenders and appointment of local employees. SCM policy to be reviewed to stipulate a mandatory analysis of subcontracting to each outsourced services to determine if is feasible Public safety to conduct feasibility study on whether is feasible to subcontracting the security services.
8	Report on the audit of compliance with legislation	Procurement and contract management The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA. Similar non-compliance was also reported in the prior year.	37	20-Jan-23	30-Jun-23	SCM Manager	Performance of contractor's form must be sent to the relevant departments monthly. To update the External Service Provider Assessment Form to include assessment date and minutes of the engagement with the supplier need to be filed as proof of assessment and engagement with the service provider regarding the assessment. Specification to be utilised to develop a monitoring tool to assess the performance of service provider

9	Report on the audit of compliance with legislation	Expenditure management Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.	38	20-Jan-23	30-Jun-23	CFO/Expenditure Management	Management will strive to strengthen financial and working capital management and ensure that there is sufficient cash on hand to settle invoices timeously where there is no dispute. The municipality to revive its revenue enhancement strategies to collect on government departments Conduct a meter audit
10	Report on the audit of compliance with legislation	Expenditure management Reasonable steps were not taken to prevent irregular expenditure amounting to R58,24 million as disclosed in note 48 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by a competitive bidding process not being followed, as required by SCM regulation 19(a). Similar non-compliance was also reported in the prior year.	39	20-Jan-23	30-Jun-23	SCM Manager	Irregular Expenditure Conduct voucher audit of SCM transactions to confirm implementation of the SCM Compliance Checklist. Internal Audit to assist MPAC in conducting investigations of identified irregular expenditure. Internal Audit to assist MPAC in conducting investigations of identified irregular expenditure. Consequence management to be implemented based on the Internal Audit investigation. SCM officials , BEC and BAC will receive training on SCM Regulations.

11	Report on the audit of compliance with legislation	Expenditure management Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R23,63 million, as disclosed in note 47 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA.	40	20-Jan-23	30-Jun-23	CFO	Fruitless and wasteful expenditure Revenue enhancement strategy to be implemented to assist the municipality with cash flow matters. Management must engage ESKOM regarding the receipt of invoices on time and how interest is charged because the municipality has been paying on time. There should be an investigation by Internal Audit and Legal of suppliers claiming for work done previously, in instances where the municipality has no proof of goods or services received.
12	Report on the audit of compliance with legislation	Expenditure management Reasonable steps were not taken to prevent unauthorised expenditure amounting to R152,12 million, as disclosed in note 46 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by overspending on budget votes.	41	20-Jan-23	30-Jun-23	SCM Manager	Unauthorised Management to budget for the following non-cash items: Employee related cost - Leave Pay Provision Depreciation and amortisation Finance charges - Service & Interest Cost Post Employee Benefits Provision of impairment Inventory write down Unauthorised expenditure on cash items was due to user departments, allocating expenditure to incorrect segments. Comprehensive MSCO and GRAP budgeting training to be rolled out in order to enable budgeting in compliance with GRAP and reduce unauthorised expenditure Amend SCM SOP to

							include a process of reviewing the segments and verify the availability of the budget by Financial planning before submitting the request for goods to SCM.
13	Report on the audit of compliance with legislation	Asset management An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.	42	20-Jan-23	30-Jun-23	Assets Manager	The asset register will be updated with additions and there will be monthly reconciliations. Management should review and update asset management policy and standard operating procedures with regards to the management of assets.
14	Report on the audit of compliance with legislation	Consequence management Unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.	43	20-Jan-23	30-Jun-23	IA/MM	Internal audit to assist MPAC in the investigation of UIFW expenditure.
15	Report on the audit of compliance with legislation	Utilisation of conditional grants Performance in respect of programmes funded by the Municipal Infrastructure Grant was not evaluated within two months after the end of the financial year, as required by section 12(5) of the Dora.	44	20-Jan-23	31-Jul-23	SCM Manager	Management will evaluate performance in respect of programmes funded by the Municipal Infrastructure Grant within two months after the end of the financial year. Progress report for all MIG to be submitted by PMU within two months after the financial year end.

16	Internal control deficiencies	The financial statements and annual performance report contained material misstatements that were corrected. These were mainly due to the inadequate application of the financial reporting framework and inadequate reviews by management of quarterly, mid-year, and annual performance reports to ensure that it was supported by reliable information.	50	20-Jan-23	31-Jul-23	IA/MM/Audit Committee	Management will ensure that the quarterly, mid-year, and annual performance reports will be reviewed by the Internal Auditor to ensure that they are supported by reliable information. Management will monitor service provider performance to verify that appointed service provider has professional competence and due care required to compile the AFS. Management should review and verify AFS to ensure that information is a true reflection of the municipality's financial affairs. AFS to be completed by 31 July to allow time for review by the relevant stakeholders.
17	Internal control deficiencies	Management did not establish an appropriate compliance checklist to ensure compliance with relevant laws and regulations	51	20-Jan-23	30-Apr-23	CFO/MM	Management to review and update policies, checklists and SOPs. CFO and MM to monitor compliance with the checklists and SOPs. Put in deadlines for development of SOPs
18	Material irregularities identified during the audit	The municipality failed to ensure that the payments due to a supplier were made within 30 days of the invoice date and thus incurred and paid interest of R2,86 million on the outstanding amounts due, in contravention of section 65(2)(e) of MFMA. The non-compliance resulted in a material financial loss of R2,86	54	20-Jan-23	30-Jun-23	Budget/Expenditure/CFO	Management will strive to strengthen financial and working capital management and ensure that there is sufficient cash on hand to settle invoices timeously where there is no dispute. Management must implement recommendations from Internal Audit investigations, MM through extended MANCO must follow up on the progress of implementation.

		million incurred by Abaqulusi Local Municipality before 30 March 2020. The interest payments were disclosed as fruitless and wasteful expenditure in note 47 to the 2020-21 annual financial statements.					There should be an investigation by Internal Audit and Legal of suppliers claiming for work done previously, in instances where the municipality has no proof of goods or services received.
19	Material irregularities identified during the audit	The municipality failed to ensure that payments due to a supplier were made within 30 days of the invoice dates and thus incurred and paid interest of R1,87 million on the outstanding amounts due, in contravention of section 65(2)(e) of the MFMA. The non-compliance resulted in a material financial loss of R1,87 million by 30 March 2020 for Abaqulusi Local Municipality. The interest payments were disclosed as fruitless and wasteful expenditure in note 47 to the 2020-21 annual financial statements.	55	20-Jan-23	30-Jun-23	Budget/Expenditure/CFO	Management will strive to strengthen financial and working capital management and ensure that there is sufficient cash on hand to settle invoices timeously where there is no dispute. Management must implement recommendations from Internal Audit investigations, MM through extended MANCO must follow up on the progress of implementation. There should be an investigation by Internal Audit and Legal of suppliers claiming for work done previously, in instances where the municipality has no proof of goods or services received.
20	Material irregularities identified during the audit	The municipality did not charge interest on its arrear debtor accounts for the 2019-20 and 2020-2021 financial years, as required by section 64(2)(g) of the MFMA. Furthermore, no subsequent billing of this interest was done by 30 June	57	20-Jan-23	30-Jun-23	Revenue Manager	1) Updated Creditors Control and Debtors collection policy 2) The interest was on all debtor amounts in arrears for the 2022/2023 financial year. Management must implement recommendations from Internal Audit investigations, MM through extended

		2021 and no exemption was granted by the council to waive the interest on the arrear debtor accounts. The debtors account balances were R298,68 million and R247,63 million for 2019-20 and 2020-2021 respectively as disclosed in note 6 to the 2020-21 annual financial statements. The non-compliance resulted in a material financial loss to the Abaqulusi Local Municipality, which will not be recoverable from the debtors.					MANCO must follow up on the progress of implementation.
21	Material irregularities identified during the audit	The municipality failed to recognise revenue when it was earned, as some consumers were not billed for sewerage services that had been provided for the period 01 July 2020 to 30 June 2021. Furthermore, the related consumers were not billed subsequently, in contravention of section 64(2)(e)(i) of the MFMA. The non-compliance resulted in a material financial loss to the Abaqulusi Local Municipality, which will not be recoverable from the debtors.	59	20-Jan-23	30-Jun-23	SCM Manager	Management to perform reconciliations for all services provided to identify accounts which are not billed for services. Management must implement recommendations from Internal Audit investigations, MM through extended MANCO must follow up on the progress of implementation.

6.2 Financial Viability and Management SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> • HOD and section managers are all in place and able to provide leadership and guidance • Financial reporting is always done timeously and in accordance with legislation • Centralised database • All SCM Committees established • Early implementation of MSCOA • Implementation of CSD • Revenue enhancement committee • Procurement plan in place 	<ul style="list-style-type: none"> • Delayed payments to service providers • Delay in SCM Processes • SCM Process not followed • High rate of debtors • Strategic vacant positions not filled • Uncleaned database for billing • High indigent rate due to lack of oversight • Lack of monitoring and supervision of cashiers • Non vetting of employees • Employees collusion with the consumers on bridging electricity and cable theft • Lack of Consequences management • Irregular expenditure • Verification of service providers in the service of state • Lack of regular SCM training • Lack of Implementation of Procurement Plan
Opportunities	Threats
<ul style="list-style-type: none"> • Clean audit opinion is attainable • Audit of electricity and water meters for revenue enhancement • Installation of a system to control overtime • Debt recovery and revenue enhancement plans • Support from KZN Cogta, Provincial and National Treasury • Amend credit control policy to accommodate illegal land use and development to impose fines • Disposal of municipal owned land to enhance revenue 	<ul style="list-style-type: none"> • Legal action instituted against the municipality resulting in section 139 • No early warning system against loss of revenue • Delayed SCM process results in delayed service provision • Utilisation of service provider that not registered with VAT over the threshold • Qualified/adverse/disclaimer audit opinion • Cash flow constraint resulting in non-payment of creditors • Loss of revenue due to theft of municipal services

6.3 Financial Viability and Management Key Challenges

Key Performance Area: Financial Viability and Management			
Key Challenges	Problem Statement (Definition)	Proposed Interventions	Status Quo
1. Delayed payments made to service providers	Due to financial constraints, the municipality experiences difficulties in making payments to its creditors within a 30 day period.	-All payments to be made within 30 days -Strict monitoring of payments to Service Providers	This is an on-going concern.
2. Loss of revenue due to theft of services	Constant theft and loss of municipal services experienced monthly, severely impacting on service delivery and the financials of the municipality.	-Setup hotline to report theft of services -Conduct awareness campaigns with communities about theft of services	This is an on-going concern.
3. High Levels of Indigents	Too many indigents creates pressure on the financial system and supply of services.	-Monitor and update Indigent register regularly	This is an on-going concern.
4. High claims of overtime	Overtime claimed exceeds the budgeted amount and often the hours claimed are too high.	-Appoint shift workers and ensure authorisation is received for overtime	This is an on-going concern.

7. Good Governance and Community Participation

7.1 Good Governance Analysis

7.1.1 National and Provincial Programmes rolled-out at Municipal Level

Programme	Municipal Involvement
Expanded Publics Works Programme	<p>In 2004, the EPWP was launched and is currently still being implemented. The EPWP is a nationwide programme covering all spheres of government and state-owned enterprises. The Programme provides an important avenue for labour absorption and income transfers to poor households in the short to medium-term. It is also a deliberate attempt by the public sector bodies to use expenditure on goods and services to create work opportunities for the unemployed. EPWP Projects employ workers on a temporary or on-going basis either by government, by contractors, or by other non-governmental organisations under the Ministerial Conditions of Employment for the EPWP or learnership employment conditions. Over the years the Abaqulusi LM had participated in this programme and continue to do so presently.</p> <p><i>The Current Status Quo of the EPWP is as follows:</i></p> <ul style="list-style-type: none"> • Currently we have 200 EPWP's • All working 5 days a week. • They are working in all 3 clusters within Abaqulusi.

	<ul style="list-style-type: none"> • The work that they do is mixed between, street cleaning in town, assist with general services in three sections, Roads, Electricity and Water section. They also assist in the general up-keeping of Community Halls, Offices and Administrative work. • R111.76 per day • 01 July 2021 – 31 December 2021 (<i>The EPWP grant fund(R 2515 000.00 was for six months extension)</i>) • 02 January 2022 – 30 June 2022 (<i>Internal funding of R2 800 000.00 was granted to employ 160 EPWP's however we appointed 200 EPWP's)</i> <p><i>The EPWP Plan for next Year is as follows:</i></p> <ul style="list-style-type: none"> • 265 EPWP's planned • All working 5 days a week. • They are working in all 3 clusters within Vryheid. • The work that they do is mixed between, street cleaning in town, assist with general services in three sections, Roads, Electricity and Water section. The also assist in the general up-keeping of Community Halls, Offices and Administrative work. • R111.75 per day • 01 July 2022-30 June 2023 or 01 July 2023-31 December 2023
Community Works Programme	<p>The Community Works Programme was setup by CoGTA to help reduce the levels of unemployment in the country and municipalities were urged to use this as one of the driving mechanisms for job creation. The Abaqulusi LM has certainly been active in the CWP since its inception and will continue to utilise this innovative tool to empower the youth and unemployed.</p> <p>The Current Status Quo of the CWP is as follows:</p> <ul style="list-style-type: none"> • 1 075 participants • All working 2 days/ week • Working in all (23) wards • Gardening work, cultivating, community work and other useful work required in the respective Wards • R110 per day <p>The CWP Plan for next Year is as follows:</p> <ul style="list-style-type: none"> • 1100 participants • All working 2 days/ week • Working in all (23) wards • Gardening work, cultivating, community work and other useful work required in the respective Wards • R110 per day
Operation Sukuma Sakhe	<p>OSS is a unique KwaZulu-Natal initiative that seeks to bring together all government departments and municipalities not on paper only but through real action and immediate impact. The Municipality is fully represented in</p>

	OSS by amongst others in Local Aids Council, Men's Forums, Religious Formations, <i>Izintombi</i> (Virgin Maidens), Disability Forums and many more as will be discussed in the foregoing.
Back to Basics	<p>On 17 February 2015, our Honourable MEC for CoGTA, Nomusa-Dube Ncube officially launched the National Back to Basics programme in KZN. The Back to Basics programme was identified by National Government as a key intervention in order to achieve the following:</p> <ul style="list-style-type: none"> • Putting people first • Delivering basic services • Good governance • Sound financial management • Building capacity <p>The Abaqulusi Local Municipality is currently receiving support from KZN CoGTA for ensuring that all of its actions are aimed at achieving the goals of Back to Basics. The municipality also completes the Back to Basics report on a monthly basis as required by National Government, and quarterly basis as required by Provincial Government.</p>

7.1.2 Inter-Governmental Relations

IGR in the context of South Africa mainly aims to achieve the following:

- Communication
- Information Sharing
- Consultation
- Engagement
- Co-operation

The key IGR Structures that is established in the country that provides a platform to achieve the abovementioned is outlined as follows:

Table 23: Municipal Structures and Functionality

Sphere of Government	IGR Structure
National	<ul style="list-style-type: none"> • Presidents co-ordinating Council • MinMECs/Budget Forum/Local Government Budget Council
Provincial	<ul style="list-style-type: none"> • Premiers coordinating Forums • MuniMECs
Local	<ul style="list-style-type: none"> • District Inter-governmental Forums: • Mayoral Forum • Managers Forum • Sub Technical Forums (CFOs Forum, Planning Forum, Infrastructure Forum, Corporate Services Forum)

It must be noted that the Abaqulusi LM is fully committed and active in the Provincial and Local IGR Structures.

7.1.3 Municipal Structures and Functionality


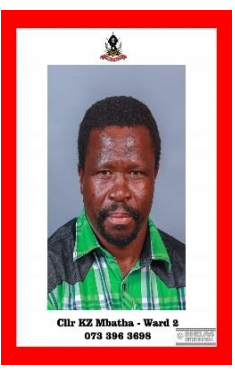
The table below highlights the various structures that exist within the Abaqulusi Municipality. These structures are vital in the operations of any municipality in order to encourage public participation, track service delivery and promote transparency and an accountable local government.

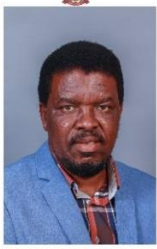








Committee Name	Number of Meetings (01 July 2022 – 28 February 2023)	Dates of Committee Meetings	Functional
Council	12	16 August 2022 31 August 2022 04 October 2022 19 October 2022 27 October 2022 08 November 2022 17 November 2022 15 December 2022 26 December 2022 16 January 2023 26 January 2023 27 February 2023	Yes. Amakhosi within the municipality are sitting and participating in Council Meetings as well.
EXCO	08	19 July 2022 18 August 2022 20 September 2022 25 October 2022 22 November 2022 06 December 2022 17 January 2023 27 February 2023	Yes
Finance Portfolio	05	19 July 2022 23 August 2022 20 September 2022 22 November 2022 27 February 2023	Yes
Development Planning Portfolio	05	06 July 2022 28 July 2022 24 August 2022 22 September 2022 12 October 2022	Yes
Corporate Portfolio	06	05 July 2022 12 August 2022 15 September 2022 20 October 2022 16 November 2022 16 February 2023	Yes
Community Portfolio	06	07 July 2022 03 August 2022 30 August 2022	Yes


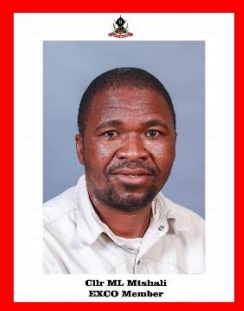

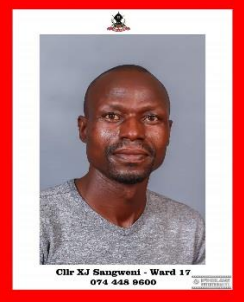





		28 September 2022 20 October 2022 07 February 2023	
Technical Portfolio	04	06 July 2022 10 August 2022 29 September 2022 (No quorum) 13 October 2022	Yes
Local Labour Forum	03	06 July 2022 11 August 2022 29 September 2022	Yes
MPAC	05	22 July 2022 24 August 2022 25 October 2022 24 November 2022 25 January 2023	Yes
IDP/Budget Steering Committee			Yes
Audit Committee	03	29 August 2022 26 October 2022 03 March 2023	Yes










7.1.3.1 Composition of Council







The Abaqulusi Municipal Council comprises of 45 Councillors with 23 represented as Ward Councillors and the other 22 as Party Representative Councillors. Councils Political structure is made up of the following: IFP: 21 Members, ANC: 14 Members, NFP: 4 Members, EFF: 3 Members, DA: 2 Members and VF: 1 Member. The Council is chaired by the Honourable Speaker, Councillor MB Khumalo. The composition of Council and their political affiliation is as follows:



Councillor Identity	Councillor Profile	Councillor Identity	Councillor Profile
 <p>Cllr SB Mkhwanazi - Ward 1 071 614 9000</p>	<p>Name: SB Mkhwanazi</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 1</p>	 <p>Cllr KZ Mbatha - Ward 2 073 296 3695</p>	<p>Name: KZ Mbatha</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 2</p>

 <p>Cllr BE Ndlela - Ward 3 083 506 9815</p>	<p>Name: BE Ndlela</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 3</p>	 <p>Honourable Speaker Cllr MB Khumalo</p>	<p>Name: MB Khumalo</p> <p>Designation: Hounourable Speaker/ Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 4</p>
 <p>Cllr TE Vilakazi - Ward 5 063 157 4887</p>	<p>Name: TE Vilakazi</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 5</p>	 <p>Cllr BW Mdlalose - Ward 6 078 721 4003</p>	<p>Name: BW Mdlalose</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 6</p>
 <p>Cllr MD Khumalo - Ward 7 076 640 4423</p>	<p>Name: MD Khumalo</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 7</p>	 <p>Cllr BP Buthelezi - Ward 8 078 808 7533</p>	<p>Name: BP Buthelezi</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 8</p>
 <p>Cllr M Viktor MPAC Chairperson</p>	<p>Name: M Viktor</p> <p>Designation: Ward Councillor / MPAC Chairperson</p> <p>Political Representation: DA</p> <p>Ward: 9</p>	 <p>Cllr NM Sibiya - Ward 10 078 728 1544</p>	<p>Name: NM Sibiya</p> <p>Designation: Ward Councillor</p> <p>Political Representation: ANC</p> <p>Ward: 10</p>
 <p>Cllr SS Mthembu - Ward 11 081 278 4769</p>	<p>Name: SS Mthembu</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 11</p>		<p>Name: T Kunene</p> <p>Designation: Ward Councillor</p> <p>Political Representation: ANC</p> <p>Ward: 12</p>

	<p>Name: SP Ndaba</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 13</p>	 <p>Cllr LWC Mtshali EXCO Member</p>	<p>Name: LWC Mtshali</p> <p>Designation: Ward Councillor / EXCO</p> <p>Political Representation: IFP</p> <p>Ward: 14</p>
 <p>Cllr ML Mtshali EXCO Member</p>	<p>Name: ML Mtshali</p> <p>Designation: Ward Councillor / EXCO</p> <p>Political Representation: IFP</p> <p>Ward: 15</p>	 <p>Cllr HV Khumalo - Ward 16 073 865 0938</p>	<p>Name: HV Khumalo</p> <p>Designation: Ward Councillor</p> <p>Political Representation: ANC</p> <p>Ward: 16</p>
 <p>Cllr XJ Sangweni - Ward 17 074 448 8600</p>	<p>Name: XJ Sangweni</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 17</p>	 <p>Cllr ZM Ngcobo - Ward 18 078 647 8173</p>	<p>Name: ZM Ngcobo</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 18</p>
 <p>Hon. Deputy Mayor Cllr MA Mazibuko</p>	<p>Name: MA Mazibuko</p> <p>Designation: Honourable Deputy Mayor (Acting Mayor)/Ward Councillor / EXCO</p> <p>Political Representation: IFP</p> <p>Ward: 19</p>	 <p>Cllr CB Hlatshwayo - Ward 20 081 456 0052</p>	<p>Name: CB Hlatshwayo</p> <p>Designation: Ward Councillor</p> <p>Political Representation: ANC</p> <p>Ward: 20</p>
 <p>Cllr KM Ntuli - Ward 21 078 886 0788</p>	<p>Name: KM Ntuli</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 21</p>	 <p>Cllr MM Lambiso - Ward 22 078 144 5425</p>	<p>Name: MM Lambiso</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 22</p>





 <p>Cllr XJ Zungu - Ward 23 079 755 4665</p>	<p>Name: XJ Zungu</p> <p>Designation: Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 23</p>	<p>Vacant</p>	<p>Name: Vacant</p> <p>Designation: PR Councillor / EXCO</p> <p>Political Representation: NFP</p>
 <p>PR Cllr LM Xulu 063 430 6234</p>	<p>Name: LM Xulu</p> <p>Designation: PR Councillor</p> <p>Political Representation: NFP</p>	 <p>PR Cllr AT Mdletshe 072 240 0178</p>	<p>Name: AT Mdletshe</p> <p>Designation: PR Councillor</p> <p>Political Representation: NFP</p>
 <p>PR Cllr iNkosi MD Buthelezi 079 412 1325</p>	<p>Name: iNkosi MD Buthelezi</p> <p>Designation: PR Councillor</p> <p>Political Representation: NFP</p>	 <p>PR Cllr E Cronje 068 087 2254</p>	<p>Name: E Cronje</p> <p>Designation: PR Councillor</p> <p>Political Representation: VF Plus</p>
 <p>PR Cllr HB Khumalo 083 321 2218</p>	<p>Name: HB Khumalo</p> <p>Designation: PR Councillor/ EXCO</p> <p>Political Representation: ANC</p>	 <p>PR Cllr LN Khan 078 664 7592</p>	<p>Name: LN Khan</p> <p>Designation: PR Councillor</p> <p>Political Representation: ANC</p>
 <p>PR Cllr PP Selepe 079 187 1064</p>	<p>Name: PP Selepe</p> <p>Designation: PR Councillor</p> <p>Political Representation: ANC</p>	 <p>PR Cllr L Dube 078 368 4777</p>	<p>Name: L Dube</p> <p>Designation: PR Councillor/EXCO</p> <p>Political Representation: ANC</p>





 <p>PR Cllr SN Buthelezi 078 548 3998</p>	<p>Name: SN Buthelezi Designation: PR Councillor Political Representation: ANC</p>	 <p>PR Cllr SN Ndlela 078 587 1940</p>	<p>Name: SN Ndlela Designation: PR Councillor Political Representation: ANC</p>
 <p>PR Cllr ST Mbokazi 078 652 7104</p>	<p>Name: ST Mbokazi Designation: PR Councillor Political Representation: ANC</p>	 <p>PR Cllr BI Ngema 078 061 3766</p>	<p>Name: BI Ngema Designation: PR Councillor Political Representation: ANC</p>
 <p>PR Cllr VV Dlamini 072 923 8134</p>	<p>Name: VV Dlamini Designation: PR Councillor Political Representation: ANC</p>	 <p>PR Cllr PF Buthelezi 066 101 1769</p>	<p>Name: PF Buthelezi Designation: PR Councillor Political Representation: EFF</p>
	<p>Name: S Kuzwayo Designation: PR Councillor Political Representation: EFF</p>	 <p>PR Cllr Maphisa 078 045 5566</p>	<p>Name: MC Maphisa Designation: / EXCO / PR Councillor Political Representation: IFP</p>
 <p>PR Cllr NP Ndlela 078 899 5415</p>	<p>Name: NP Ndlela Designation: PR Councillor Political Representation: IFP</p>	 <p>PR Cllr MP Williams 063 754 3535</p>	<p>Name: MP Williams Designation: PR Councillor Political Representation: IFP</p>

 <p>PR Cllr S Shelembe 078 611 0440</p>	<p>Name: S Shelembe Designation: PR Councillor Political Representation: DA</p>	<p>Name: SZ Mdluli Designation: PR Councillor/ EXCO Political Representation: EFF</p>
	<p>Name: MB Mabaso Designation: PR Councillor Political Representation: ANC</p>	

7.1.3.2 Composition of Executive Committee

The Abaqulusi municipal Executive Committee comprises of 9 members of Council and is chaired by the Honourable Deputy Mayor, Councillor M.A Mazibuko. Currently, there are 7 members that serve on the EXCO as there are 2 vacancies that exist. The EXCO's political structure is made up of the following: IFP: 4 Members, ANC: 3 Members. Further to the 9 members as stated above, the Honourable Speaker also serves in EXCO in the capacity of an ex-officio. The composition of EXCO Councillors and their political affiliation is as follows:

Councillor Identity	Councillor Profile	Councillor Identity	Councillor Profile
 <p>PR Cllr Maphisa 078 042 8003</p>	<p>Name: MC Maphisa Designation: / EXCO / PR Councillor Political Representation: IFP</p>	 <p>Hon. Deputy Mayor Cllr MA Mazibuko</p>	<p>Name: MA Mazibuko Designation: Honourable Deputy Mayor (Acting Mayor)/Ward Councillor / EXCO Political Representation: IFP Ward: 19</p>
 <p>Cllr LWC Mtshali EXCO Member</p>	<p>Name: LWC Mtshali Designation: Ward Councillor / EXCO Political Representation: IFP Ward: 14</p>	 <p>Cllr ML Mtshali EXCO Member</p>	<p>Name: ML Mtshali Designation: Ward Councillor / EXCO Political Representation: IFP Ward: 15</p>

 <p>PR Cllr L N Khan 078 664 7592</p>	<p>Name: L Khan</p> <p>Designation: PR Councillor EXCO member</p> <p>Political Representation: ANC</p>	 <p>PR Cllr HB Khumalo 083 581 5818</p>	<p>Name: HB Khumalo</p> <p>Designation: PR Councillor/ EXCO</p> <p>Political Representation: ANC</p>
 <p>PR Cllr L Dube 078 565 4777</p>	<p>Name: L Dube</p> <p>Designation: PR Councillor/ EXCO</p> <p>Political Representation: ANC</p>	 <p>Hounourable Speaker Cllr MB Khumalo</p>	<p>Name: MB Khumalo</p> <p>Designation: Hounourable Speaker/ Ward Councillor</p> <p>Political Representation: IFP</p> <p>Ward: 4</p>
Vacant		Vacant	

7.1.3.3 Composition of MPAC

MPAC comprises of 09 members from Council and is chaired by Councillor M. Viktor. It is a direct committee of Council and functions as an advisory body to Council. The core objective of MPAC is to ensure that the municipality is run in an effective and efficient manner, hereby promoting accountability and transparency. The members of MPAC are as follows:

- Councillor M Viktor Chairperson
- Councillor NP Ndlela
- Councillor BP Buthelezi
- Councillor MD Buthelezi
- Councillor E Cronje
- Councillor PP Selepe
- Councillor CB Hlatshwayo
- Councillor BE Ndlela
- Councillor HV Khumalo

7.1.3.4 Composition of Portfolio Committees

Portfolio Committees are aligned with Municipal Departments. In Abaqulusi Municipality, there are 5 Portfolio Committees which were established, i.e.

- *Technical Services Portfolio Committee*
- *Finance Portfolio Committee*
- *Corporate Services Portfolio Committee*
- *Community Services Portfolio Committee*

- *Development Planning Portfolio Committee*

The above Portfolio Committees were established in terms of Section 79 (2) of the Local Government: Municipal Structures Act No. 117 of 1998 and Regulations.

"The Municipal Council –

- must determine the functions of a committee;*
- may delegate duties and powers;*
- must appoint a chairperson;*
- may authorise a committee to co-opt advisory members who are not members of the council within the limits determined by the council;*
- may remove a member from a committee at any time; and*
- may determine a committee's procedure."*

Upon appointment of members into this committee, Council appoints the Chairperson of each committee, who in essence is responsible for the functionality and operations of that specific committee. Further to this, these committees report to Council. The composition of the various Portfolio committees in Abaqulusi is as follows:

Corporate Services	Technical Services
<ol style="list-style-type: none"> Councillor BP Nhlengethwa- Chair Councillor MP Williams Councillor BW Mdlalose Councillor SS Mthembu Councillor MM Lambiso Councillor KM Ntuli Councillor JX Sangweni Councillor RF Nzuza Councillor M Mdletshe Councillor L Dube Councillor SN Ndlela Councillor BI Ngema Vacant Councillor VV Dlamini 	<ol style="list-style-type: none"> Councillor ML Mtshali- Chair Councillor KZ Mbatha Councillor XJ Zungu Councillor MD Khumalo Councillor SP Ndaba Councillor TE Vilakazi Councillor KM Ntuli Councillor PF Buthelezi Councillor LM Xulu Councillor VV Dlamini Councillor NM Sibiya Councillor LN Khan Councillor BI Ngema Vacant
Development Planning	Community Services
<ol style="list-style-type: none"> Councillor LWC Mtshali - Chair Councillor MD Khumalo Councillor SB Mkhwanazi Councillor SP Ndaba Councillor KZ Mbatha Councillor ZM Ngcobo Councillor MP William Councillor RF Nzuza Councillor LM Xulu Councillor ST Mbokazi Councillor NM Sibiya 	<ol style="list-style-type: none"> Councillor MA Mazibuko - Chair Councillor JX Sangweni Councillor TE Vilakazi Councillor SS Mthembu Councillor XJ Zungu Councillor BW Mdlalose Councillor MM Lambiso Councillor RF Nzuza Councillor FK Nene Councillor LN Khan Councillor SN Buthelezi

12. Councillor L Dube 13. Councillor MB Mabaso 14. Councillor BH Khumalo	12. Councillor BI Ngema 13. Councillor MB Mabaso
Finance	
1. Councillor MC Maphisa - Chair 2. Councillor ZM Ngcobo 3. Councillor SB Mkhwanazi 4. Councillor MD Khumalo 5. Councillor BW Mdlalose 6. Councillor MP Williams 7. Councillor SP Ndaba 8. Councillor PF Buthelez 9. Councillor S Shelembe 10. Councillor FK Nene 11. Councillor BH Khumalo 12. Councillor SN Buthelezi 13. Councillor NN Mdlalose 14. Councillor NM Sibiya 15. Councillor ST Mbokazi	

7.1.4 Audit Committee and Internal Audit

The members of the Municipality Audit Committee were appointed during the 2020/2021 financial year and their mandate is to play an oversight role which advises the municipal Council through its reports that are submitted on a quarterly basis. The audit committee comprises of four (4) members. All Audit Committee members are suitably qualified and comply with the statutory requirement as per MFMA section 166, Circular 65 of MFMA and recommendations from King Report. It must be noted that the Audit Committee also serves as the Performance Audit Committee due to their experience and qualification. The details of the audit committee members is as follows:

Name	Position	Qualifications
Mr NE Khumalo	Member	Honours Bachelor of Accounting Science- UNISA (2002) Bcom -University of Pretoria (1999) Senior Cert (1996) Certified Internal Auditor- IIA (2014) Certification in Control Self assessment- IIA (2014) registered assessor certificate- FASSET (2015) Associate General Accountants AGA (SA)
Mr UBS Botshiwe	Member	Grade 12 Bachelor of Accounting= University of Natal (2007) Associate General Accountants AGA (SA)
Mrs S Dunmun	Member	Grade 12 Bcom Accounting (2005) Honours in Accounting (2006)

		CA(SA) 2011
Ms SB Dlungwane	Member	Grade 12 Bcom Accounting= University of Cape Town (2009) CTA= UNISA (2013) CA(SA) 2016 Masters of Philosophy=University of Stellenbosch 2021

The primary role of Abaqulusi Municipality internal-audit (IA) functions is to help decision makers (Council and Management) to protect organizational assets and reputations, as well as to support operational sustainability for rendering effective service delivery that have come under increasing pressure over the past years due to COVID-19 pandemic and with current loadshedding leading to a disrupted business environment has fueled uncertainty around sustainability of basic services. Over the coming year, the challenge for Internal Audit unit will be to ensure that Abaqulusi Municipality continue to render service delivery while adapting to a dynamic risk landscape of load shedding.

In normal times, the Internal Audit function focuses on offering assurance around business-process risks and controls. However, as risks have multiplied and become more complex, IA has been required to deliver a wider range of services, often on short notice.

During the Financial Year 2022/2023, an additional staff member was appointed to increase the capacity within the Internal Audit unit which will also maximize the audit coverage in the 2023/2024 financial year.

7.1.5 Municipal Risk Management

The Abaqulusi LM has currently developed and adopted the following Risk Management Plans and Policies related to Risk which are subject to annual reviews:

- Risk Management Policy
- Anti-Fraud and Corruption Policy
- Whistle-blower policy
- Risk Management Strategy
- Fraud Prevention Plan and Strategy
- Employees and Councils Code of Conduct

Abaqulusi Municipality during the 2023/2024 financial year is eager to fortify its risk culture by stimulating the mindsets and behavioral norms that determine on how it identifies and manages its risks.

In moments of these current high uncertainty of loadshedding, risk culture is of exceptional importance. The Municipality cannot rely on reflexive muscles for predicting and controlling for risks. A good risk culture will allows the Municipality to move with speed without breaking things. It is an organization's best cross-cutting defense.

Beyond today's travails, a strong risk culture is a critical element to institutional resilience in the face of any challenge more specifically for the sustainability of the basic service delivery.

Organisations with strong risk cultures share several essential characteristics. Most important, true ownership and responsibility for risk culture sits with the front line, with executive-level accountability for cultural failings. To be truly lived, culture must be linked with the day-to-day business activities and outcomes of an institution. At the same time, someone needs to be responsible for coordinating the definition, measurement, reporting, and reinforcement of risk culture—for example, there is a high need for Abaqulusi Municipality to establish a separate Risk Management Unit in 2023/2024 financial year. Without an enterprise-wide view and vocabulary, it is not possible to effect true, coordinated cultural change. Finally, attention to risk culture must be ongoing. Strong culture takes maintenance and requires reinforcement.

During the 2022/2023 financial year, Strategic Risk Assessment and Fraud Risk was conducted and tabled to the Management and Audit Committee. Risk Management Committee was not functional throughout the 2022/2023 financial year due to capacity constraint but however budget provision will be made in 2023/2024 financial year to establish risk management unit as a separate from the Internal Audit unit

The Risk Register below provides an overview of the possible threats that the municipality is currently faced with as the:

No.	Business Function/Activity	Fraud Risk Description	Root Cause	Originating Source (internal/external)	Impact on the organisation (F)	Likelihood of occurrence (G)	Inherent risk exposure (column F x G)	Current controls in place to manage identified risks	Perceived Current control effectiveness	Perceived Residual risk exposure (to be continuously monitored quarterly)	Mitigating action plans	Start date	Due Date	Action owner	Action status (implemented/in-progress/not implemented)
Legends		Please turn to last page of the document													
1	Supply Chain Management	Intentional abuse of section 36, intentional or late submission of requisitions resulting in the bypassing of controls through emergency requests.	Override of the SCM policy and regulations Lack of effective detection controls (management review) Collusion between municipal officials and service providers Poor planning by departments	Both	Critical	Almost certain	20-24.9(critical)	>SCM policy and regulations >Service delivery and budget implementation >Contract register in place >Procurement plan >Section 139 intervention >Interim Finance Committee meetings >Panel of service providers >Declaration of interest	Strong	Minor	>Forward planning strategy to be in place >Enforce the adherence of implementing procurement plans >Declaration of interest >Implement consequent management	#####	31/03/2023 Ongoing Ongoing	CFO & All Hods SCM Manager	
2	Supply Chain Management	Collusion between scm officials and service providers	Lack of segregation of duties	Internally	Critical	Almost certain	16-19.9(critical)	>Municipal Database >Central Supplier Database	Medium	Critical	>Continuous Implementation of Central Supplier Database system	Immediately	Ongoing	CFO SCM Manager	
3	All Departments	Collusion between scm officials and service providers Theft of municipal assets Concealment of documents	Employees Financial distress Opportunity due to lack of controls	Both	Critical	Almost certain	20-24.9(critical)	>Fraud and anti corruption policy >Whistle blower policy >Anti fraud and corruption strategy >Employees code of conduct	Medium	Critical	>Conduct anti fraud and corruption awareness campaign >Revive employee assistance program		>30/04/2023 30/04/2023	Manager Internal Audit Corporate Director	

4	Supply Chain Management	Intentional splitting of orders to circumvent competitive bidding processes	Override of the SCM policy and regulations Lack of effective detection controls (management review) Collusion between municipal officials and service providers Poor planning by departments	Internally	Critical	Almost certain	20-24.9(critical)	>SCM policy and regulations >Procurement plan SDBIP >Panel of service providers	Strong	Minor	>Continuous utilisation of panel of service providers >Maintain stock levels as per average usage of items		>Ongoing	CFO Stores Controller	
5	Payments	Intentional payment of incorrect suppliers or deliberate overpayment of invoices	Override of the payment procedures Lack of segregation of duties between the capturer and authoriser >Unauthorised changing of banking details of suppliers	Both	Critical	Almost certain	4-8.9(minor)	>SCM policy in place >Payment procedures in place >CSD	Medium	Critical	Encourage creditors to attach bank confirmation of their accounts >Bank accounts confirmation from CSD report		>Ongoing	Expenditure Manager	
6	Payroll	Intentional payment of salaries and any other salary related amounts to fictitious/ghost employees	Collusion between municipal officials and members of the public Lack of effective detection controls (management review) Non-timeous termination of exited employees on the payroll system Ineffective controls over salary processing processes. >Overriding of parameters by management >Favouritism as result of head hunting	Both	Critical	Possible	9-15.9(medium)	Salary processing and payment procedures IA and AG conduct head count >Payday >Saiga scales	Very Strong	Insignificant	Maintain the current controls		Ongoing	Expenditure Manager	

7	HR-Corporate Services	Undue influence of the appointment process to favour certain applicants, and disregard of others. Fabrication of qualifications, release of interview questions before the actual interviews	Override of the recruitment and selection policy Collusion between applicant and officials >Overriding of parameters by management >Favouritism as a result of head hunting	Both	Critical	Likely	20-24.9(critical)	Recruitment and selection policy and procedures in place. Shortlisting and interviewing committees in place	Strong	Minor	screening of new appointments and their qualifications		Continuous	Director Corporate Services	
8	Project Management	Fraudulent payment certificates for projects not meeting the required standard	Collusion between municipal officials and service providers Collusion between consultant and contractor Lack of effective detection controls (management review)	Both	Critical	Likely	20-24.9(critical)	Bill of quantities in place to guide payment. Management reviews of claims. Declaration signed by Engineer/consultant certifying work done. Site inspections by Technicians. Happy letters.	Very Strong	Insignificant	Maintain the current controls		Continuous	Director Technical Services	
9	Financial Statements	Intentional misrepresentation of figures in the financial statements to misrepresent the user of the financial statements	Intention to secure undue credibility of the financial performance of the organisation	Both	Critical	Likely	20-24.9(critical)	Chief Financial Officer Internal audit review of AFS AC review of AFS	Very Strong	Insignificant	Maintain the current controls		31/08/2022	CFO, Internal Audit Manager, AC	Implemented
10	Information Communication Technology	Intentional unauthorised access to systems with the intention to defraud	Reckless use of passwords Weak password controls and computer access controls (non-rapid change of passwords) Disregard of the ICT policy	Both	Catastrophic	Likely	20-24.9(critical)	ICT risk register ICT policy ICT Manager Automatic change of passwords	Strong	Minor	Review the current policies		31/05/2023	ICT Manager	

11	Traffic safety	>Acceptance of bribes from motorists>Fraudulent learners and drivers licenses>Motor licensing bribes	>Collusion between the municipal officials and customers>Financial pressure of traffic officers (lifestyle)>Shortage of vehicle testing centres>Traffic rules offenders>Unroadworthy vehicles to cause fatal accidents	Both	Critical	Almost certain	20-24.9(critical)	>Surprise routine checks by Road Traffic Management Corporation (RTMC)>Conduct regular audits by RTMC for vehicle testing>Computerised learnres writing and drivers testing>Complain box/register>Implementing tablets point scoring system for drivers license testing	Very weak	Critical	>Install CCTV cameras>Provide vehicle testing centres>Conduct awareness campaign>Develop complain handling process with steps to be followed		30/06/202330/06/2023Ongoing31/03/202331/03/2022	Manager Public safety	
Legends															
Impact			Likelihood		Perceived Control Effectiveness			Residual Risk							
Catastrophic			Almost Certain		Very Strong			Catastrophic							
Critical			Likely		Strong			Critical							
Medium			Possible		Medium			Medium							
Minor			Unlikely		Weak			Minor							
Insignificant			Rare		Very weak			Insignificant							

7.1.6 Status of Municipal Policies

Name of Existing Policy	To be Reviewed
Risk Management Policy	Annually
Anti-Fraud and Corruption Policy	Annually
Whistle-blower policy	Annually
Tariffs policy	Annually
Rates policy	Annually
Credit control and debt collection policy	Annually
Cash management and investment policy	Annually
Borrowing policy	Annually
Funding and reserves policy	Annually
Supply chain management policy	Annually
Indigent Policy	Annually
Management and Disposal of Assets	Annually
Fixed Assets Policy	Annually
Performance Management	Annually
Budget Policy	Annually
Records Policy	Annually
ICT Policy	Annually
HR Policy	Annually

7.1.7 Municipal By-Laws

The following is a list of all By-Laws that exist in the Abaqulusi Municipality:

1. Property Rates
2. Pollution Control
3. Pounds
4. Public Roads
5. Tariff Policy for Indigent Persons
6. Public Amenities
7. Street Trading
8. Storm water Management
9. Property Encroachment
10. Keeping of Animals
11. Water
12. Environmental
13. Municipal Public Transport
14. Cemetery and Crematoria
15. Electricity Supply
16. Financial
17. Firefighting

- 18. Outdoor advertising
- 19. SPLUMA
- 20. Urban Town Planning Scheme

7.1.8 Ward Based Planning

Ward Based Planning in municipalities aim to promote public participation and service delivery at a grass-root level and is a process that involves every ward within a municipality. In Abaqulusi municipality The Ward Based Planning process is driven by the Public Participation Office and is assisted by KZN CoGTA: Public Participation Unit. Ward Committee Members were inaugurated in February 2023 and is a fully functional structure within the municipality as meetings are held monthly and they play an active role in the development of the municipal IDP/Budget.

7.1.9 Land Use Management

The Abaqulusi Local Municipality has met with the compliance requirements in terms of the Spatial Planning and Land Use Management Act 2013 (Act No. 16 of 2013). The Abaqulusi Municipal Planning Tribunal is in place and operational. The Tribunal meets on a need basis depending on the number of applications lodged with the Municipality. In terms of SPLUMA Regulation 14 all measures have been put in place to ensure that the land development and land use applications are properly submitted and processed. The position of the Municipal Planning Authorised Officer is also filled, and the Executive Committee was appointed as the Appeal's Authority. The Municipality in December 2016 adopted and gazetted the bylaw known as Abaqulusi Spatial Planning and Land Use Management By-law 2016 which provides for the procedures and processes for the preparation, submission and consideration of all land development applications and related processes.

In terms of the Spatial Planning and Land Use Management Act 2013 (Act no. 16 of 2013) all municipalities within the national context are required to adopt wall-to-wall schemes by June 2020. Due to internal and external challenges, the stipulated time frame could not be adhered to and an extension of the deadline was submitted by the Department of Co-operative Governance and Traditional Affairs to the Department of Rural Development and Land Reform, and the extension to adopt the scheme was granted till the end of June 2022.

The Final Abaqulusi Land Use Scheme (inclusive of the both the urban and rural components) was adopted in June 2022 and implemented from 01st July 2022.

The Abaqulusi Municipal Spatial Planning and Land Use Management By-law and the Abaqulusi Land Use Scheme both provide for the management and enforcement of all land use activities and development, in order to achieve coordinated and harmonious development by promoting health, safety, order, amenity, convenience and improved general welfare

7.1.10 Current Projects and Status Quo

7.1.10.1 Shoba Township Establishment – Portion 5 of the Farm Welgevonden No. 287

Isibuko Development Planners was appointed in 2017 to undertake the detailed Planning and Formalisation of Portion 5 of the Farm Welgevonden No.287 commonly known as Shoba Settlement in the AbaQulusi Municipality. The cost implications for project was R 3 898 870, 00 and funding was received from the Department of Human Settlements for the project.

The Shoba settlement developed illegally on privately owned land of which the Municipality has acquired with the intention to formalise and establish a sustainable human settlement neighbourhood. Shoba is regarded as an “informal settlement” because of the lack of planning and insecurity of land tenure. Otherwise, the houses that have been built in the area suggest dominance of middle income households who fall outside of the low cost housing subsidy bracket. As such, the character of the area is that of a middle income residential suburb.

The project is currently in Phase 5, Town Planning Approval. The service provider has submitted the SPLUMA pre-application which entails the Subdivision of the Remainder of Portion 5 of Farm Welgevonden No. 287, the establishment of a Township, and the registration of subdivided properties in terms of section 64, 65 & 66 of AbaQulusi Municipality the Spatial Land Use Management Bylaw. The project is unable to move forward as it was developed illegally and to date environmental authorisation has not been granted due to the complexity of the project.

7.1.10.2 AbaQulusi Spatial Development Framework

The 2023/2024 AbaQulusi Spatial Development Framework was reviewed internally. The SDF was reviewed in terms of the Department of Rural Development and Land Reform Guidelines 2017 and the MEC Comments submitted for the 2022/2023 SDF. The review included an overview on the AbaQulusi Municipality and the Vryheid Town. It touched on the recent developments of the preparation of the wall-to-wall scheme, the Umhlutuze-Ulundi-Vryheid Secondary Corridor and the Vryheid-Emadlangeni-Newcastle-Ermelo Strategic Corridor. The SDF was also reviewed in terms of SPLUMA Compliance.

The SDF was last reviewed extensively in May 2016, by an external service provider. Due to the constant changes in the socio-economic, bio-physical and built environment, the SDF needed to be reviewed in an in-depth scale to ensure alignment with the spatial plans on a national, provincial and local level. In December 2022, Isibuko Development Planners was appointed to review the Spatial Development Framework and to develop a Strategic Environmental Assessment. The estimated time for the completion of the project is December 2023.

7.1.10.3 Nkongolwane Township Establishment

HSK Simpson and Partners was appointed in 1998 by the then the Department of Local Government and Housing, Directorate Land Planning and Survey (known as the Department),

to survey and prepare the layout plan for Phase of the Nkongolwane Township – Erven 374-500 Nkongolwane. Due to unknown reasons the Department did not issue the Conditions of Establishment to HSK Simpson and Partners despite repeated requests and were not able to submit the Survey Records to the Surveyor General for the examination and approval of the General Plan. Hence, Nkongolwane has remained as an un-proclaimed Township and residents could not be issued titled deeds.

After investigations by the Town Planning Department, the Department of Co-operative Governance and Traditional Affairs has advised that the general plan for phase 1 was approved in 2005 and that the approval of the general plan for phase 2 with the proof of the township register being open and the compliance certificate is required in order for the Section 28 (1) in terms of the Town Planning Ordinance No. 27 of 1949 to be issued. The Section 28 (1) will allow for the sites to be transferred and registered in the home owner's name.

The General Plan has been approved by the Surveyor General. In order to proceed with the Registration of the Township, a Conveyancer needs to be appointed to facilitate the process.

7.1.10.4 Princess Mkabayi City (Regional Mall)

The site identified for the development of the Princess Mkabayi Shopping Mall is Erf 6018 Vryheid which is along the R 34 as you enter Vryheid. The site is directly adjacent to the Pioneer High School. The Developers responsible for the Princess Mkabayi City is a consortium between the Moolman Group and JB Holdings. The SOD turning to introduce the project and developers took place on 13th October 2021. The Princess Mkabayi City is scheduled to open in October 2024.

7.2 Public Participation Analysis

In terms of Chapter 4 of the Municipal Systems Act 2000 (Act No. 32 of 2000), a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. The Abaqulusi Municipality prides itself on public participation within the municipality. It is imperative that the public is involved in all municipal processes and decision making, achieving transparency and an all-inclusive society, hereby promoting an accountable local government. The municipality's IDP Process Plan sets out the public participation structures and schedules that are usually implemented by the municipality for a specific year. It must be noted that although structures and schedules are in place, it does not always go to plan due to the constant demands within local government.

The following platforms are utilized by the Abaqulusi Municipality when communicating with its citizens:

- Council Meetings (Public and Amakhosi is invited)
- Media Releases
- Municipal Website
- Awareness Campaigns
- Ward Committee Meetings

- IDP/Budget Roadshows/Izimbizo's

The table below highlights the various stakeholder and community engagements that were held in preparation of this final IDP/Budget.

Date	Time	Venue	Wards
20 February 2023 (Monday)	10:00	Cecil Emmett Hall	Ward Committees
	12:00	Council Chamber	Amakhosi, SAPS, Education, Health & OSS
	18:00	Council Chamber	Business Chamber & Business Forum
21 February 2023 (Tuesday)	10:00	Coronation Community Hall	01, 02, 03, 04, 05, 06, 07 & 23
	14:00	King Zwelithini Hall	08, 09, 10, 11, 13 & 22
22 February 2023 (Wednesday)	10:00	Ezibomvu Community Hall	14, 15 & 21
	12:00	eMondlo Community Hall Section A	12, 16,17, 18, 19 & 20
08 May 2023 (Monday)	10:00	Cecil Emmett Hall	Ward Committees
	14: 00	Council Chamber	Amakhosi
09 May 2023 (Tuesday)	10:00	Coronation Community Hall	01, 02, 03, 04, 05, 06, 07 & 23
	14:00	King Zwelithini Hall	10, 11, 13
	18:00	Cecil Emmett Hall	08, 09, 22
10 May 2023 (Wednesday)	10:00	Ezibomvu Community Hall	14, 15 & 21
	15:00	eMondlo Community Hall Section A	12, 16,17, 18, 19 & 20

7.3 Good Governance and Public Participation: SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> Well established Ward Committees in place Effective Public Participation Process Plan Effective Audit Committee in place Functional Council and committees 	<ul style="list-style-type: none"> Lack of Community satisfaction Survey Communication strategy is still in a draft phase Delayed implementation of Audit Committee Recommendations Non review and absence of certain policies and by-laws Non-cascading of PMS to staff below S56 Managers
Opportunities	Threats
<ul style="list-style-type: none"> Cascading of PMS to all staff offering rewards Boost staff morale Offer value for money and quality service 	<ul style="list-style-type: none"> Potential service delivery protests as municipality cannot measure the community's satisfaction of services Poor audit opinion if delayed implementation of Audit Committee Recommendations by departments Potential legal Implications against the municipality. Demoralised staff Occurrence of risks resulting in catastrophic outcomes

7.3 Good Governance and Public Participation Key Challenges

Key Performance Area: Good Governance and Community Participation			
Key Challenges	Problem Statement (Definition)	Proposed Interventions	Status Quo
1. Lack of Community Satisfaction Survey	Municipality does not conduct a survey to gauge customer satisfaction	-Community satisfaction surveys to be conducted at least twice a year	This is an on-going concern.
2. No Risk Committee in Place	Absence of Section HODs created a problem in establishing a Risk Committee	-Establish Risk committee and monitor functionality	Risk Committee is now in place
3. Delayed implementation of Audit Committee Recommendations	Failure to implement recommendations from Audit Committee timeously results in audit queries	-Establish a turnaround time to respond to audit committee recommendations	This is an on-going concern.

Section D: Strategic Plan

1. What is Strategic Planning?

Strategic planning is a participatory and structured process for setting the Municipality's future direction towards its strive to meet a specific shared Vision and Goals.

There are various methods for conducting strategic planning, but at its simplest it is a process of answering four basic questions:

- Where are we now?
- Where do we want to be?
- How will we get there?
- How do we know that we are arriving?

2. Importance of Strategic Planning

Strategic planning is important to an organization because it provides a sense of direction and outlines measurable goals. Strategic planning is a tool that is useful for guiding day-to-day decisions and also for evaluating progress and changing approaches when moving forward. In order to make the most of strategic planning, your company should give careful thought to the strategic objectives it outlines, and then back up these goals with realistic, thoroughly researched, quantifiable benchmarks for evaluating results.

Strategic planning gives overall direction

Strategic planning can provide an overall strategic direction to the management of the organization and gives a specific direction to areas like financial strategy, marketing strategy, organizational development strategy and human resources strategy, to achieve success. These other kinds of planning, some of which are confused with strategic planning are intended for parts of the organization, or specific functions or processes within the organization. All of these other types of planning should be guided and informed by the strategic plan.

3. Methodology and Approach

Step1: Agree on the Strategic Planning Process

Step 2: Conduct a SWOT Analysis (SWOT - Strengths, Weaknesses, Opportunities and Threats) – This usually includes an external component to identify and assess opportunities and threats in the external environment and an internal component to assess institutional strengths and weaknesses.

Step 3: Identify Key Issues or Challenges and Choices – Determine and specify the Municipality's priorities in terms of time and importance.

Step 4: Develop a Shared Vision for the Municipality –

- This is essentially a picture of what the Municipality will be like if it successfully **implements** the strategic plan.
- It is a **broad statement** of where we want to be at specific time in the future.

Step 5: Formulate the Municipality's Mission in-line with its Powers and Functions –

- Consensus on **why** the Municipality exists
- **What** it seeks to achieve
- **Whom** it serves

Step 6: Formulate the Municipality's Broad Goals per Key Performance Area

- Providing strategic and focused **direction** to the municipality,
- Taking cognizance of the development **mandate** of the municipality,
- and the need to use **scarce resources** (human, financial, equipment) effectively and efficiently,
- The municipality **cannot** be and do everything for everyone,
- It needs to be **strategically focused** and only do what it should be doing, in terms of its assigned Powers and Functions,
- within the context of its **available resources**,
- to deliver successfully on its development **mandate**.

Step 7: Formulate the Municipality's Development Objectives

- A broad statement of **what** you want to achieve and **by when** do want to achieve it
- Informed by the Broad Goals identified per Key Performance Area

Step 8: Formulate the Municipality's Development Strategies

- Indicates **how** to achieve an objective
- Should give rise to specific projects in order to measure progress of achieving the objective and broad goal

4. Alignment with National, Provincial and District Plans, Programmes and Strategies

4.1 National Development Plan

The National Development Plan (NDP) was prepared by the National Planning Commission (NPC), a structure that was appointed by President Jacob Zuma in May 2010. The NDP aims to eliminate poverty and reduce inequality by 2030. It indicates that South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. In the NPC's Diagnostic Report (2011), the NPC identified the following primary challenges within the country:

- Too few people work;
- The quality of school education for black people is poor;
- Infrastructure is poorly located, inadequate, and under- maintained;
- Spatial divides hobble inclusive development;
- The economy is unsustainably resource intensive;
- The public health system cannot meet demand or sustain quality;
- Public services are uneven and often of poor quality;
- Corruption levels are high; and
- South Africa remains a divided society.

In addressing these concerns, the NDP sets out six interlinked priorities, namely:

- Uniting all South Africans around a common programme to achieve prosperity and equity;
- Promoting active citizenry to strengthen development, democracy, and accountability;
- Bringing about faster economic growth, higher investment, and greater labour absorption; Focussing on key capabilities of people and the state;
- Building a capable and developmental state; and
- Encouraging strong leadership throughout society to work together to solve problems.

4.2 Batho Pele Principles

This White Paper on Transforming Public Service Delivery therefore, urgently seeks to introduce a fresh approach to service delivery: an approach which puts pressure on systems, procedures, attitudes and behaviour within the Public Service and reorients them in the customer's favour, an approach which puts the people first. This does not mean introducing more rules and centralised processes or micromanaging service delivery activities. Rather, it involves creating a framework for the delivery of public services which treats citizens more like customers and enables the citizens to hold public servants to account for the service they receive. A framework which frees up the energy and commitment of public servants to introduce more customer-focused ways of working. The approach is encapsulated in the name which has been adopted by this initiative - Batho Pele (a Sesotho adage meaning 'People First').

Eight principles for transforming public service delivery - the *Batho Pele* principles - have been identified. These are expressed in broad terms in order to enable national and provincial departments to apply them in accordance with their own needs and circumstances. The *Batho Pele* principles are:

1. Consultation

Citizens should be consulted about the level and quality of the public services they receive and, wherever possible, should be given a choice about the services that are offered.

2. Service Standards

Citizens should be told what level and quality of public services they will receive so that they are aware of what to expect.

3. Access

All citizens should have equal access to the services to which they are entitled.

4. Courtesy

Citizens should be treated with courtesy and consideration

5. Information

Citizens should be given full, accurate information about the public services they are entitled to receive.

6. Openness and transparency

Citizens should be told how national and provincial departments are run, how much they cost, and who is in charge.

7. Redress

If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made, citizens should receive a sympathetic, positive response.

8. Value for money

Public services should be provided economically and efficiently in order to give citizens the best possible value for money.

4.3 Cabinet Outcomes

The Outcomes approach is designed to ensure that government is focused on achieving the expected real improvements in the life of all South Africans. The outcomes approach clarifies what we expect to achieve, how we expect to achieve it and how we will know whether we are achieving it. It will help with spheres of government to ensure that results improve the lives of citizens rather than just carrying out our functions. It will help us track the progress we are making in achieving results and it will help us collect evidence about what worked and what did not, to help us improve our planning and implementation on an annual basis.

Based on the Election Manifesto and the Medium Term Strategic Framework, a set of 12 outcomes were developed through extensive consultation and discussion at both Ministerial and Administrative levels. These Outcomes reflect the desired development impacts we seek to achieve, given government's policy priorities. Each outcome is clearly articulated in terms of measurable outputs and key activities to achieve the outputs.

The twelve key outcomes that have been identified and agreed to by the Cabinet are:

1. Improved quality of basic education
2. A long and healthy life for all South Africans
3. All people in South Africa are and feel safe
4. Decent employment through inclusive economic growth
5. A skilled and capable workforce to support an inclusive growth path
6. An efficient, competitive and responsive economic infrastructure network
7. Vibrant, equitable and sustainable rural communities with food security for all
8. Sustainable human settlements and improved quality of households life
9. A responsive, accountable, effective and efficient local government system
10. Environmental assets and natural resources that are well protected and continually enhanced
11. Create a better South Africa and contribute to a better and safer Africa and World
12. An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship

4.4 Provincial Growth and Development Plan

In 2011, the KZN Provincial Government adopted the KZN PGDS in order to provide Kwa-Zulu Natal with a reasoned strategic framework for accelerating and sharing economic growth through catalytic and developmental interventions, within a coherent equitable spatial 31 development architecture, putting people first, particularly the poor and vulnerable, and building sustainable communities, livelihoods and living environments.

The 6 Strategic Goals identified in the PGDP is as follow:

1. Job Creation
2. Human Resource Development
3. Human and Community Development
4. Strategic Infrastructure
5. Response to Climate Change
6. Governance and Policy
7. Spatial Equity

4.5 District Growth and Development Plan

One of the most important purposes of a District Growth and Development Planning policy and strategy is to ensure that national, provincial and local initiatives and programmes are integrated and sustainable to maximize the growth and employment impact of economic and social development projects and programmes. At a district level, economic and social development policy is directly the rationalisation of some of the existing provincial and local institutional structures, the suggestion of new institutions; to target direct programmes to those areas where it would have the greatest impact on local economies, to consolidate funding that flows into local areas for economic development and to provide support services that would assist local communities in realising their economic goals and visions.

Strategic Goals

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

5. Strategic Plan

5.1 Vision

To be the progressive, prosperous and sustainable economic hub of Zululand by 2035



5.2 Mission

By creating a conducive environment focused on Agricultural, Industrial and Tourism Development in order to attract Investment and Provision of Basic Service Delivery



5.3 Core Values

- | | |
|-------------------|------------------|
| • Integrity | • Patriotism |
| • Transparency | • Courage |
| • Fairness | • Accountability |
| • Competitiveness | • Ethical |
| • Honesty | • Time Bound |

5.4 Goals

- 
- To reduce levels of infrastructure backlogs by providing Basic Services, Facilities and maintaining existing infrastructure.
 - Empower and capacitate institutional structures and promotion of transparent cooperative governance.
 - Ensure sound financial management and accountability.
 - Ensure transparency, accountability and community involvement in municipal affairs.
 - To promote socio-economic growth and job opportunities.
 - To redress the spatial imbalances and promote sustainable environmental planning.

5.5 Key Performance Area, Goals, Focus Area, Development Objectives and Strategies

Key Performance Area: Basic Service Delivery and Infrastructure Development			
Goal: To reduce levels of infrastructure backlogs by providing Basic Services, Facilities and maintaining existing infrastructure.			
Key Focus Area	IDP Ref. No.	Development Objectives	Development Strategies
1. Roads	1	Expand accessibility in various wards by 2027	<ul style="list-style-type: none"> Constructing New Gravel Roads Constructing new tarred and paved roads Constructing new cause ways Spatially capture roads infrastructure Construction of Taxi Ranks Construction of Municipal Testing Stations
	2	Maintain existing Roads in rural & urban areas by 2027	<ul style="list-style-type: none"> Upgrading of gravel roads to tar Re-gravelling of roads Resealing of Roads Rehabilitation of existing tar roads Blading of roads Spatially capture road infrastructure
2. Storm Water	3	Building and maintaining Storm Water Infrastructure by 2027	<ul style="list-style-type: none"> Construction of new storm water drains Cleaning of storm water drains Spatially capture storm water infrastructure
3. Sanitation	4	Expand Sanitation accessibility in various wards by 2027	<ul style="list-style-type: none"> Establishment of new sewer lines Provision of VIP in rural areas Constructing Public Ablutions Spatially capture sanitation infrastructure
	5	Maintain and replace existing Sanitation Infrastructure by 2027	<ul style="list-style-type: none"> Replace old sanitation pipes Upgrading of sewer main lines Upgrade of the WWTW
4. Water	6	Expand water accessibility in various wards by 2027	<ul style="list-style-type: none"> Installation of new water connections Upgrade of water main lines Spatially capture water infrastructure
	7	Maintain and replace existing Water Infrastructure by 2027	<ul style="list-style-type: none"> Replace old water Pipes Repairs to water lines Repairs to existing water pumps Maintain purification treatment plants
5. Electricity	8	Expand electrical accessibility in various wards by 2027	<ul style="list-style-type: none"> Installation of New electrical connections
	9	Expand and Maintain existing network electricity in urban and rural areas by 2027. Provide alternative energy	<ul style="list-style-type: none"> Installation of Electrical Meters Installation and repairs of High Mast Lights General Infrastructure- maintenance on mini and major substations Upgrade existing transformers Repairs to Robots Provision of solar geysers and street lights Provision of solar panels in urban and rural areas Spatially capture electricity infrastructure

			<ul style="list-style-type: none"> • Master sector plans to be in place
6. Sport fields & Parks	10	Expand accessibility and maintenance of Sports fields and Parks in various wards by 2027	<ul style="list-style-type: none"> • Construction and maintenance of new Sports fields and Parks in various wards • Upgrade and revamp existing Sports fields and Parks
7. Community Halls	11	Expand accessibility and maintenance of Community Halls in various wards by 2027	<ul style="list-style-type: none"> • Construction and maintenance of New Community Halls • Upgrade and revamp existing Community Halls
8. Cemeteries	12	Expand accessibility and maintenance of Community Cemeteries in various wards by 2027	<ul style="list-style-type: none"> • Construction and maintenance of Cemeteries • Upgrade and revamp existing Cemeteries • Fencing of all unused cemeteries • Identify and establish new cemeteries
9. Creches	13	Enhance Early Childhood Development by 2027	<ul style="list-style-type: none"> • Number of new crèches built
10. Libraries	14	Expand accessibility and maintenance of Libraries in various wards by 2027	<ul style="list-style-type: none"> • Construction of new Libraries • Upgrade and Maintain existing Libraries
11. Refuse Removal	15	Expand accessibility of Refuse Services in various wards by 2027	<ul style="list-style-type: none"> • Identify new areas and settlements to offer Refuse Services • Integrated waste management plan
12. Human Settlements	16	To provide sustainable human settlements to the people of AbaQulusi by 2027	<ul style="list-style-type: none"> • Identify and Secure land prior to project approval • Ensure appointment of experienced and qualified implementing agents • Land disposal policy for public use • Strengthen Intergovernmental Relations • Land identification and release • facilitation of bulk service provision • Facilitate Land Release • Approval and implementation of the Housing Sector Plan • Set up housing consumer education programme • Linking of the HSP to SDF, IDP and Comprehensive CIF • Middle income housing development

Alignment With National, Provincial And District Strategic Documents

This KPA is aligned with the following national, provincial and district strategies to ensure integrated and sustainable provision of infrastructure that will lead to better living conditions for all our people.

National Development Plan identified the following primary challenges pertaining to this KPA:

- Infrastructure is poorly located, inadequate, and under- maintained;
- Public services are uneven and often of poor quality;

- Corruption levels are high; and

Cabinet Outcomes:

6. An efficient, competitive and responsive economic infrastructure network
7. Vibrant, equitable and sustainable rural communities with food security for all
8. Sustainable human settlements and improved quality of households life

KZN Provincial Growth and Development Plan/Strategy

3. Human and Community Development
4. Strategic Infrastructure

Back to Basics Program:

1. Basic Services: Creating decent living conditions

Zululand District Growth and Development Plan

4. Strategic Infrastructure

Batho Pele Principles:

1. Service Standards
2. Access

AbaOulusi municipality

The goal, focus areas, Action plans and eventual projects of the municipality is all directly aligned with the broader governmental strategic documents to ensure the strategic use of scarce resources to provide new and maintain existing services in the municipality. The compilation of a maintenance Plan as well as an infrastructure delivery plan will ensure transparency and the curbing of unrealistic expectations while striving towards reaching the Municipality's vision and giving effect to the national and provincial strategies.

The implementation of the Strategies for the 12 identified Focus Areas will ensure that the community of AbaQulusi Municipality enjoys an improved quality of life with the concomitant opportunities and that our places where we live, work and play are situated in an environment conducive to an ever increasing quality of live.

Key Performance Area: Municipal Transformation and Institutional Development

Goal: Empower and capacitate institutional structures and promotion of transparent cooperative governance.

<u>Key Focus Area</u>	<u>IDP Ref. No.</u>	<u>Development Objective</u>	<u>Development Strategies</u>
1. Human Resources Management	17	To ensure that the municipality practice sound Human Resources management by 2027	<ul style="list-style-type: none"> • Conduct Workshops on labour relations • Ensure functionality of Local Labour Forum • Formulate, review and adopt new and existing HR Policies. • Review and adopt Employment Equity plan • Review and adopt recruitment Plan and strategy • Review and adopt Retention strategy • Review and adopt organizational structure • Review Job descriptions • Fast track filling of critical vacant posts • Expanding or securing leaderships ,internship and apprenticeship to community members in consultation with SETAs
2. Human Resource Development	18	To ensure that the new and existing staff are capacitated to fulfil their functions and promote career development and comply with safety measures by 2027	<ul style="list-style-type: none"> • Develop/Review Workplace Skills Plan. • Develop/Review Induction Plan. • Ensure functionality of OHS Committee and other HRD related committees. • Develop/Review training policy • Develop/Review Wellness Programme. • Facilitate skills audit for municipal employees. • Facilitate skills audit for councillors • Facilitate Female councillors empowerment • Continued professional development (CPD) for all professionals serving in the municipality • MFMP training for Staff and Councillors
3. Council Support	19	To ensure that Council and its committee fulfil their executive and legislative functions and play an effective oversight role over administration by 2027	<ul style="list-style-type: none"> • Develop and adopt Council Annual Programme • Monitoring and implementation of the Council Annual Programme • Monitoring the execution of Council resolutions • Provision of Administrative Support to Council and its Committees
4. Records Management	20	To ensure effective management of all internal and external records by 2027	<ul style="list-style-type: none"> • Implementation of Records Management Policy
5. Fleet Management	21	To ensure effective management of fleet by 2027	<ul style="list-style-type: none"> • Implementation of Fleet Management Policy
6. Information Technology	22	To provide a secure ICT infrastructure which delivers appropriate	<ul style="list-style-type: none"> • Development and monitoring of ICT infrastructure and relevant security mechanisms with provision of reports.

		levels of Confidentiality, integrity, availability, stability and growth by 2027	<ul style="list-style-type: none"> • Workshop of ICT Policies and Procedures to staff. • Development of IntraNet to provide basic information on Email and Internet security standards for users. • Ensure ICT secure procedures are followed. • Ensure security mechanisms are in place to ensure confidentiality and integrity of data. • Upgrade, and maintain relevant equipment and infrastructure to ensure stability of ICT infrastructure • Providing ICT Tools of trade. • Upgrading to new technologies. • Updating/Upgrading to new software as part of the new technology drive forward. • Renewal and expansion of DR and Data Backup Systems • Develop compliance/IntraNet calendar for staff on the IntraNet as reference model to assist in providing staff with deadline dates for ALL reports. • Develop backup and replicate information for future reference • Procure CAD software for engineering drawings
7. General Administration	23	To improve customer care and strengthen its relations with the municipality	<ul style="list-style-type: none"> • Establish a municipal call center • Develop and review the Customer Care Call Centre annually

Alignment With National, Provincial And District Strategic Documents

This KPA is aligned with the following national, provincial and district strategies to ensure that the internal institution is structured and operating in a way that ensure optimal service provision.

National Development Plan identified the following primary challenges pertaining to this KPA:

- Public services are uneven and often of poor quality;
- Corruption levels are high; and
- South Africa remains a divided society.

Cabinet Outcomes:

5. A skilled and capable workforce to support an inclusive growth path
9. A responsive, accountable, effective and efficient local government system and inclusive citizenship

6. An efficient, effective and development orientated public service and an empowered, fair

KZN Provincial Growth and Development Plan/Strategy

2. Human Resource Development

Back to Basics Program:

2. *Good Governance*
3. *Public Participation*
5. *Institutional Capacity*

Zululand District Growth and Development Plan

2. Human Resource Development
3. Human and Community Development
6. Governance and Policy

Batho Pele Principles:

- 1: Consultation
- 2: Service Standards
- 3: Access
- 4: Courtesy
- 5: Information
- 8: Value for money
- 6: Openness and transparency

AbaOulusi municipality

The goal, focus areas, development strategies and eventual projects of the municipality are all directly aligned with the broader governmental strategic documents to ensure that the internal structure of the Municipality is established in such a way that the organization has the capacity to warrant optimised service delivery to the people in its area.

The focus of this KPA is to be a service provider to the organisation itself. The mandate of this KPA provides the responsible officials with the task to ensure effective, efficient, capable and qualified human and administrative resources that will see to it that the institution can effectively do its service delivery. The contribution of this KPA can make or break the organisation it therefore need to be strong, capable and virtuous.

Key Performance Area: Financial Viability & Management

Goal: Ensure sound financial management and accountability

<u>Key Focus Area</u>	<u>IDP Ref. No.</u>	<u>Development Objective</u>	<u>Development Strategies</u>
1. Revenue	24	Ensure the Municipal Revenue Streams are optimized	<ul style="list-style-type: none"> • Conducting Daily control check and balances of cashiers and banking of cash • Conducting Monthly updating of valuation roll and financial system to secure correct billing of rates • Monitor Billing vs Payment system • Update Indigent Register • Visiting satellite offices regularly to verify and secure financial procedures and income • Implement Revenue enhancement committee resolutions • Amendment to the credit control policy • Timeous and accurate reading of meters • Handing over of long outstanding/selling of debtors • Ensure reconciliations are performed daily, weekly and monthly respectively
2. Expenditure	25	To ensure effective expenditure control	<ul style="list-style-type: none"> • Ensure payment of service providers within 30 days • Ensure reconciliations are performed daily, weekly and monthly respectively • Verification of all orders and invoices correctness before payment is done using check list and financial system and procedures • Timeous payment of salaries and third parties • Timeous submission of VAT and PAYE to SARS • Verification of correct allocation of orders
3. SCM	26	To strengthen the Supply Chain Unit and Processes	<ul style="list-style-type: none"> • Develop Municipal Procurement Plan • Implement suppliers database in line with National Treasury's Central Suppliers Database • Review SCM Policy • Submission of Irregular expenditure report to COGTA on a monthly basis • Provide training and skills development to officials involved in procurement processes • Verification of Service Providers
4. Assets	27	To Maintain Fixed Assets of the Municipality	<ul style="list-style-type: none"> • Maintain fixed assets register on a monthly basis • Updating of all purchases and spot check visits to offices • Maintaining the Fixed Assets Register in terms of the Fixed Assets Policy and GRAP 17 monthly • Quarterly verification of inventory

			<ul style="list-style-type: none"> • Ensure reconciliations are performed daily, weekly and monthly respectively
5. Financial Reporting	28	Ensure that financial reporting conforms to all legal and institutional requirements	<ul style="list-style-type: none"> • Develop Draft Budget annually • Develop and Adopt Final Budget annually • Develop and adopt Final Budget Process Plan annually • Submission of Monthly Section 71, Quarterly Section 52 & Half Year Section 72 Report • Develop Adjustment budget in line with section 72 reports • Annual adoption of policies and procedures • Ensure reconciliations are performed daily, weekly and monthly respectively

Alignment With National, Provincial And District Strategic Documents

This KPA is aligned with the following national, provincial and district strategies to ensure that the institution provides services to its personnel, consumers and suppliers.

National Development Plan identified the following primary challenges pertaining to this KPA:

- Public services are uneven and often of poor quality;
- Corruption levels are high; and

Cabinet Outcomes:

6. An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship
9. A responsive, accountable, effective and efficient local government system

KZN Provincial Growth and Development Plan/Strategy

6. Governance and Policy

Back to Basics Program:

2. Good Governance
4. Financial Management
5. Institutional Capacity

Zululand District Growth and Development Plan

6. Governance and Policy

Batho Pele Principles:

- 1: Consultation
- 2: Service Standards
- 3: Access
- 4: Courtesy
- 5: Information
- 8: Value for money
- 6: Openness and transparency

AbaOulusi municipality

The goal, focus areas, development strategies and eventual projects of the municipality are all directly aligned with the broader governmental strategic documents to ensure that the financial affairs of the municipality confirms to legal requirements, strife towards an approved audit report and do all payment timeously.

The focus of this KPA is to be a service provider to the organisation itself as well as its consumers and suppliers. The mandate of this KPA provides the responsible officials with the task to ensure the responsible, honest management of tax payers' money. This KPA is mainly targeted on legal compliance and need to be implemented with absolute accountability, skill and without any prejudice.

Key Performance Area: Good Governance and Community Participation

Goal: To be a Responsible, accountable, effective and efficient developmental Municipality

<u>Key Focus Area</u>	<u>IDP Ref. No.</u>	<u>Development Objective</u>	<u>Development Strategies</u>
1. Communication and customer satisfaction	29	To revive and strengthen Communications by 2027	<ul style="list-style-type: none"> • Develop/adopt communication strategy • Review the Communication Strategy
	30	To engage and improve customer satisfaction by 2027	<ul style="list-style-type: none"> • Develop a customer care centre • Appoint a customer care committee • Conduct customer service satisfaction surveys on regular basis • Establish “suggestion boxes’ at all municipal offices • Utilisation of the municipal “hotline” system • Establish additional municipal satellite offices
2. Internal Audit	31	To provide an assurance on the effectiveness of governance, risk management and internal control by 2027	<ul style="list-style-type: none"> • Develop and implement the annual internal audit coverage plan • Develop and implement quality assurance programmes to assess the effectiveness of internal audit unit • Discuss and submit internal audit reports to Management, Audit Committee and MPAC • Appoint audit steering committee • Develop and implement the audit committee annual plan • Develop and implement the audit committee assessment tool
3. Audit Committee	32	To ensure the effectiveness of the Audit Committee by 2027	<ul style="list-style-type: none"> • Develop and implement the audit committee annual plan • Develop and implement the audit committee assessment tool • Submission of audit committee reports to Council on a quarterly basis • Evaluate and track the implementation of audit committee resolutions
4. Risk Management	33	To improve the effectiveness of risk management within the organization by 2027	<ul style="list-style-type: none"> • Conduct the risk assessment and develop the risk register • Appoint risk management committee and assess the functionality thereof • Incorporate risk action plans into departmental SDBIP • Monitor the implementation of risks mitigation plans by Department • Identify and assess new emerging risks throughout the period
5. Integrated Development Planning	34	To ensure effective decision-making, budgeting and	<ul style="list-style-type: none"> • Develop and implement the IDP/Budget process plan • Engage in Community Consultation Process (IDP Rep Forums, Road-shows, Izimbizos) • Develop, review and adopt IDP annually

		management of resources	
6. Performance Management	35	To promote a system of transparency and accountability within the municipality	<ul style="list-style-type: none"> • Review and adopt the PMS Framework • Cascading of PMS to all levels
8. Batho Pele	36	To enhance service delivery through the improvement of public consultation and communications by 2027	<ul style="list-style-type: none"> • Develop and adopt Batho Pele Policy, procedural Manuel, Service Delivery Charter and Service Delivery Improvement Plan • Hosting of Batho Pele Campaigns

Alignment With National, Provincial And District Strategic Documents

This KPA is aligned with the following national, provincial and district strategies to ensure that the governance of the institution is legal complaint, corruption free and accountable.

National Development Plan identified the following primary challenges pertaining to this KPA:

1. Public services are uneven and often of poor quality;
2. Corruption levels are high; and

Cabinet Outcomes:

1. An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship
2. A responsive, accountable, effective and efficient local government system

KZN Provincial Growth and Development Plan/Strategy

1. Governance and Policy

Back to Basics Program:

1. Good Governance
2. Financial Management
3. Institutional Capacity

Zululand District Growth and Development Plan

1. Governance and Policy

Batho Pele Principles:

- 1: Consultation
- 2: Service Standards
- 3: Access
- 4: Courtesy
- 5: Information
- 8: Value for money
- 6: Openness and transparency

AbaOulusi municipality

The goal, focus areas, development strategies and eventual projects of the municipality are all directly aligned with the broader governmental strategic documents to ensure the municipality functions optimum with the ambit of its developmental mandate. The municipality must ensure the promoting of an active citizenry to strengthen development, democracy, and accountability and to be servants to the community.

Communities must actively partake in the local sphere of government through information sharing workshops, capacitation of ward structures and dissemination of important issues through various media platforms.

The mandate of this KPA as reflected in the Strategic plan is to make sure that the citizens are involved in governance and the organisation is accountable to them.

Key Performance Area: Local Economic Development and Social Development

Goal: To promote socio-economic growth and job opportunities.

<u>Key Focus Area</u>	<u>IDP Ref No</u>	<u>Development Objective</u>	<u>Development Strategies</u>
1. Agriculture	37	Unleashing agricultural potential in Abaqulusi by 2027	<ul style="list-style-type: none"> • Coordinate the establishment of agri- business forums, farmers associations • Provide support to the agricultural production • Coordinate agricultural activities • Establish cooperatives in all areas • Assist in Developing Agri-processing Hub • Develop Agriculture Sector Plan
2. SMME's and Job Creation	38	Continuous assistance of entrepreneurship and job creation by 2027	<ul style="list-style-type: none"> • Train SMME's according to their needs to meet the standard • Coordinate intergovernmental programmes to create job opportunities
3. Poverty alleviation	39	Reduce poverty in all wards by 2027	<ul style="list-style-type: none"> • Train the vulnerable community on income generating project • Deliver poverty alleviation project in all wards to create business opportunities
4. Tourism	40	Promote and identify tourism opportunities by 2027	<ul style="list-style-type: none"> • Co-ordinate tourism events and awareness campaigns in the municipality • Organise workshops and Road shows • Establish tourism industry and project focusing on tourism • Develop Tourism Sector Plan and Promote heritage route • Introduce historically disadvantaged people into tourism • Assisting Accommodation Establishments with their Tourism Grading
5. Economic growth	41	Promote economic development by 2027	<ul style="list-style-type: none"> • Develop commercial centres In the Municipality • Review, adopt and implement the LED strategy • Community empowerment on small business start-ups • To assist with business retention for existing businesses and provide incentives for new businesses
6. Real estate and Business Management	42	Proper Acquisition and disposal of real estate according to municipality by-laws by 2027	<ul style="list-style-type: none"> • Develop and Implement Land disposal Policy • Develop real estate by-laws • To enhance real estate capacity • Effective management of outdoor advertising • Business Licence Compliance
7. Sport and Recreation	43	Promote Sports and Recreation in Abaqulusi by 2027	<ul style="list-style-type: none"> • Establish Sport and recreation Committee (Sport Council) • Conduct sport talent promotion and competitions • Provide DSR with a platform to support federations and players in different sport codes
8. Youth programmes	44	Establish and promote youth	<ul style="list-style-type: none"> • Establish Youth Committee (Youth Council) • Conduct youth empowerment sessions

		development programmes by 2027	<ul style="list-style-type: none"> • Provide government departments and private sector with a platform to support the youth in their different developmental needs.
9. Arts and culture	45	Establish and promote cultural programmes by 2027	<ul style="list-style-type: none"> • Establish Art & Culture Committee (art & Culture Council) • Conduct artist' talent promotion and competitions • Provide department of arts and culture with a platform to support artists in their different art codes.
10. Social welfare	46	Ensure availability of social services programmes to the community of AbaQulusi by 2027	<ul style="list-style-type: none"> • Establish Social services stakeholder Committee • Support DSD in out rolling social development programmes.
11. Health HIV/AIDS	47	Establish and promote healthy living and HIV/AIDS awareness programmes BY 2027	<ul style="list-style-type: none"> • Establish health and HIV/AIDS Committee (AIDS Council) • Conduct awareness programmes • Provide department of health with a platform to support the community in their different health needs.
12. Special Programmes	48	Establish and promote community empowerment programmes for children, aged, disabled and vulnerable groups by 2027	<ul style="list-style-type: none"> • Establish Special programmes Committee (Children , Gender , elderly and Disability Councils) • Conduct empowerment sessions and awareness campaigns • Support NGO'S by sourcing assistance from potential sponsors and funders
13. Safety and Security	49	Enhancing safety and security by 2027	<ul style="list-style-type: none"> • Participate in the CPF and Neighbourhood watch meetings • Conduct crime-awareness programmes in communities • Review of Safety and Security Plan • Installation of CCTV Cameras

Alignment With National, Provincial And District Strategic Documents

This KPA is aligned with the following national, provincial and district strategies to ensure that the institution complies with its mandate to promote an enabling environment for the economy to grow and to ensure social upliftment by providing facilities and support.

National Development Plan identified the following primary challenges pertaining to this KPA:

- Bringing about faster economic growth, higher investment, and greater labour absorption; Focussing on key capabilities of people and the state;
- Building a capable and developmental state; and

Cabinet Outcomes:

4. Decent employment through inclusive economic growth
5. A skilled and capable workforce to support an inclusive growth path
6. An efficient, competitive and responsive economic infrastructure network
7. Vibrant, equitable and sustainable rural communities with food security for all
8. Sustainable human settlements and improved quality of household's life
10. Environmental assets and natural resources that is well protected and continually enhanced

KZN Provincial Growth and Development Plan/Strategy

1. Job Creation

Back to Basics Program:

1. Creating decent living conditions

Zululand District Growth and Development Plan

1. Job Creation

Batho Pele Principles:

- 1: Consultation
- 2: Service Standards
- 3: Access
- 4: Courtesy
- 5: Information
- 8: Value for money
- 6: Openness and transparency

AbaQulusi municipality

The goal, focus areas, development strategies and eventual projects of the municipality are all directly aligned with the broader governmental strategic documents to ensure the municipality provides an enabling environment for its citizens that will lead to economic opportunities and social upliftment. The municipality's action plans focus on equipping our community with the necessary skills and facilities to become actively involved in the socio-economic enhancement of individuals and groups.

Key Performance Area: Cross Cutting (Spatial, Environment and Disaster Management)			
Goal: <i>To redress the spatial imbalances and promote sustainable environmental planning.</i>			
<u>Key Focus Area</u>	<u>IDP Ref. No.</u>	<u>Development Objective</u>	<u>Development Strategies</u>
1. Town Planning	50	To ensure effective management of current and desirable land uses by 2027	<ul style="list-style-type: none"> • Review and implementation of the Spatial Development Framework • Implementation of SPLUMA and SPLUMA By-Law • Implementation of Precinct Plans • Preparation of the Abaqulusi wall-to-wall scheme and Land Audit in compliance with the Spatial Planning and land Use Management Act 2013 • Co-ordination of the Municipal Planning Tribunal • Facilitation of Township Establishment • Identification of developmental land • Conduct Information Workshops • Set up enforcement procedures
2. GIS	51	To have an effective and efficient GIS System by 2027	<ul style="list-style-type: none"> • Ensure GIS system is updated regularly • Integrate GIS System with other municipal departments
3. Building Inspectorate	52	To ensure the sustainability of the built environment by 2027	<ul style="list-style-type: none"> • Timeous Assessment of building plans • Workshop Built environment professionals • Training to current staff and peace officers • Deal effectively and efficiently with all contraventions
4. Fire & Disaster Management	53	Ensure Effective & Efficient response to community emergencies by 2027	<ul style="list-style-type: none"> • Strengthen stakeholder relations • Decentralization of services by establishing disaster satellite offices • Establishment of Disaster Management Unit • Acquiring relevant and sufficient Disaster Equipment regularly
5. Environmental health	54	Establish and promote a healthy environment in Abaqulusi by 2027	<ul style="list-style-type: none"> • Establish Environmental issues committee (Enviro Council) • Conduct awareness programmes • Provide department of environmental affairs with a platform to support the municipality and the community in their different art environmental needs

Alignment With National, Provincial And District Strategic Documents

This KPA is aligned with the following national, provincial and district strategies to ensure that the municipality works in a way that is sustainable and provide a safe environment for its citizens.

National Development Plan identified the following primary challenges pertaining to this KPA:

- Spatial divides hobble inclusive development;
- Corruption levels are high

Cabinet Outcomes:

3. All people in South Africa are and feel safe
7. Vibrant, equitable and sustainable rural communities with food security for all
8. Sustainable human settlements and improved quality of household's life enhanced
10. Environmental assets and natural resources that are well protected and continually

KZN Provincial Growth and Development Plan/Strategy

3. Human and Community Development
4. Strategic Infrastructure
5. Response to Climate Change
7. Spatial Equity

Back to Basics Program:

1. Creating decent living conditions

Zululand District Growth and Development Plan

5. Environmental Sustainability
7. Spatial Equity

Batho Pele Principles:

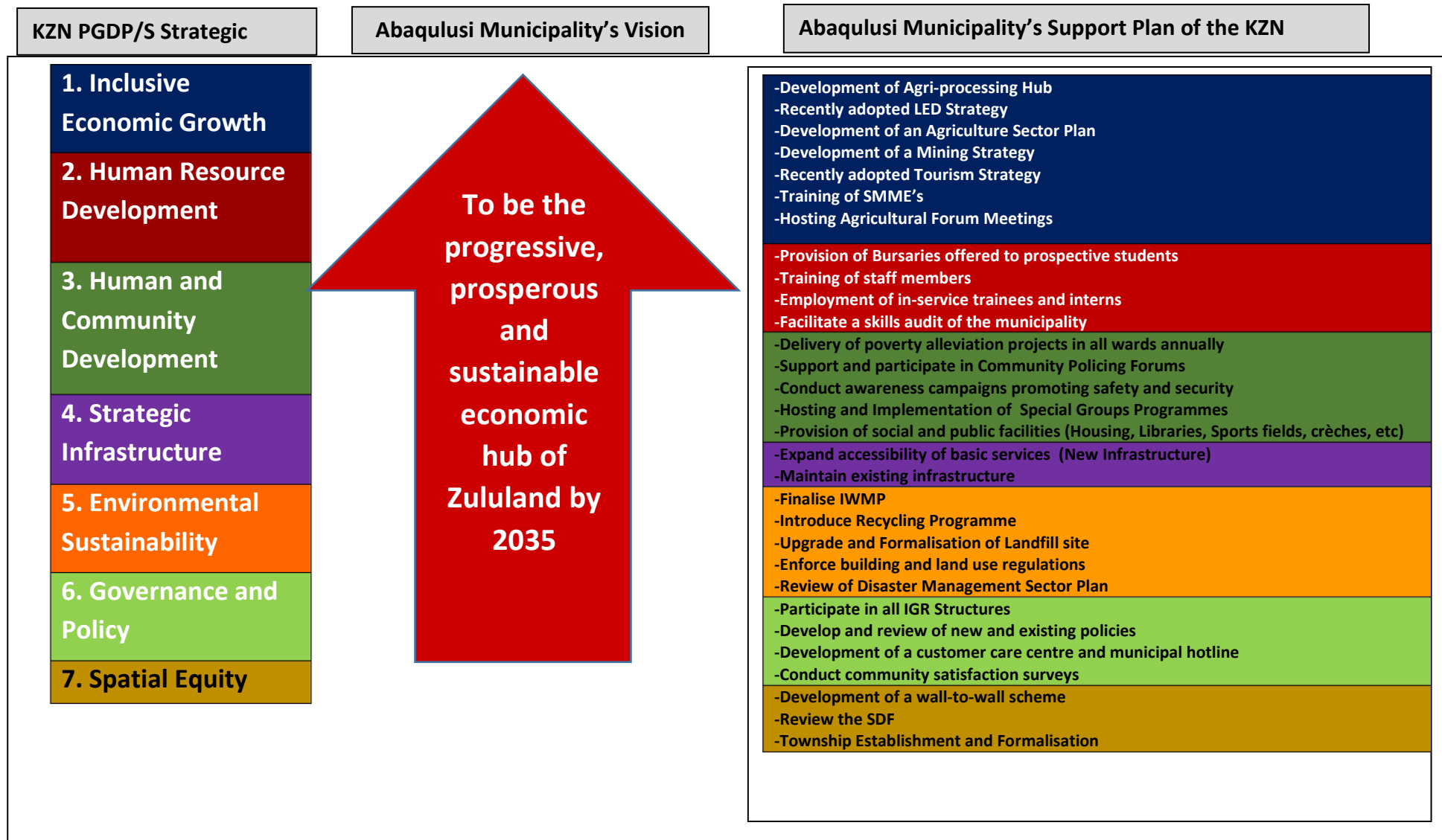
- 1: Consultation
- 2: Service Standards
- 3: Access
- 4: Courtesy
- 5: Information
- 8: Value for money
- 6: Openness and transparency

AbaOulusi municipality

The goal, focus areas, development strategies and eventual projects of the municipality are all directly aligned with the broader governmental strategic documents to ensure the municipality strive to safeguard a sustainable, safe and well preserved environment for its current citizens and future generations.

The municipality's integrated approach to provide an enabling and conducive environment where people enjoy better living conditions and a safe life are reflected in the action plans that is part of this document.

6. Alignment between Abaqulusi Municipality and the Goals of the KZN PGDP/S



Section E: Implementation Plan

The Abaqulusi Municipality's Implementation Plan provides a year-on-year overview of the Capital Projects and Repairs and Maintenance Projects that the Municipality will focus their attention on in order to improve service delivery. The Implementation Plan is also an important tool utilised to develop the municipality's One Year Operational Plan, which in essence serves as the municipality's Service Delivery and Budget Implementation Plan. In this case, a detailed breakdown of Municipal Projects for 2023/2024 financial year which is related to a specific focus area is catered for in Section G of this report. Sector Department Projects can be found under Section F (2) of this report which focuses on the Financial Plan and Sector Department Projects in detail.

Table 24: Implementation Plan

Key Performance Area: Basic Service Delivery and Infrastructure Development												
Goal	Key Focus Area	Objective	Strategy	Key Performance Indicator	Target Year					Budget	Funding Source	Responsible Department
					22-23	23-24	24-25	25-26	26-27			
To reduce levels of infrastructure backlogs by providing Basic Services, Facilities and maintaining existing infrastructure.	Roads	Expand accessibility in various wards by 2027.	<ul style="list-style-type: none"> Constructing New Gravel Roads Constructing new tarred and paved roads Constructing new cause ways 	<ul style="list-style-type: none"> Number of km Date 		x				R25 254 000	MIG	Technical Services Department
		Maintain existing Roads in rural & urban areas by 2027.	<ul style="list-style-type: none"> Upgrading of gravel roads to tar Re-gravelling of roads Resealing of Roads Rehabilitation of existing tar roads Blading of roads 	<ul style="list-style-type: none"> Number of km Date 		x				R6 000 000	Internal	
	Sanitation	Maintain and replace existing Sanitation	<ul style="list-style-type: none"> Replace old sanitation pipes 	<ul style="list-style-type: none"> % of construction complete 		x				R5 000 000	Internal	

		Infrastructure by 2027.	<ul style="list-style-type: none"> • Upgrading of sewer main lines • Upgrade of the WWTW 	<ul style="list-style-type: none"> • Date 								
	Water	Maintain and replace existing Water Infrastructure by 2027.	<ul style="list-style-type: none"> • Replace old water Pipes • Repairs to water lines • Repairs to existing water pumps • Maintain purification treatment plants 	<ul style="list-style-type: none"> • % of construction complete • Date 		x					R5 000 000	Internal
	Electricity	Expand electrical accessibility in various wards by 2027.	Installation of New electrical connections	<ul style="list-style-type: none"> • Number of households • Date 		x					R16 680	INEP
		Expand and Maintain existing network electricity in urban and rural areas by 2027.	<ul style="list-style-type: none"> • Installation of Electrical Meters • Installation and repairs of High Mast Lights • General Infrastructure-maintenance on mini and major substations • Upgrade existing transformers • Repairs to Robots • Provision of solar geysers and street lights • Provision of solar panels in urban and rural areas 	<ul style="list-style-type: none"> • Number of meters • Number of robots • Number of High Mast Lights • Date 		x					R9 000 000	Internal

	Community Halls	Expand accessibility and maintenance of Community Halls in various wards by 2027	<ul style="list-style-type: none"> • Construction and maintenance of Cemeteries • Upgrade and revamp existing Cemeteries • Fencing of all unused cemeteries • Identify and establish new cemeteries 	<ul style="list-style-type: none"> • % of construction complete • Date 		x					R15 917 000	MIG	
	Sport fields & Parks	Expand accessibility and maintenance of Sports fields and Parks in various wards by 2027	<ul style="list-style-type: none"> • Construction and maintenance of new Sports fields and Parks in various wards • Upgrade and revamp existing Sports fields and Parks 	<ul style="list-style-type: none"> • % of construction complete • Date 		x					R16 000 000	MIG	

Key Performance Area: Municipal Transformation and Institutional Development

Goal: Empower and capacitate institutional structures and promotion of transparent cooperative governance.	Information Technology	To provide a secure ICT infrastructure which delivers appropriate levels of Confidentiality, integrity, availability, stability and growth by 2027	<ul style="list-style-type: none"> • Upgrade, and maintain relevant equipment and infrastructure to ensure stability of ICT infrastructure • Providing ICT Tools of trade. 	<ul style="list-style-type: none"> • Number of Upgrades • Number of New Laptops purchased 		x					R1 000 000	Internal	Corporate Services
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Key Performance Area: Local Economic Development and Social Development

Goal: To promote socio-economic growth and job opportunities.	SMME's and Job Creation	Continuous assistance of entrepreneurship and job creation by 2027	<ul style="list-style-type: none"> • Train SMME's according to their needs to meet the standard • Coordinate intergovernmental programmes to create job opportunities 	• Construction of 100 Trading Stalls		x					R2 000 000	EDTEA	Dev. Planning
	Poverty alleviation	Reduce poverty in all wards by 2027	<ul style="list-style-type: none"> • Train the vulnerable community on income generating project • Deliver poverty alleviation project in all wards to create business opportunities 	• Poverty Alleviation Projects delivered in various wards		x					R4 000 000	Internal	

Section F: Financial Plan

1. Municipal Medium Term Revenue and Expenditure Framework (MTREF)

The preparation of the IDP & Multi-term Budget has been extremely difficult as the municipality continues to be faced with more challenges and requirements to deliver the basic services to all the communities of Abaqulusi and to balance this with the National and Provincial priorities with limited revenue.

Council and Management within Abaqulusi has a significant role to play in strengthening the link between the community and governments overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within Abaqulusi Municipality.

Budgeting is primarily about the choices that the municipality has to make between competing priorities and fiscal realities.

The challenge is to do more with the limited resources available. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

With the economy still undergoing recovery, we are required to pursue a different outlook in order to address the challenges ahead. Strategies and interventions required in achieving economic stability are:

- Expanding public sector investment in infrastructure through capital programs addressing not only backlogs but also new investment
- Sustainable job creation
- Creating an environment for investment and job creation
- Ensuring timely delivery of capital programs
- Implementation of National Development Plan
- Implement cost saving measures to eliminate non-priority spending

We need to work together for a common vision that connects the past to the present to ensure a better future. Change is not just a challenge to government but affects society as a whole. A new framework for development is an opportunity to unite around an inclusive vision and join hands in constructing a shared future. There is a lot we can achieve if we work together.

While building on our strengths we have to tackle our weaknesses aggressively by professionalising our services and strengthening our accountability. Improving management and enforcing systems to fight corruption. We can assist in reducing poverty and inequality and this in turn will increase employment and investment into Abaqulusi.

During the final departmental presentations to the Budget Steering Committee, the departments must ensure the following is addressed when compiling their presentations:

- Effectiveness of the department
- Must ensure needs and not wants are addressed
- Departments must express a passion for what they are doing

- Departments must remember they are agents of change and may not get what you want but what is considered necessary
- Departments must ensure we deliver the best with the budget we are granted and earn credibility

The draft budget showed that expenditure has been aligned to the anticipated revenue and there is no deficit/surplus.

Provincial Treasury have advised municipalities that an unfunded budget is a serious transgression that will impact the financial viability of the municipality as well as the municipality's ability to deliver services to the community. They do not support an unfunded budget and the budget will be referred back to the Mayor and Municipal Manager. However, they have further advised that if the municipality is having challenges in correcting the budget to ensure it is funded in one financial year, the municipality must together with the tabling of the 2023/2024 MTREF table in Council a plan on how and when the budget will improve from being unfunded to a funded budget. Failure by the municipality to address the weakness will result in Provincial Treasury advising the MEC for Finance to inform National Treasury to consider stopping the Equitable Share transfer to the municipality.

On the 12th of May 2023 a meeting between Provincial Treasury and the municipality and the assessment according to Provincial Treasury calculations is that the budget was unfunded. The main concerns from Provincial Treasury was the amount of revenue budgeted for electricity service charges as the municipality budgeted for a 20,7% increase based on MFMA Circular No 123 and NERSA have since advised the allowable increase will only be 15,1%. There is also a need for stricter credit control to ensure payment of arrear accounts and the interest charged by the municipality is paid by consumers who owe the municipality. Expenditure on inventory consumed (Repairs and maintenance) had to be reduced as that was the main contributor identified to the budget being unfunded. The municipality must ensure it budgets for debt impairment and depreciation correctly. The question was asked why the municipality did not budget for interest, however it was explained that we cannot budget for not paying our creditors within 30 days and incurring interest on Eskom late payments. Overall, the Table A4 Budgeted Financial Performance (Operational Income and Expenditure) shows a surplus. On Table A5 Capital expenditure the municipality did not budget for the outer year's projects funded from MIG & INEP, this information has been requested from PMU. It was further question how the municipality can budget for capital from own funding when there are cash flow constraints. It was explained that the bulk of the funding is for the carry-over of the current year project for President Street. The cash flow calculation on Table A7 showed the surplus cash although the Provincial Treasury calculation was less than the municipality there was still a surplus. The main challenge for Provincial Treasury was on Table A8 Cash backed reserves with the payment of creditors and the collection of outstanding debt from consumers which is resulting in the budget showing a shortfall on Provincial Treasury calculations.

During the preparation of the adopted budget document all the concerns have been considered.

Revenues and cash flows are expected to remain under pressure in 2023/2024 and the municipality must adopt a conservative approach when projecting expected revenues and cash receipts. Tariffs must be carefully considered ensuring the affordability of domestic tariffs whilst considering the levels of services. Revenue must be managed effectively and carefully

evaluate all spending decisions. Non-priority spending must be eliminated and the cost containment measures as per government gazette 41445 dated 16 February 2018 must be implemented.

The Income budget has been based on tariff increases as follows:

- Property Rates – 5,3%
- Electricity – 20,7% - to be submitted to NERSA for approval, however NERSA have indicated an increase of 15,1% will be allowed.
- Water – 5,3%
- Sanitation – 5,3%
- Refuse – 5,3%
- Other tariffs – 5,3%

Service charges must be cost reflective. Strategies must be in place to limit losses to acceptable levels as the municipality must fully account for non-revenue water and electricity losses, both technical and non-technical.

Total operating revenue increases from R713 million approved in the Adjustment Budget to R786,4 million in 2023/2024 draft budget mostly due to the increase in funding from services.

The salaries budgeted allocation for employee related costs for the 2023/2024 financial year totals R188 million, which equals 26,75% of the total operating expenditure. The Salary and Wage Collective Agreement of CPI (5,4%) has been implemented and staff complement as at 30 April 2023.

All other services have been increased based on either a zero base or based on current expenditure. The cost of bulk electricity will be increased by 18,7% which amounts to R263,1 million being budgeted to be paid to Eskom.

Since the implementation of municipal Standard Chart of Accounts (mSCOA) there is no longer a segment for maintenance as all expenditure is referred to as projects. The amount budgeted for operational maintenance and repairs (Inventory consumed) amounts to R40,1 million or 5% of the budget. The operational maintenance budget requests will have to be prioritised due to limited revenue but in terms of National Treasury must be at least 8% of the budget to ensure the municipality complies.

Again, the focus points of the budget this year is to improve the efficiency of the municipality by redirecting spending to priority areas. Department's budgets have been cut in selected areas and funds shifted towards the key priorities.

It must be noted that expenditure on non-essential items such as catering, Subsistence & Travelling and other "nice to haves" have been reduced in order to comply with MFMA Circulars 78 and 79 as well as MFMA Circular 82 relating to cost containment measures.

The revenue per department must be noted in relation to the cost of the department. All departments' basic services delivery should at least "break even". Currently none of the basic service delivery departments are generating sufficient revenue to sustain the expenditure required. The estimated revenue that will be generated from the sale of electricity is R3 million more than the amount the municipality will be required to pay to Eskom.

Departments submitted requests for projects across the municipality to replace ageing infrastructure which is currently costing more to repair than the cost to replace. However, it must be noted that due to insufficient cash flow very few requests could be considered. During the remainder of the 2022/2023 financial year departments will have to identify from the master plans the capital assets that need to be replaced and funding sourced through business plans and increasing revenue. This is done to ensure before the tabling of the adopted 2023/2024 budget, correct and accurate costing is available for replacing the assets which will increase the value and reliability of the infrastructure.

During the discussions departments also noted areas of concern where revenue is currently not being generated. These areas need to be addressed before the tabling of the adopted budget in May 2023 as departments realise that in order for services to be delivered efficiently and effectively a more concerted effort needs to be made to increase the revenue streams of the municipality. National Treasury have issued a tariff setting tool that must be submitted as part of the tabled budget and submitted to National Treasury with all other budget related documents illustrating that the revenue component of the budget is credible and funded and that the municipality's tariffs are cost reflective.

During the current 2022/2023 financial year the municipality has remained focused on improving the revenue. This has been a very difficult task; however, the revenue enhancement team are working tirelessly to address the theft of electricity and water. This has been hampered by to the lack of material and staff available as well as the ongoing theft of cable and damage that is being caused to infrastructure as well as the load shedding which is further damaging the ageing infrastructure of the municipality. During the tabling of the Mid-Year Assessment report it was noted that electricity losses had increased compared to the previous financial year. During the 2022/23 financial year the municipality started the process of the reprogramming of prepaid meters to ensure all meters are programmed by November 2024 to ensure consumers can continue to purchase electricity.

The Equitable Share has increased from R187,4 million to R203,7 million.

The subsidies allocated in terms of the Provincial DORA for the below mentioned services are:

- Library Services – R4,763,000
- Museum – R249,000
- Library Funding to provide internet and other ICT facilities for the public and staff to provide training – R1,223,000
- Economic Development – Informal Trader Stores – R2,000,000
- Sports, Arts & Culture – R8,500,000 for sports infrastructure on receipt of the MOA from the municipality

The following grants have been allocated in terms of the National DORA:

- MIG – R51,853,000
- INEP – R16,680,000
- EPWP – R2,357,000
- FMG – R3,000,000

The following grants have been allocated in terms of the National DORA to Zululand District Municipality for Abaqulusi Municipality:

- MIG – R56,856,000
- WSIG – R23,000,000
- Equitable Share – R203,715,000
- Equitable Share Sanitation – R58,297,000
- Equitable Share Water – R86,460,000

The following grant has been allocated in terms of the National DORA to Eskom for Abaqulusi Municipality:

- INEP – R23,695,000

The table below a detailed overview of the Abaqulusi Local Municipality's Budget in terms of expected Revenue and Expenditure for the 2023/2024 financial year and beyond.

Table 25: 2022 - 2025 MTREF

Description	2019/20	2020/21	2021/22	Current year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit Outcome	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Revenue										
Exchange Revenue										
Service charges - Electricity	182 861	190 233	207 507	205 946	205 946	205 946	163 193	266 529	299 974	362 069
Service charges - Water	34 542	44 497	46 122	59 124	59 124	59 124	35 358	62 253	65 304	68 373
Service charges - Waste Water Management	29 097	32 008	32 805	34 920	34 920	34 920	30 296	36 734	38 534	40 345
Service charges - Waste Management	16 193	18 420	22 964	27 149	27 149	27 149	18 725	28 588	29 989	31 398
Sale of Goods and Rendering of Services	383	798	592	487	487	487	1 083	513	538	563
Agency services	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	11 478	7 979	10 971	64 834	64 834	64 834	10 982	35 088	39 544	44 566
Interest earned from Current and Non Current Assets	1 867	897	1 265	1 620	1 620	1 620	1 336	1 706	1 789	1 874
Dividends	-	-	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	1 141	1 070	937	8 634	8 634	8 634	1 024	1 667	700	733
Licence and permits	3 646	2 837	5 820	7 110	7 110	7 110	3 975	2 643	2 773	2 903
Operational Revenue	586	3 928	123	1 000	1 000	1 000	1 790	-	-	-
Non-Exchange Revenue										
Property rates	94 550	100 717	102 034	99 099	97 479	97 479	82 495	120 645	125 675	130 736
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	11 195	13 602	18 183	5 253	5 253	5 253	16 619	5 531	5 802	6 075
Licences or permits	-	-	-	-	-	-	-	4 844	5 081	5 320
Transfer and subsidies - Operational	179 986	210 960	187 263	200 369	200 369	200 369	212 886	219 671	235 844	229 464
Interest	-	-	-	-	-	-	-	-	-	-
Fuel Levy	-	-	-	-	-	-	-	-	-	-
Operational Revenue	-	-	-	-	-	-	-	-	-	-

Gains on disposal of Assets	-	-	(26 198)	-	-	-	-	-	-	-
Other Gains	-	41 784	19 220	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	567 524	669 730	629 608	715 544	713 924	713 924	579 762	786 412	851 546	924 418
Expenditure										
Employee related costs	141 715	153 571	177 132	192 166	195 285	195 285	157 335	188 376	194 055	203 176
Remuneration of councillors	15 036	17 515	17 865	19 806	19 806	19 806	14 438	19 305	21 836	22 928
Bulk purchases - electricity	215 715	187 271	215 064	261 400	240 027	240 027	164 615	263 142	330 602	389 119
Inventory consumed	13 880	19 879	48 391	31 266	22 242	22 242	18 517	40 210	90 107	89 427
Debt impairment	11 821	64 771	25 742	-	-	-	-	7 363	7 724	8 087
Depreciation and amortisation	45 771	83 959	118 678	32 695	32 695	32 695	488	42 503	44 586	46 681
Interest	1 227	7 986	255	-	1 883	1 883	2 272	-	-	-
Contracted services	74 764	88 735	113 919	112 062	107 467	107 467	82 539	95 641	89 936	86 488
Transfers and subsidies	12 316	3 950	-	-	-	-	2	-	-	-
Irrecoverable debts written off	5 522	-	17 719	7 053	-	-	(377)	-	-	-
Operational costs	37 317	38 542	45 574	44 096	44 617	44 617	42 492	63 954	58 005	60 636
Losses on disposal of Assets	-	-	-	-	-	-	-	-	-	-
Other Losses	5 046	10 910	12 577	-	-	-	-	-	-	-
Total Expenditure	580 131	677 088	792 916	700 544	664 021	664 021	482 321	720 495	836 852	906 542
Surplus/(Deficit)	(12 607)	(7 358)	(163 308)	15 000	49 903	49 903	97 442	65 917	14 694	17 876
Transfers and subsidies - capital (monetary allocations)	40 399	35 368	32 308	40 904	42 424	42 424	31 104	76 440	53 899	58 618
Transfers and subsidies - capital (in-kind)	1 721	-	-	-	-	-	0	-	-	-
Surplus/(Deficit) after capital transfers and contributions	29 513	28 010	(130 999)	55 904	92 327	92 327	128 546	142 357	68 593	76 494
Income Tax	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax	29 513	28 010	(130 999)	55 904	92 327	92 327	128 546	142 357	68 593	76 494
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	29 513	28 010	(130 999)	55 904	92 327	92 327	128 546	142 357	68 593	76 494
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	29 513	28 010	(130 999)	55 904	92 327	92 327	128 546	142 357	68 593	76 494

1.1. Operating Revenue Framework

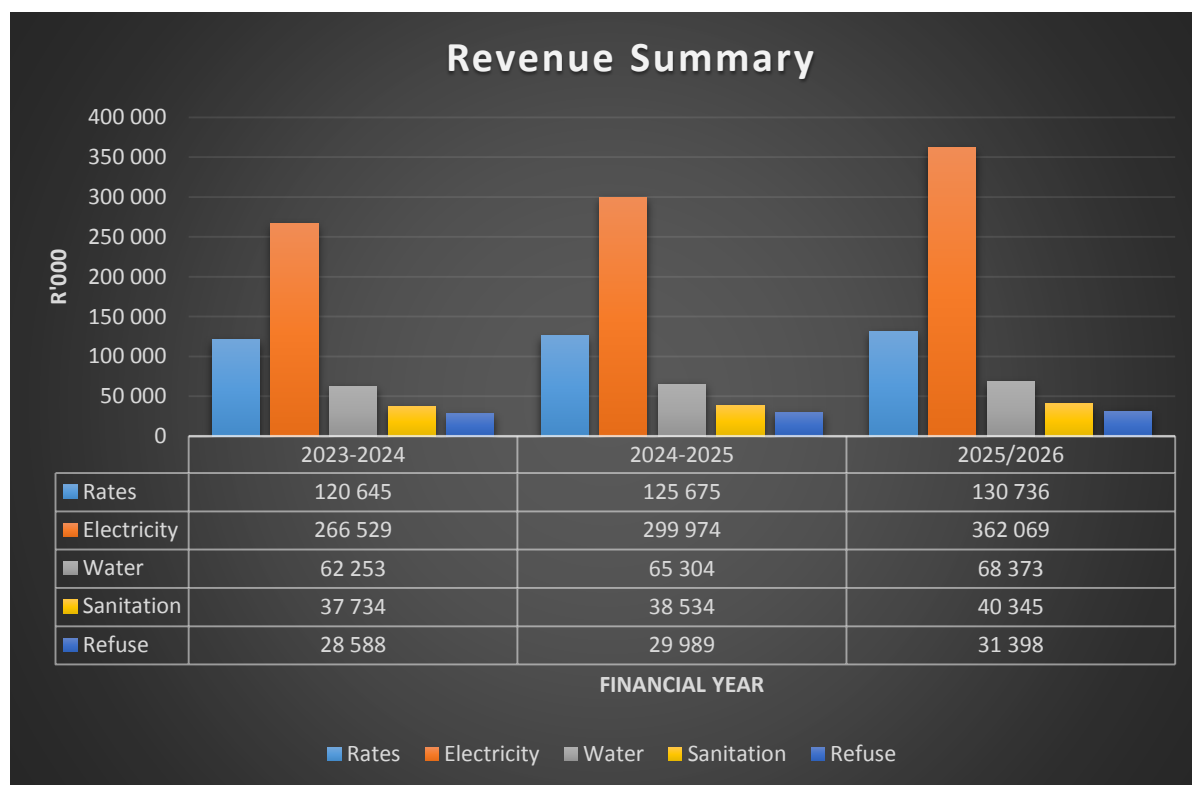
For Abaqulusi Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipal area and continued economic development;
- Efficient revenue management, which aims to ensure an 84% annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following figure is a summary of the 2023/24 MTREF (classified by main revenue source):

Figure 13: Income Summary



In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant % of the revenue basket for the Municipality.

Service charge revenues comprise more than 50% of the total revenue mix. In the 2023/24 financial year, revenue from services charges is expected to total R395.1 million. This increases to R 433,8 million and R502.2 million in the respective financial years of the MTREF. This includes the revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality.

Property rates is the second largest revenue source totalling 15% or R 120.6 million rand and increases to R 130.7 million by 2025/26.

Operating grants and transfers totals R219.6 million in the 2023/24 financial year and increases to R229.4 million by 2025/26.

The municipality will investigate sourcing additional funding which will be applied to address:

- Compensation for rising costs of providing free basic water and electricity to poor households.
- Accelerate provision of access to clean water through bulk and reticulation projects.
- Accelerate provision of access to electricity and improving the sustainability of access through the refurbishment of key infrastructure.
- Expand the collection and use of data on the condition of municipal roads.
- Increase the number of interns with infrastructure-related skills. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. The municipality must however take into account the labour and other input costs of services, the need to ensure financial sustainability, local economic conditions, the affordability of services, the indigent policy. An appropriate balance between the interests of poor households, other consumers and financial sustainability needs to be maintained as excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of ESKOM bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity and in these tariffs are largely outside the control of the Municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the Municipality's future financial position and viability. Based on this, the municipality will aim to increase its electricity tariff to 20.7%

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

1.2. Operating Expenditure Framework

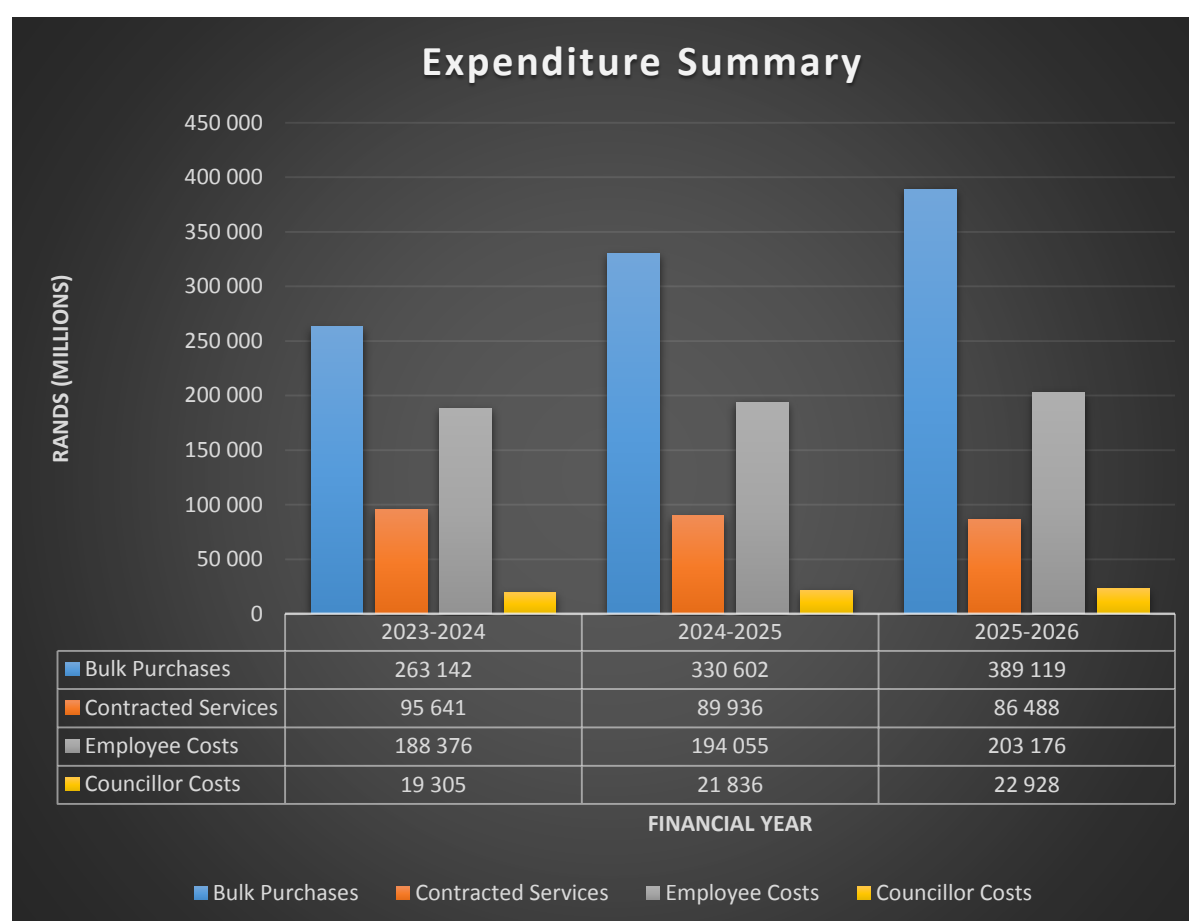
The Municipality's expenditure framework for the 2023/24 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;

- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services;
- Strict adherences to the principle of **no project plan no budget**. If there is no business plan no funding allocation can be made; and
- Creation of job opportunities by the municipality thus an increase in staff costs.

The following figure is a high-level summary of the 2023/24 budget and MTREF (classified per main type of operating expenditure):

Figure 14: Expenditure Summary



The budgeted allocation for employee related costs for the 2023/24 financial year totals R188,3- million, which equals 26,1% of the total operating expenditure. The multi-year Salary and Wage Collective Agreement from SALGBC to be implemented from 1 July 2023 is CPI (5,3%) in terms of the agreement.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 84% and the Debt Write-off Policy of the Municipality. For the 2023/24 financial year this amount equates to R7.3 million and an amount of R7,7 million for 2024/25 million which escalates to R8 million by 2025/26. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R42.5 million for the 2023/24 financial and equates to 5.8% of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register.

Bulk purchases are directly informed by the purchase of electricity from ESKOM. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. ESKOM increase has been budgeted for at 18.65% in line with the NERSA Tariff Guideline increase, benchmarks and proposed timelines for municipal tariff approval process for the 2023/24 financial year consultation paper published on the 12 January 2023. The amount budgeted for bulk purchases amounts to R263,1 million which equates to 36.5% of the expenditure budget.

Inventory consumed (Repairs & Maintenance) comprise of amongst others the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals. In line with the Municipality's repairs and maintenance plan this group of expenditure has been prioritised to ensure sustainability of the Municipality's infrastructure. For 2023/24 the percentage of this against the group of expenditure is 5.8% (R42.5 million) and increases for the two outer years of which budget allocation of R89.1 million by 2025/26.

Contracted services have increased for the Municipality for the 2023/24 financial year. As part of the compilation of the 2023/24 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2023/24 financial year, this group of

expenditure totals R95.6 million and has escalated overall, clearly demonstrating the need to investigate these contracts before the 2023/24 financial year to try and apply cost containment measures. For the two outer years growth has been limited to 4,2% and 4,5% respectively. As part of the process of identifying further cost efficiencies, a business process re-engineering project will commence in the 2023/24 financial year to identify alternative practices and procedures, including building in-house capacity for certain activities that are currently being contracted out. The outcome of this exercise will be factored into the next budget cycle and it is envisaged that additional cost savings will be implemented. The reason for the escalation is the additional refuse services for the small towns where refuse was in the past not being collected and the additional security costs as more security guards had to be employed due to theft and damage of infrastructure

Other expenditure comprises of various line items such as insurances, telephone costs, bank charges, Subsistence and travelling, leasing of office equipment, vehicle leases and other costs relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Growth has been limited to 4,8% for 2023/24 and curbed at 4,2% and 4,5% for the two outer years, indicating that significant cost savings have been already realised.

2. Sector Funded Projects

Local Government can be considered as one sphere of government within the Republic of South Africa. It is a sphere of government that is highly dependable on the roles and responsibilities of Provincial and National Government. Although the primary function of Local Government is to ensure Democracy and Service Delivery, Provincial and National Government also has a mandate to support Local Government to perform at its optimum best. The various roles and responsibilities within the service delivery context of South Africa and its three spheres of government is arranged as follows.

Sphere of Government	Phases			
	1. Policy	2. Planning	3. Implementation	4. Service Provision
1. National	Develop municipal	Develop framework for National Spatial	Municipal infrastructure	Regulate and oversee systems and

	<p>infrastructure policy and set standards for delivery systems</p> <p>Develop sector policies, norms and standards</p>	<p>Development Perspective (NSDP)</p> <p>Macro sector planning</p>	<p>Programme management, collaboration, mobilise support and monitoring</p> <p>Monitor implementation of norms and standards and collaboration around support</p>	<p>procedures</p> <p>Regulate and oversee sectoral norms and standards</p>
2. Provincial		<p>Provincial Growth and Development Strategies (PGDS)</p> <p>Provincial Sector Plans</p>	<p>Monitor implementation of infrastructure policy and delivery systems and mobilise and co-ordinate support</p> <p>Monitor implementation of norms and standards and collaboration around support</p>	<p>Systems and procedures support</p> <p>Service provision support and intervention</p>
3. Local	<p>Service provision policies and bylaws</p> <p>Sector policies for free basic services</p>	<p>IDP</p> <p>Local sector plans</p> <p>Project Pre-Feasibility and Feasibility Studies and Business plans</p>	<p>Infrastructure delivery systems put in place and project management</p> <p>Technical department (eg. water, roads etc. oversee project implementation)</p> <p>Project cycle – implement technical norms and standards</p>	<p>Regulate and oversee sectoral norms and standards</p> <p>Regulate and oversee sectoral norms and standards</p> <p>Service provision (O&M)</p>

2.1 CoGTA – MIG

Project Description	Ward Location	Budget Year +1 2023/24 '000	Budget Year +2 2024/25 '000
Tarring of Kwabalele to next Police Station Ward 19,20 Phase 3	12	1 748	
Tarring of Kwabalele to next Police station Ward 19,20 Phase 4	12	5 624	
Tarring of Road from Zama to Kwabalele Bhekumthetho Ward 19 Phase 4	19	800	
Tarring of Road from Zama to Kwabalele Bhekumthetho Ward 19 Phase 5	19	3 300	
Upgrading of Extension 16 (SASKO)Roads -Wrad 8 (Phase 2)	8	3 612	
Upgrading of Extension 16 (SASKO)Roads -Ward 8(Phase 3)	8	10 260	1 145
Construction of KwaGwebu Sportsfield Ward 12	12	8 000	
Hluma Causeway	13		4 453
Soyana Gravel Road	2		2 923
Marasteni Bridge	11		4 500
Mkhumbane Gravel Road	18		3 000
Sigodini Gravel Road	15		3 000
Mbilane Community Hall	5		8 004
Kwakhense Community Hall	3		
KwaMzwezwe Community Hall	6		8 937
Mhlongo Farm Community Hall	21		6 732
Mvuzini Community Hall	17	8 182	756
Shoba Community Hall	7	7 735	
Total		R49 260	R43 450

2.2 Department of Minerals and Energy – INEP Grant

Project Name	Project Type	Budget	Number of Connections	Ward
KwaSithole	Households	R780 000	39	2
Madamu	Households	R420 000	21	1
Mthebeni	Households	R1 020 000	51	2
KwaJimani	Households	R5 760 000	288	12
Bhekumthetho	Households	R5 680 000	284	19
Emakwathini	Households	R3 020 000	151	7
Total		R16 680 000	834	

2.3 Department of Minerals and Energy – ESKOM

Project Name	Project Type	Budget	Number of Connections
Vergenoeg NB 14- Itshelejuba ext. Ward 12	Households	R2 563 744	120
Emondlo NB 125- Trador Farm ext.	Households	R3 076 593	139
Bloedriver NB 12/Mhlongo Farm Ward 12	Households	R5 690 834	258
Vallkrans NB 7- Bhokwe (Mnyathi)	Households	R3 056 992	135
Kzn263_Abaqulusi Type 1 Infills	Infills	R2 250 000	300
Bloedriver NB 12/Mhlongo Farm Ward 12	Link-line	R5 627 289	0
Abaqulusi Bulk Pre-Engineering	Pre-engineering	R2 858 625	0

2.4 KZN Department of Education

Project Name	Ward	IA	Total Project Cost R'000	Allocation 2023-24 R'000	Allocation 2024-25 R'000
Amakhwatha Combined School	22	Dopw	R 276.000 2	R 220.000	R 293.714
Amakhwatha Junior Secondary School	22	Idt	R 900.000 2	R 668.400	R 318.800
Bernica Primary School	7	Dopw	R 081.983 4	R 102.000	R 3 262.192
Besterspruit Primary School	22	Dbsa	R 252.981 5	R -	R -
Bhekuzulu Primary School (Vryheid)	11	Dopw	R 985.448 10	R 102.000	R -
Busekhaya High School	14	Dopw	R 250.000 2	R -	R 509.835
Cibilili Primary School	3	Dopw	R 000.000 10	R 2 698.709	R 039.956 1
Dunduluzi Primary School	2	Dopw	R 274.707 2	R 102.000	R -
Egqumeni Primary School	1	Kzndoe	R 000.000 2	R 531.150	R 209.836
Emandleni Primary School	7	Dopw	R 847.598 3	R 102.000	R 3 048.170

Emthunzini Primary School	2	Kzndoe	R 276.000 ²	R 220.000	R 293.714
Emvunyane Senior Primary School	14	Dopw	R 000.000 ²	R 102.000	R 1 426.129
Encuntshe Primary School	5	Dopw	R 948.081 ⁴	R -	R -
Enyathi Intermediate School	5	Dopw	R 632.834 ⁹	R 102.000	R 150.020 ¹
Evane Intermediate School	2	Kzndoe	R 000.000 ²	R 531.150	R 209.836
Filidi Secondary School	10	Idt	R 000.000 ⁴	R 742.800	R 465.314
Fortuin Primary School	2	Dopw	R 000.000 ²	R -	R 263.610
Gelekedle Secondary School	7	Kzndoe	R 000.000 ²	R 531.150	R 209.836
Gobeni Primary School	1	Kzndoe	R 000.000 ²	R 531.150	R 209.836
Goqo Primary School	19	Kzndoe	R 025.000 ⁴	R 1 019.850	R 429.307
Gudu Secondary School	21	Dopw	R 302.021 ¹⁴	R -	R -
Gudu Secondary School	21	Idt	R 425.000 ²	R 102.000	R -
Hlanguza Combined School	22	Kzndoe	R 300.000 ²	R 621.150	R 239.836
Hlathingwe Primary School	14	Idt	R 900.000 ²	R 668.400	R 318.800
Hlengingqondo Primary School	13	Dopw	R 267.092 ³	R 102.000	R 2 066.821
Hlobani Primary School (Hlobane (Mine) Ps)	7	Dbsa	R 102.107 ⁴	R 102.000	R -
Hluma Intermediate School	13	Kzndoe	R 300.000 ²	R 621.150	R 239.836
Hoërskool Pionier	22	Dopw	R 625.000 ¹²	R 3 433.770	R 1 307.319
Ikhethelo Secondary School	16	Kzndoe	R 300.000 ²	R 564.900	R 247.871
Impumelelo Yethu Primary School	3	Kzndoe	R 276.000 ²	R 220.000	R 293.714

Impumelelo Yethu Primary School (Mange Ps)	3	Dopw	R 536.000 ⁷	R 2 068.265	R 771.784
Induduzo Primary School	15	Dopw	R 250.000 ⁶	R 134.400	R 873.657
Induduzo Primary School	15	Dopw	R 269.798 ³	R -	R -
Inkanyezi Yesizwe Intermediate School	6	Idt	R 150.000 ¹	R -	R -
Inkanyiso Lsen School	22	Dbsa	R 266.473 ²⁰	R 7 029.031	R 2 956.406
Intathakusa Intermediate School	4	Dopw	R 300.000 ²	R -	R 1 545.899
Intuthuko Primary School (Hlobane)	6	Kzndoe	R 300.000 ²	R 621.150	R 239.836
Iqhawelesizwe Combined School	4	Dopw	R 350.032 ⁷	R 102.000	R -
Isigodi Primary School	15	Dopw	R 900.000 ²	R -	R 1 931.697
Isiqulwane Primary School	5	Dopw	R 524.954 ³	R -	R -
Isolomuzi Secondary School	12	Kzndoe	R 900.000 ²	R 801.150	R 299.836
Jojosini Primary School	14	Dopw	R 506.199 ³	R -	R -
Khawuleza Primary School	21	Dopw	R 017.806 ⁵	R 102.000	R -
Khethukuthula Secondary School	15	Dopw	R 900.000 ²	R -	R 2 189.485
Klein-Eden Primary School	1	Idt	R 900.000 ²	R 668.400	R 318.800
Klein-Eden Primary School	1	Idt	R 548.592 ³	R -	R -
Kongolana Primary School	6	Kzndoe	R 300.000 ²	R 621.150	R 239.836
Kwa Banakile Primary School	1	Idt	R 780.000 ¹	R 441.120	R 191.269
Kwafuzokuhle Primary School	17	Dbsa	R 958.603 ¹	R 102.000	R -
Kwamadamu Intermediate School	2	Idt	R 472.200 ⁴	R 102.000	R -

Kwanotshelwa Secondary School	6	Dopw	R 8 946.721	R -	R -
Kwanotshelwa Secondary School	6	Kzndoe	R 2 276.000	R 220.000	R 293.714
Kwasokoyi Primary School	4	Dopw	R 3 277.157	R -	R -
Kwasokoyi Primary School	4	Kzndoe	R 2 276.000	R 220.000	R 293.714
Langeni Combined School	3	Kzndoe	R 9 000.000	R 2 502.900	R 928.157
Lenjane Primary School	4	Dopw	R 1 150.000	R -	R 104.696
Lindumthetho Primary School	19	Kzndoe	R 2 300.000	R 621.150	R 239.836
Louwsburg Primary School (Kruger St)	1	Dbsa	R 2 400.000	R 582.750	R 259.607
Mahlabaneni Primary School	2	Kzndoe	R 2 300.000	R 621.150	R 239.836
Mandlakayise Primary School	6	Kzndoe	R 1 780.000	R 441.120	R 191.269
Manzampofu Primary School	15	Idt	R 2 900.000	R 668.400	R 318.800
Manzampofu Primary School	15	Dbsa	R 882.490	R -	R 122.403
Mathunjwa Secondary School	2	Dopw	R 51 495.867	R 1 500.186	R 949.704
Mathunjwa Secondary School	2	Idt	R 2 293.776	R 373.361	R -
Metzelfontein Combined School	12	Dopw	R 3 438.727	R 102.000	R -
Mfemfe Intermediate School	3	Kzndoe	R 2 300.000	R -	R 328.571
Mgobhozi Primary School	5	Kzndoe	R 2 300.000	R -	R 328.571
Mpembeni Primary School	4	Dopw	R 1 900.000	R -	R 570.959
Mseni Primary School	7	Idt	R 603.844	R -	R -
Mvuzini Secondary School	17	Kzndoe	R 1 900.000	R -	R 271.429

Mzweni Primary School	22	Kzndoe	R 900.000 ¹	R -	R 271.429
Nceceni Primary School	15	Dopw	R 806.676 ¹²	R -	R -
Nceceni Primary School	15	Dbsa	R 138.647 ³	R 102.000	R -
Ngali Secondary School	14	Dopw	R 703.338 ³	R -	R 982.250
Ngome Primary School	2	Dopw	R 150.000 ¹	R 586.000	R 175.403
Ngotshe Secondary School	1	Kzndoe	R 955.000 ²	R 519.210	R 347.970
Ngotshe Secondary School	1	Dbsa	R 465.364 ²	R 102.000	R -
Nkwambazi Primary School	1	Dopw	R 399.769 ³	R -	R 2 322.664
Ntshibantshiba Primary School	15	Dbsa	R 239.484 ⁸	R -	R -
Ntswalakahla Senior Primary School	17	Dbsa	R 025.000 ⁴	R 1 019.850	R 429.307
Ntswalakahla Senior Primary School	17	Idt	R 780.000 ¹	R 543.120	R -
Okhalweni Primary School (Hlobane)	5	Kzndoe	R 400.000 ²	R 296.850	R 300.450
Phungelihle Primary School	4	Kzndoe	R 500.000 ²	R -	R 357.143
Qondisani Primary School	14	Idt	R 780.000 ¹	R 441.120	R -
Sakhesethu Primary School	12	Dopw	R 500.000 ²	R 102.000	R 1 411.383
Sakhikusasa Primary School (Ihlathi Ps)	6	Kzndoe	R 300.000 ²	R 563.550	R 248.064
Sekethwayo Secondary School	20	Kzndoe	R 500.000 ²	R -	R 357.143
Shongololo Combined School	6	Idt	R 961.210 ²	R 479.915	R -
Sihlengeni Combined School	2	Idt	R 965.282 ¹	R -	R -
Sikhiye Secondary School	17	Kzndoe	R 900.000 ¹	R 451.200	R 206.971

Sikhiye Secondary School	17	Idt	R 276.000	R -	R -
Sikhulile Combined School	4	Dopw	R 500.000	R -	R 1 204.487
Singana Primary School	4	Dopw	R 010.217	R 102.000	R -
Siqophumlendo Secondary School	15	Kzndoe	R 780.000	R 441.120	R 191.269
Sishongani Primary School	17	Dopw	R 309.228	R -	R -
Sivulindlela Intermediate School	3	Dopw	R 500.000	R -	R 1 334.774
Siyaphambili Intermediate School	4	Idt	R 467.000	R 102.000	R -
Thabani Primary School	18	Kzndoe	R 276.000	R 220.000	R 293.714
Thakazela Primary School	6	Coega	R 13 968.159	R 518.956	R 973.258
Thamsanqa Primary School	1	Dopw	R 273.637	R -	R -
Thamsanqa Primary School	1	Kzndoe	R 276.000	R 220.000	R 293.714
Thandokwakhe Intermediate School	7	Idt	R 462.794	R 1 203.000	R -
Thekwane Primary School	1	Kzndoe	R 500.000	R -	R 357.143
Thelezi Primary School	15	Kzndoe	R 500.000	R -	R 357.143
Tholathemba Primary School	13	Dopw	R 702.908	R 786.000	R -
Uqweqwe Secondary School	14	Dopw	R 637.444	R 1 483.000	R 905.013
Uqweqwe Secondary School	14	Dopw	R 967.563	R -	R -
Velankosi Primary School	18	Dopw	R 500.000	R -	R 1 309.399
Verdukt Intermediate School	2	Kzndoe	R 500.000	R -	R 357.143
Vryheid Comprehensive Secondary School	22	Idt	R 732.000	R -	R -
William Booth Primary School	2	Idt	R 1 854.179	R102.000	R -

Wykom Primary School	2	Dbsa	R 5 290.554	R -	R -
Wykom Primary School	2	Dopw	R 1 222.118	R -	R -
Zamangothando Secondary School	21	Dopw	R3 726.020	R 1 483.000	R 418.375
Zamangothando Secondary School	21	Dopw	R 4 352.904	R 102.000	R -

2.5 KZN Economic Development, Tourism and Environmental Affairs

Project Name	Ward	Budget
Construction of Informal Traders Stalls	18	R2 000 000

2.6 Department of Transport

Contract Name	Departmental Programme Name	Type of Structure	Activities	Location	Unit of Measure (m2 of km)	Target Output 2023/24	2023/24 Budget
Blading on P300, D213, D536, D34 & D35	Maintenance	Gravel Road	Blading	Various Roads	km	750.00	800 000
Blading on P219, P220, P274 & L3595	Maintenance	Gravel Road	Blading	Various Roads	km	750.00	800 000
Blading on D32, D579, P293, D230 & D94	Maintenance	Gravel Road	Blading	Various Roads	km	750.00	800 000
Road Marking on P49/1	Maintenance	Tarred Roads/ Surfaced Roads	Road Marking & Studs	Various Roads	km	75.00	1 000 000
Blacktop patching on P463 and P47/1	Maintenance	Tarred Roads/ Surfaced Roads	Blacktop Patching	Various Roads	m2	689.7	1 000 000
Blacktop patching on P46/2 and P46/3	Maintenance	Tarred Roads/ Surfaced Roads	Blacktop Patching	Various Roads	m2	689.7	1 000 000
Blacktop patching on P49/1	Maintenance	Tarred Roads/ Surfaced Roads	Blacktop Patching	Various Roads	m2	689.7	1 000 000
Blacktop Patching Contract P404, 34/3, P46/1, P46/2, P46/3, P47/1, P49/1, P463, P289, P427	Maintenance	Tarred Roads/ Surfaced Roads	Blacktop Patching	Various Roads	m2	1 880.5	2 726 760
Minor Structure Repairs on P47/1	Maintenance	Bridges/ Culverts	Minor Structure repairs	P47-1	Number	1	1 000 000
Handrail replacement (supply &	Maintenance	Tarred Roads/ Surfaced Roads	Handrail Replacement/Re pairs	KWABHA NYA	m	281.69	1 000 000

install) on P16/4 - Quotation							
Gushede Causeway	Maintenance	Tarred Roads/ Surfaced Roads	Causeway Construction	Kwantebe	number	1	10 000 000
Gabion Protection - Quotation (labour and plant) P49/1, P46/2, P47/1, P219, P300, P404	Maintenance	Tarred Roads/ Surfaced Roads	Gabion protection	Various Roads	m3	377.36	1 000 000
D271	Maintenance	Gravel Road	Betterment & Regravelling	Various Roads	km	9.0	5 000 000
D197	Maintenance	Gravel Road	Betterment & Regravelling	Various Roads	km	4.0	3 234 420
D194	Maintenance	Gravel Road	Betterment & Regravelling	Various Roads	km	3.2	3 000 000
P49/1 - Gabion Protection	Maintenance	Tarred Roads/ Surfaced Roads	Gabion protection	East Mine	m3	1500.00	2 902 040

2.7 Department of Sport, Art and Culture

Project Name	Ward	Budget
Sports Infrastructure	To be determined	R8 500 000

Section G: Operational Plan (Draft Service Delivery Budget Implementation Plan)

1. Introduction

According to the MFMA, Act No. 56 of 2003, Circular 13, states the following: “The Service Delivery Budget Implementation Plan gives effect to the Integrated Development Plan (IDP) and budget of the municipality and will be possible if the IDP and budget are fully aligned with each other, as required by the MFMA. The budget gives effect to the strategic priorities of the municipality and is not a management or implementation plan. The SDBIP therefore serves as a “contract” between the administration, council and community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration over the next twelve months. This provides the basis for measuring performance in service delivery against end-of-year targets and implementing the budget.”

“The SDBIP provides the vital link between the mayor, council (executive) and the administration, and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community. A properly formulated SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, performance of senior management and achievement of the strategic objectives set by council. It enables the municipal manager to monitor the performance of senior managers, the mayor to monitor the performance of the municipal manager, and for the community to monitor the performance of the municipality. The SDBIP should therefore determine (and be consistent with) the performance agreements between the mayor and the municipal manager and the municipal manager and senior managers determined at the start of every financial year and approved by the mayor. It must also be consistent with outsourced service delivery agreements such as municipal entities, public-private partnerships, service contracts and the like.”

According to the MFMA, act No 56 of 2003, a municipal SDBIP is to be approved by the Mayor no later than 28 days after the approval of the Final Budget.

2. Components of an SDBIP

When developing a municipal SDBIP, the following components must be considered, namely:

- *Monthly projections of revenue to be collected for each source*
- *Monthly projections of expenditure (operating and capital) and revenue for each vote*
- *Quarterly projections of service delivery targets and performance indicators for each vote*

2.1 Monthly projections of revenue to be collected for each source

Description2023/24													2023/24 Medium Term Revenue & Expenditure Framework		
R thousands	M01 July	M02 Aug	M03 Sept	M04 Oct	M05 Nov	M06 Dec	M07 Jan	M08 Feb	M09 Mar	M10 Apr	M11 May	M12 June	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
Revenue															
Exchange Revenue															
Service charges - Electricity	22 211	22 211	22 211	22 211	22 211	22 211	22 211	22 211	22 211	22 211	22 211	22 211	266 529	299 974	362 069
Service charges - Water	4 398	5 451	5 451	5 451	4 398	5 451	5 451	5 451	4 398	5 451	5 451	5 451	62 253	65 304	68 373
Service charges - Waste Water Management	3 061	3 061	3 061	3 061	3 061	3 061	3 061	3 061	3 061	3 061	3 061	3 061	36 734	38 534	40 345
Service charges - Waste Management	2 382	2 382	2 382	2 382	2 382	2 382	2 382	2 382	2 382	2 382	2 382	2 382	28 588	29 989	31 398
Sale of Goods and Rendering of Services	43	43	43	43	43	43	43	43	43	43	43	43	513	538	563
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	35 088	39 544	44 566
Interest earned from Current and Non Current Assets	142	142	142	142	142	142	142	142	142	142	142	142	1 706	1 789	1 874
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	139	139	139	139	139	139	139	139	139	139	139	139	1 667	700	733
Licence and permits	220	220	220	220	220	220	220	220	220	220	220	220	2 643	2 773	2 903
Operational Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Exchange Revenue															
Property rates	9 627	10 196	10 196	10 196	9 627	10 196	10 196	10 196	9 627	10 196	10 196	10 196	120 645	125 675	130 736
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	461	461	461	461	461	461	461	461	461	461	461	461	5 531	5 802	6 075
Licences or permits	404	404	404	404	404	404	404	404	404	404	404	404	4 844	5 081	5 320
Transfer and subsidies - Operational	73 390	-	-	-	73 141	-	-	-	73 141	-	-	-	219 671	235 844	229 464
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel Levy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	119 402	47 634	47 634	47 634	119 153	47 634	47 634	47 634	119 153	47 634	47 634	47 634	786 412	851 546	924 418

2.2 Monthly projections of expenditure (operating and capital) and revenue for each vote

Description R thousand	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote															
Vote 1 - VOTE1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Finance & Administration	102 374	13 303	13 303	13 303	102 374	13 303	13 303	13 303	102 374	13 303	13 303	13 303	426 848	436 582	449 410
Vote 3 - Community & Social Services	1 884	47	47	47	1 635	47	47	47	1 635	47	47	47	5 578	5 827	6 089
Vote 4 - Energy Sources	27 793	22 233	22 233	22 233	27 793	22 233	22 233	22 233	27 793	22 233	22 233	22 233	283 472	310 700	373 275
Vote 5 - Housing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - Internal Audit	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - Planning and Development	1 011	11	11	11	1 011	11	11	11	1 011	11	11	11	3 128	5 134	141
Vote 9 - Public Safety	439	439	439	439	439	439	439	439	439	439	439	439	5 265	5 523	5 783
Vote 10 - Road Transport	624	624	624	624	624	624	624	624	624	624	624	624	7 487	7 854	8 223
Vote 11 - Sport and Recreation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - Waste Management	2 382	2 382	2 382	2 382	2 382	2 382	2 382	2 382	2 382	2 382	2 382	2 382	28 588	29 989	31 398
Vote 13 - Waste Water Management	3 061	3 061	3 061	3 061	3 061	3 061	3 061	3 061	3 061	3 061	3 061	3 061	36 734	38 534	40 345
Vote 14 - Water Management	4 398	5 451	5 451	5 451	4 398	5 451	5 451	5 451	4 398	5 451	5 451	5 451	62 253	65 304	68 373
Vote 15 -	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote	143 965	47 551	47 551	47 551	143 716	47 551	47 551	47 551	143 716	47 551	47 551	47 550	859 352	905 445	983 036
Expenditure by Vote to be appropriated															
Vote 1 - VOTE1	3 386	3 386	3 386	3 386	3 386	3 386	3 386	3 386	3 386	3 386	3 386	3 386	40 632	42 644	44 714
Vote 2 - Finance & Administration	8 690	8 366	8 366	8 366	8 690	8 366	8 366	8 366	8 690	8 366	8 366	8 366	101 362	103 716	108 450
Vote 3 - Community & Social Services	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	30 506	32 001	33 505
Vote 4 - Energy Sources	38 805	27 472	27 472	27 472	38 805	27 472	27 472	27 472	38 805	27 472	27 472	27 472	363 660	407 628	467 307
Vote 5 - Housing	216	216	216	216	216	216	216	216	216	216	216	216	2 588	2 715	2 842
Vote 6 - Internal Audit	474	474	474	474	474	474	474	474	474	474	474	474	5 689	5 967	6 248
Vote 7 - Other	51	51	51	51	51	51	51	51	51	51	51	51	609	639	669
Vote 8 - Planning and Development	1 430	1 430	1 430	1 430	1 430	1 430	1 430	1 430	1 430	1 430	1 430	1 430	17 160	19 421	12 704
Vote 9 - Public Safety	4 769	4 769	4 769	4 769	4 769	4 769	4 769	4 769	4 769	4 769	4 769	4 769	57 227	60 031	62 852
Vote 10 - Road Transport	2 703	2 703	2 703	2 703	2 703	2 703	2 703	2 703	2 703	2 703	2 703	2 702	32 430	34 019	35 618
Vote 11 - Sport and Recreation	732	732	732	732	732	732	732	732	732	732	732	732	8 787	9 218	9 651
Vote 12 - Waste Management	2 294	2 294	2 294	2 294	2 294	2 294	2 294	2 294	2 294	2 294	2 294	2 294	27 534	28 883	30 240
Vote 13 - Waste Water Management	1 663	1 663	1 663	1 663	1 663	1 663	1 663	1 663	1 663	1 663	1 663	1 663	19 952	20 930	21 913
Vote 14 - Water Management	11 943	3 610	3 610	3 610	11 943	3 610	3 610	3 610	11 943	3 610	3 610	3 610	68 316	69 041	69 829
Vote 15 -	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	79 697	59 707	59 707	59 707	79 697	59 707	59 707	59 707	79 697	59 707	59 707	59 707	776 452	836 852	906 542
Surplus/(Deficit) before assoc.	64 268	(12 156)	(12 156)	(12 156)	64 019	(12 156)	(12 156)	(12 156)	64 019	(12 156)	(12 156)	(12 156)	82 900	68 593	76 494
Income Tax	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	64 268	(12 156)	(12 156)	(12 156)	64 019	(12 156)	(12 156)	(12 156)	64 019	(12 156)	(12 156)	(12 156)	82 900	68 593	76 494

2.3 Quarterly projections of service delivery targets and performance indicators for each vote

Table 26: Draft Scorecard

SDBIP Ref No.	Focus Area	Development Objectives	IDP Ref. No	Project	Ward	Budget	Funding Source	Key Perf. Indicator/ Performance Measure	Unit of Measure	Baseline	Annual Target	Quarterly Targets				Res. Dept.	Portfolio of Evidence
												Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target		
												01 Jul 2023– 30 Sep 2023	01 Oct 2023 – 31 Dec 2023	01 Jan 2024 – 31 March 2024	01 April 2024 – 30 June 2024		
KPA - Basic Service Delivery & Infrastructure Development																	
Municipal Goal: To reduce levels of infrastructure backlogs by providing Basic Services, Facilities and maintaining existing infrastructure.																	
BSD 01	Roads	Expand accessibility in various wards by 2027	1	Tarring of Kwabalele to next Police Station Ward 12,20 Phase 3	12	R 1 747 850	MIG	% (percentage e) of phase 3, 0.5km road in ward 12 tarred by 30 Sept 2023	%(Percentage)	75% of phase 3 complete by 30 June 2023	100% (percentage) of phase 3, 0.5km road tarred in ward 12 by 30 September 2023	100% of phase 3, 1km road tarred in ward 12 by 30 Sep 2023	N/A	N/A	N/A		Quarterly progress reports and completion certificate
BSD 02				Tarring of Kwabalele to next Police station Ward 12,20 Phase 4	12	R 5 624 000	MIG	% (percentage) of phase 4, 0.5km road in ward 12 tarred by 30 June 2024	%(Percentage)	New	100% of phase 4, 0,5km road in ward 12 tarred by 30 June 2024	10% of phase 4, 0,5km road in ward 12 tarred by 30 Sep 2023	40% of phase 4, 0,5km road in ward 12 tarred by 30 Dec 2023	60% of phase 4, 0,5km road in ward 12 tarred by 31 March 2024	100% of phase 4, 0,5km road in ward 12 tarred by 30 June 2024		Quarterly progress reports and completion certificate
BSD 03				Tarring of Road from Zama to Kwabalele Bhukumtheth o Ward 19 Phase 4	19	R 800 000	MIG	% (percentage e) of phase 4, 0.4km road in ward 12 tarred by 30 Sept 2023	%(Percentage)	75% of phase 3 complete by 30 June 2023	100% (percentage) of phase 4, 0.4km road tarred in ward 12 by 30 September 2023	100% of phase 3, 0.4km road tarred in ward 12 by 30 Sep 2023	N/A	N/A	N/A		Quarterly progress reports and completion certificate
BSD 04				Tarring of Road from Zama to Kwabalele Bhukumtheth o Ward 19 Phase 5	19	R 3 300 000	MIG	% (percentage e) of phase 5, 0.3km road tarred in ward 19 by 30 June 2024	%(Percentage)	New	100% of phase 5, 0.3km road tarred in ward 19 by 30 June 2024	10% of phase 5, 0.3km road tarred in ward 19 by 30 Sep 2023	40% of phase 5, 0.3km road in ward 19 tarred by 31 Dec 2023	60% of phase 5, 0.3km road in ward 19 tarred by 31 March 2024	100% of phase 5, 0.3km road in ward 19 tarred by 30 June 2024		Quarterly progress reports and completion certificate
BSD 05				Upgrading of Extension 16 (SASKO)Roads -Ward 8 (Phase 2)	8	R 3 612 000	MIG	% (percentage) of phase 2, 1km road tarred in ward 8 by 30 Sep 2023	%(Percentage)	75% of phase 2 complete by 30 June 2023	100% (percentage) of phase 2, 1km road tarred in ward 8 by 30 September 2023	100% (percentage) of phase 2, 1km road tarred in ward 8 by 30 September 2023	N/A	N/A	N/A		Quarterly progress reports and completion certificate

SDBIP Ref No.	Focus Area	Development Objectives	IDP Ref. No	Project	Ward	Budget	Funding Source	Key Perf. Indicator/ Performance Measure	Unit of Measure	Baseline	Annual Target	Quarterly Targets				Res. Dept.	Portfolio of Evidence
												Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target		
												01 Jul 2023– 30 Sep 2023	01 Oct 2023 – 31 Dec 2023	01 Jan 2024 – 31 March 2024	01 April 2024 – 30 June 2024		
BSD 06		Maintain existing Roads in rural & urban areas by 2027	2	Upgrading of Extension 16 (SASKO)Roads -Ward 8(Phase 3)	8	R 10 260 399	MIG	% (percentage) of phase 3, 1km road tarred in ward 8 by 30 June 2024	%(Percentage)	New	100% of phase 3, 1km road tarred in ward 8 by 30 June 2024	10% of phase 3, 1km road tarred in ward 8 by 30 Sep 2023	40% of phase 3, 1km road in ward 8 tarred by 31 Dec 2023	60% of phase 3, 1km road in ward 8 tarred by 31 March 2024	100% of phase 3, 1km road in ward 8 tarred by 30 June 2024		Quarterly progress reports and completion certificate
BSD 07		Expand accessibility in various wards by 2027		Construction of President Street Phase 1 (Ward 9)	9	R 8 804 086	INTERNAL	% (percentage) of phase 1, 0.8km road tarred in ward 9 by 31 Dec 2023	%(Percentage)	50% of phase 1 complete by 30 June 2023	100% (percentage) of phase 1, 0.8km road tarred in ward 9 by 31 Dec 2023	75% (percentage) of phase 1, 0.8km road tarred in ward 9 by 30 Sep 2023	100% (percentage) of phase 1, 0.8km road tarred in ward 9 by 31 Dec 2023	N/A	N/A		Quarterly progress reports and completion certificate
BSD 08				Construction of Kwa-Gwebu Sports field Ward 12	12	R 8 000 000	MIG	% (percentage) of sportfield constructed by 30 June 2024	%(Percentage)	New	100% of sport field constructed by 30 June 2024	10% of sport field constructed by 30 Sep 2023	40% of sport field constructed by 31 Dec 2023	60% of sport field constructed by 31 March 2024	100% of sport field constructed by 30 June 2024		Quarterly progress reports and completion certificate
BSD 09				Construction of Kwa-Gwebu Sportsfield Ward 13	1	R 5 000 000	INTERNAL	% (percentage) of sportfield constructed by 31 Dec 2023	%(Percentage)	75% of sportfield complete by 30 June 2023	100% of sportfield constructed by 31 Dec 2023	90% of sportfield constructed by 30 Sep 2023	100% of sportfield constructed by 31 Dec 2023	N/A	N/A		Quarterly progress reports and completion certificate
BSD 10				Mvuzini Community Hall	17	R 8 181 546	MIG	%(percentage) of community hall constructed by 30 June 2024	%(Percentage)	New	100% of community hall constructed by 30 June 2024	10% of community hall constructed by 30 Sep 2023	40% of community hall constructed by 31 Dec 2023	60% of community hall constructed by 31 March 2024	100% of community hall constructed by 30 June 2024		Quarterly progress reports and completion certificate
BSD 11	Community Halls			%(percentage) of community hall constructed by 30 June 2024	7	R 7 734 555	MIG	%(percentage) of community hall constructed by 30 June 2024	%(Percentage)	New	100% of community hall constructed by 30 June 2024	10% of community hall constructed by 30 Sep 2023	40% of community hall constructed by 31 Dec 2023	60% of community hall constructed by 31 March 2024	100% of community hall constructed by 30 June 2024		Quarterly progress reports and completion certificate
BSD 12	Sanitation	Expand Sanitation accessibility in various wards by 2027	4	Basic sanitation	N/A	N/A	N/A	Number of households with access to basic level of sanitation by 30 June 2024	Number	13 632	13 630 of households with access to basic level of sanitation by 30 June 2024	13 630 of households with access to basic level of sanitation by 30 June 2024	13 630 of households with access to basic level of sanitation by 30 June 2024	13 630 of households with access to basic level of sanitation by 30 June 2024	13 630 of households with access to basic level of sanitation by 30 June 2024		Sanitation access report

SDBIP Ref No.	Focus Area	Development Objectives	IDP Ref. No	Project	Ward	Budget	Funding Source	Key Perf. Indicator/ Performance Measure	Unit of Measure	Baseline	Annual Target	Quarterly Targets				Res. Dept.	Portfolio of Evidence
												Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target		
												01 Jul 2023– 30 Sep 2023	01 Oct 2023 – 31 Dec 2023	01 Jan 2024 – 31 March 2024	01 April 2024 – 30 June 2024		
BSD 13	Water	Expand water accessibility in various wards by 2027	6	Basic level of water	N/A	N/A	N/A	Number of households with access to basic level of water by 30 June 2024	Number	14 366	14 360 of households with access to basic level of water by 30 June 2024	14 360 of households with access to basic level of water by 30 June 2024	14 360 of households with access to basic level of water by 30 June 2024	14 360 households with access to basic level of water by 30 June 2024	14 360 of households with access to basic level of water by 30 June 2024		Water Access Report
BSD 14	Electricity	Expand electricity accessibility in various wards by 2027	8	Basic level of electricity access	N/A	N/A	N/A	Number of households with access to basic level of electricity by 30 June 2024	Number	18 923	18900 of households with access to basic level of electricity by 30 June 2024	18900 of households with access to basic level of electricity by 30 June 2024	18900 of households with access to basic level of electricity by 30 June 2024	18900 of households with access to basic level of electricity by 30 June 2024	18900 of households with access to basic level of electricity by 30 June 2024		Electricity Access Report
BSD 15				KwaSithole	2	R 780 000	INEP	Number of new households with access to electrical connection by 30 June 2024	Number	New	39(thirty-nine) households with access to electrical connection by 30 June 2024	N/A	N/A	N/A	39(thirty-nine) households with access to electrical connection by 30 June 2024		Copy of quarterly progress reports, copy of completion certificate and Close out Report
BSD 16				Madamu	2	R 420 000	INEP	Number of new households with access to electrical connection by 30 June 2024	Number	New	21(twenty-one) households with access to electrical connection by 30 June 2024	N/A	N/A	N/A	21(twenty-one) households with access to electrical connection by 30 June 2024		Copy of quarterly progress reports, copy of completion certificate and Close out Report
BSD 17				Mthebeni	2	R 1 020 000	INEP	Number of new households with access to electrical connection by 30 June 2024	Number	New	51(fifty-one) households with access to electrical connection by 30 June 2024	N/A	N/A	N/A	51(fifty-one) households with access to electrical connection by 30 June 2024		Copy of quarterly progress reports, copy of completion certificate and Close out Report
BSD 18				KwaJimani	12	R 5 760 000	INEP	Number of new households with access to electrical connection by 30 June 2024	Number	New	288(two hundred and eighty- eight) households with access to electrical connection by 30 June 2024	N/A	N/A	N/A	288(two hundred and eighty-eight) households with access to electrical connection by 30 June 2024		Copy of quarterly progress reports, copy of completion certificate and Close out Report
BSD 19				Bhekumthetho	19	R 5 680 000	INEP	Number of new households	Number	New	284(two-hundred and eighty-four)	N/A	N/A	N/A	284(two hundred and eighty-four)		Copy of quarterly progress

SDBIP Ref No.	Focus Area	Development Objectives	IDP Ref. No	Project	Ward	Budget	Funding Source	Key Perf. Indicator/ Performance Measure	Unit of Measure	Baseline	Annual Target	Quarterly Targets				Res. Dept.	Portfolio of Evidence
												Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target		
												01 Jul 2023– 30 Sep 2023	01 Oct 2023 – 31 Dec 2023	01 Jan 2024 – 31 March 2024	01 April 2024 – 30 June 2024		
								with access to electrical connection by 30 June 2024			households with access to electrical connection by 30 June 2024				households with access to electrical connection by 30 June 2024		reports, copy of completion certificate and Close out Report
BSD 20				Emakwathini	7	R 3 020 000	INEP	Number of new households with access to electrical connection by 30 June 2024	Number	New	151(one hundred and fifty-one) households with access to electrical connection by 30 June 2024	N/A	N/A	N/A	151(one hundred and fifty-one) households with access to electrical connection by 30 June 2024		Copy of quarterly progress reports, copy of completion certificate and Close out Report
BSD 21	Refuse Removal	Expand accessibility of Refuse Services in various wards by 2027	15	Refuse Removal				Number of households with access to basic level of refuse removal by 30 June 2024	Number	14197	13500 households with access to basic level of refuse removal by 30 June 2024	13500 households with access to basic level of refuse removal by 30 Sep 2023	13500 households with access to basic level of refuse removal by 31 Dec 2023	13500 households with access to basic level of refuse removal by 31 March 2024	13500 households with access to basic level of refuse removal by 30 June 2024	Community Services	Refuse removal access report
BSD 22	Human Settlement	To provide sustainable human settlements to the people of AbaQulusi by 2027	16	Housing Forum meetings	N/A	N/A	N/A	Number of Housing Forum meetings held by 30 June 2024	Number	2(two)	4(four) Housing Forum meetings held by 30 June 2024	1 (one) Housing Forum meetings held by 30 Sep 2023	1 (one) Housing Forum meetings held by 31 Dec 2023	3 (three) Housing Forum meetings held by 31 March 2024	4(four) Housing Forum meetings held by 30 June 2024	Development Planning	Attendance Registers/ Minutes
KPA: - Municipal Transformation & Institutional Development																	
Municipal Goal: Empower and capacitate institutional structures and promotion of transparent cooperative governance																	
MTD 01	Human Resource Management	To ensure that the municipality practice sound Human Resources management by 2027.	17					Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the	Percentage (%)	41%	41% % of people from employment equity target groups employed in the three highest levels of management by 31 March 2024	N/A	N/A	41% % of people from employment equity target groups employed in the three highest levels of management by 31 March 2024	N/A	Corporate Services	EE Report

SDBIP Ref No.	Focus Area	Development Objectives	IDP Ref. No	Project	Ward	Budget	Funding Source	Key Perf. Indicator/ Performance Measure	Unit of Measure	Baseline	Annual Target	Quarterly Targets				Res. Dept.	Portfolio of Evidence
												Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target		
												01 Jul 2023– 30 Sep 2023	01 Oct 2023 – 31 Dec 2023	01 Jan 2024 – 31 March 2024	01 April 2024 – 30 June 2024		
								Municipality's approved equity plan by 30 June 2023									
MTD 02								Date Employment Equity Plan (EEP) reviewed adopted and Submitted to Department of Labour (DoL)	Date		EE Report reviewed and adopted and submitted to DoL by 15 January 2023	N/A	N/A	EE Report reviewed and adopted and submitted to DoL by 15 January 2023	N/A		EER (Employment Equity Report) and acknowledgement letter
MTD 03		To ensure that the new and existing staff are capacitated to fulfill their functions and promote career development and comply with safety measures by June 2027.	18	Human Resources Manual and Human Resources Strategy	N/A	N/A	N/A	Date HR Policy manual reviewed and submitted to Council for approval	Date		HR Policy manual reviewed and submitted to Council for approval 31 May 2024	N/A	N/A	N/A	HR Policy manual reviewed and submitted to Council for approval 31 May 2024		
MTD 04				Review and adoption of Organogram	N/A	N/A	N/A	Date Organogram reviewed and submitted to Council for adoption	Date		Organogram reviewed and submitted to Council for adoption 31 May 2024	N/A	N/A	N/A	Organogram reviewed and submitted to Council for adoption 31 May 2024		Reviewed organogram, and Council Resolution
MTD 05	Council Support	To ensure that Council and its committee fulfil their executive and legislative functions and play an effective oversight role over administration by 2027	19	Councils Annual Programme	N/A	N/A	N/A	Date Councils Annual Programme adopted	Date		Councils Annual Programme adopted by 30 June 2024	N/A	N/A	N/A	Councils Annual Programme adopted by 30 June 2024	Corporate Services	Councils Annual Programme and Council Res.
MTD 06				Council Meetings	N/A	N/A	N/A	Number of Council Meetings provided with administrative support by 30 June 2024	Number		4(four) Council Meetings provided with administrative support by 30 June 2024	1(one) Council Meetings provided with administrative support by 30 Sep 2023	2(two) Council Meetings provided with administrative support by 31 Dec 2023	3(three) Council Meetings provided with administrative support by 31 March 2024	4(four) Council Meetings provided with administrative support by 30 June 2024		Attendance Registers/ Minutes
MTD 07				EXCO	N/A	N/A	N/A	Number of EXCO Meetings provided with administrative support by 30 June 2024	Number		10(ten) EXCO Meetings provided with administrative support by 30 June 2024	3(three)EXCO Meetings provided with administrative support by 30 Sep 2023	5(five) EXCO Meetings provided with administrative support by 31 Dec 2023	7(seven) EXCO Meetings provided with administrative support by 31 March 2024	10(ten) EXCO Meetings provided with administrative support by 30 June 2024		Attendance Registers/ Minutes

SDBIP Ref No.	Focus Area	Development Objectives	IDP Ref. No	Project	Ward	Budget	Funding Source	Key Perf. Indicator/ Performance Measure	Unit of Measure	Baseline	Annual Target	Quarterly Targets				Res. Dept.	Portfolio of Evidence
												Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target		
												01 Jul 2023– 30 Sep 2023	01 Oct 2023 – 31 Dec 2023	01 Jan 2024 – 31 March 2024	01 April 2024 – 30 June 2024		
MTD 08				MPAC	N/A	-	-	Number of Municipal Public Accounts Committee (MPAC) Meetings provided with administrative support by 30 June 2024	Number		4(four) MPAC Meetings provided with administrative support by 30 June 2024	1(one) MPAC Meetings provided with administrative support by 30 Sep 2023	2(two) MPAC Meetings provided with administrative support by 31 Dec 2023	3(three) MPAC Meetings provided with administrative support by 31 March 2024	4(four) MPAC Meetings provided with administrative support by 30 June 2024		Attendance Registers/ Minutes
MTD 09				Portfolio Committees	N/A	-	-	Number of Portfolio Committee Meetings provided with administrative support by 30 June 2024	Number		50(fifty) Portfolio Committee Meetings provided with administrative support by 30 June 2024	15(fifteen) Portfolio Committee Meetings provided with administrative support by 30 Sep 2023	25(twenty-five) Portfolio Committee Meetings provided with administrative support by 31 Dec 2023	35(thirty -five) Portfolio Committee Meetings provided with administrative support by 31 March 2024	50(forty) Portfolio Committee Meetings provided with administrative support by 30 June 2024		Attendance Registers/ Minutes
MTD 10	Records Management	To ensure effective management of all internal and external records	20	Records Management Policy review	N/A	N/A	N/A	Date Records Management Policy review submitted to Council for approval	Date		Records Management policy reviewed and submitted to Council by 31 May 2024	N/A	N/A	N/A	Records Management policy reviewed and submitted to Council by 31 May 2024		Council Resolution and Reviewed Records Management
MTD 11	Fleet Management	To ensure effective management of fleet by 2027	21	Review and Adopt Fleet Management Policy	N/A	N/A	N/A	Date Fleet Management Policy adopted	Date		Fleet Management Policy Adopted by 30 June 2024	N/A	N/A	N/A	Fleet Management Policy Adopted by 30 June 2024		Council Resolution
MTD 12	Information & Communication Technology	To provide a secure ICT infrastructure which delivers appropriate levels of confidentiality, integrity, availability, stability, and growth by 2027	22	ICT Infrastructure and Network	N/A	N/A	N/A	Number of Monitoring Reports produced by 30 June 2024	Number		4 (four) Monitoring Reports produced by 30 June 2024	1 (one) Monitoring Report produced by 30 Sep 2023	2(two) Monitoring Report produced by 31 Dec 2023	3(three) Monitoring Report produced by 31 March 2024	4(four) Monitoring Report produced by 30 June 2024		Copy of Reports
MTD 13				ICT Workshops	N/A	N/A	N/A	Number of workshops held with staff and Councillors by 30 June 2024	Number		4(four) workshops held with staff by 30 June 2024	1 (one) workshop held with staff by 30 Sep 2023	2 (two) workshops held with staff by 31 Dec 2023	3(three) workshops held with staff by 31 March 2024	4(four)worksh ops held with staff by 30 June 2024		Attendance Registers/ Minutes

SDBIP Ref No.	Focus Area	Development Objectives	IDP Ref. No	Project	Ward	Budget	Funding Source	Key Perf. Indicator/ Performance Measure	Unit of Measure	Baseline	Annual Target	Quarterly Targets				Res. Dept.	Portfolio of Evidence
												Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target		
												01 Jul 2023– 30 Sep 2023	01 Oct 2023 – 31 Dec 2023	01 Jan 2024 – 31 March 2024	01 April 2024 – 30 June 2024		
MTD 14				IT Governance Framework	N/A	N/A	N/A	Date IT Governance Framework reviewed and submitted to Council for approval	Date		IT Governance Framework reviewed and submitted to Council for approval by 31 May 2024	N/A	N/A	N/A	IT Governance Framework reviewed and submitted to Council for approval by 31 May 2024		Reviewed IT Governance Framework and Council Res.
MTD 15	General Administration	Draft Integrated Service Delivery Complaints Management reviewed and submitted to Council by 31 May 2023	23	Call Centre complaint monitoring	N/A	N/A	N/A	Number of Monitoring reports produced by 30 June 2024	Date Number	N/A	12(twelve) Monitoring reports produced by 30 June 2024	3 (Three) Monitoring reports produced by 30 Sept 2023	6 (Six) Monitoring reports produced by 30 Dec 2023	9 (Nine) Monitoring reports produced by 31March 2024	12(twelve) Monitoring reports produced by 30 June 2024		Monitoring reports
MTD 16				Call Centre & Customer Care policy review	N/A	N/A	N/A	Date Call Centre & Customer Care Policy reviewed and submitted to Council by 31 May 2024	Date	N/A	Call Centre & Customer Care Policy reviewed and submitted to Council by 31 May 2024	N/A	N/A	Call Centre & Customer Care Policy reviewed and submitted to Corporate Services Portfolio by 31 March 2024	Call Centre & Customer Care Policy reviewed and submitted to Council by 31 May 2024		Call Centre & Customer Care Policy and Council Res.
KPA - Financial Viability & Management:																	
Municipal Goal: Ensure sound financial management and accountability.																	
FVM 01	Revenue	Ensure the Municipal Revenue Streams are optimised	24	Revenue collection	N/A	N/A	N/A	% of collection Rate on billing by 30 June 2024	percentage (%)		85% of collection Rate on billing on by 30 June 2024	85% of the collection Rate on billing on by 30 Sep 2023	85% of the collection Rate on billing on by 31 Dec 2023	85% of the collection Rate on billing on by 31 March 2024	85% of the collection Rate on billing on by 30 June 2024	Financial Services	Billing report
FVM 02				Revenue collection	N/A	N/A	N/A	% of the collection on the outstanding debtors by 30 June 2024	percentage (%)		50% of the collection Rate on the outstanding debtors by 30 June 2024	50% of the collection Rate on the outstanding debtors by 30 Sep 2023	50% of collection Rate on the outstanding debtors by 31 Dec 2023	50% of the collection Rate on the outstanding debtors by 31 March 2024	50% of the collection Rate on the outstanding debtors by 30 June 2024		Debtors age analysis
FVM 03	Expenditure	To ensure effective expenditure control	25	Expenditure control	N/A	N/A	N/A	% of the Service Providers paid within 30 days	percentage (%)		100% of the Service Providers paid within 30 days by 30 June 2024	100% of the Service Providers paid within 30 days by 30 Sep 2023	100% of the Service Providers paid within 30 days by 31 Dec 2023	100% of the Service Providers paid within 30 days by 31 March 2024	100% of the Service Providers paid within 30 days by 30 June 2024		Copy of Expenditure Reports & Age analysis

SDBIP Ref No.	Focus Area	Development Objectives	IDP Ref. No	Project	Ward	Budget	Funding Source	Key Perf. Indicator/ Performance Measure	Unit of Measure	Baseline	Annual Target	Quarterly Targets				Res. Dept.	Portfolio of Evidence
												Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target		
												01 Jul 2023– 30 Sep 2023	01 Oct 2023 – 31 Dec 2023	01 Jan 2024 – 31 March 2024	01 April 2024 – 30 June 2024		
FVM 04				Expenditure control	N/A	N/A	N/A	Percentage of the capital budget actually spent on capital projects by 30 June 2024	percentage (%)		100% of the capital budget actually spent on capital projects by 30 June 2024	30% of the capital budget actually spent on capital projects by 30 Sep 2023	50% of the capital budget actually spent on capital projects by 31 Dec 2023	80% of the capital budget actually spent on capital projects by 31 March 2024	100% of the capital budget actually spent on capital projects by 30 June 2024		Copy of Expenditure Report
FVM 05					N/A	N/A	N/A	Percentage of households on Indigent Register with access to free basic services by 30 June 2024	percentage (%)		100% of households on Indigent Register with access to free basic services by 30 June 2024	100% of households on Indigent Register with access to free basic services by 30 Sep 2023	100% of households on Indigent Register with access to free basic services by 31 Dec 2023	100% of households on Indigent Register with access to free basic services by 31 March 2024	100% of households on Indigent Register with access to free basic services by 20 June 2024		Free Basic Services Report
FVM 06	SCM	To strengthen the Supply Chain Unit and Processes	26	SCM Policy review	N/A	N/A	N/A	Date Procurement Plan adopted by 30 June 2024	Date		Procurement Plan adopted by 30 June 2024	N/A	N/A	Draft Procurement Plan in place by 31 March 2024	Final Procurement Plan adopted by 30 June 2024		Copy of Council Resolution & Procurement Plan
FVM 07				Submission of expenditure on (UIFW) report to MPAC	N/A	N/A	N/A	Number of reports submitted to MPAC by 30 June 2024	Number	4	4(four) reports submitted to the MPAC by 30 June 2024	1(one) report submitted to the MPAC by 30 Sep 2023	2(two) reports submitted to MPAC by 31 Dec 2023	3(three) reports submitted to the MPAC by 31 March 2024	4(four) reports submitted to the MPAC by 30 June 2024		(MPAC Agenda) Proof of submission Expenditure report
FVM 08				SCM Policy	N/A	N/A	N/A	Date SCM Policy reviewed and adopted 31 May 2024	Date		SCM Policy reviewed and adopted by 31 May 2024	N/A	N/A	N/A	SCM Policy reviewed and adopted by 31 May 2024		SCM Policy & Council Resolution
FVM 09	Assets	To Maintain Fixed Assets of the Municipality	27	Asset verifications	N/A	N/A	N/A	Number of asset verifications undertaken by 30 June 2024	Number		2(two) quarterly verification of inventory undertaken by 30 June 2024	N/A	1(one) quarterly verification of inventory undertaken by 31 Dec 2023	N/A	2(two) quarterly verification of inventory undertaken by 30 June 2024		Copy of the Updated Asset Register
FVM 10	Financial Reporting	Ensure that financial reporting conforms to all legal and institutional requirements	28	Draft 2024/25 Budget	N/A	N/A	N/A	Date Draft 2023/24 Budget developed and submitted to Council for noting	Date		Draft 2023/24 Budget developed and submitted to Council for noting by 31 March 2024	N/A	N/A	Draft 2023/24 Budget developed and submitted to Council for noting by 31 March 2024	N/A		Copy of Council Resolution

SDBIP Ref No.	Focus Area	Development Objectives	IDP Ref. No	Project	Ward	Budget	Funding Source	Key Perf. Indicator/ Performance Measure	Unit of Measure	Baseline	Annual Target	Quarterly Targets				Res. Dept.	Portfolio of Evidence
												Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target		
												01 Jul 2023– 30 Sep 2023	01 Oct 2023 – 31 Dec 2023	01 Jan 2024 – 31 March 2024	01 April 2024 – 30 June 2024		
FVM 11				Final 2024/25 Budget	N/A	N/A	N/A	Date Final 2024/25 Budget adopted by Council	Date		Final 2024/25 Budget adopted by 31 May 2024	N/A	N/A	N/A	Final 2024/25 Budget adopted by 31 May 2024		Copy of Council Resolution
FVM 12		Ensure that financial reporting conforms to all legal and institutional requirements	28		N/A	N/A	N/A	Number of Sec.71 Reports submitted to the mayor by 30 June 2024	Number		12(twelve) sec.71 Reports submitted to the mayor by 30 June 2024	3(three) sec.71 Reports submitted to the mayor by 30 Sep 2023	6(six) sec.71 Reports submitted to the mayor by 31 Dec 2023	9(nine) sec.71 Reports submitted to the mayor by 31 March 2024	12(twelve)sec. 71 Reports submitted to the mayor by 30 June 2024		Proof of submission to the mayor
FVM 13					N/A	N/A	N/A	Date Sec. 72 Reports submitted to the Mayor, National Treasury and Provincial Treasury	Number	One	Sec. 72 Reports submitted to the Mayor, National Treasury, and Provincial Treasury by 25 Jan 2024	N/A	N/A	Sec. 72 Reports submitted to the Mayor, National Treasury and Provincial Treasury by 25 Jan 2024	N/A		Copy of Council Resolution & Sec 52(d) report
FVM 14					N/A	N/A	N/A		Number		4(four) sec 52(d) reports submitted to Council by 30 June 2024	1(one) sec 52(d) reports submitted to Council by 30 Sep 2023	2(two) sec 52(d) reports submitted to Council by 31 Dec 2023	3(three)sec 52 reports submitted to Council by 31 March 2024	4(four) sec 52(d) reports submitted to Council by 30 June 2024		Copy of Council Resolution
FVM 15					N/A	N/A	N/A	Date Annual Financial Statements completed and submitted to AG	Date	31 Aug 2022	Annual Financial Statements completed and submitted to AG by 31 August 2023	Annual Financial Statements completed and submitted to AG by 31 August 2023	N/A	N/A	N/A		Proof of submission to AG

KPA - Good Governance and Community Participation

Municipal Goal: Ensure transparency, accountability, and community involvement in municipal affairs

SDBIP Ref No.	Focus Area	Development Objectives	IDP Ref. No	Project	Ward	Budget	Funding Source	Key Perf. Indicator/ Performance Measure	Unit of Measure	Baseline	Annual Target	Quarterly Targets				Res. Dept.	Portfolio of Evidence
												Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target		
												01 Jul 2023– 30 Sep 2023	01 Oct 2023 – 31 Dec 2023	01 Jan 2024 – 31 March 2024	01 April 2024 – 30 June 2024		
GG 01	Communications and Customer Satisfaction	To revive and strengthen Communications by 2027	29		N/A	N/A	N/A	Date Communication Strategy reviewed and submitted to Council for adoption	Date		Communication Strategy reviewed and submitted to Council by 30 June 2024	N/A	N/A	N/A	Communication Strategy reviewed and submitted to Council by 30 June 2024		Communication Strategy and Council Res.
GG 02	Internal Audit	To provide assurance on the effectiveness of governance, risk management, and internal control by 2027	31	AG Action Plan	N/A	N/A	N/A	Date 2022/23 AG Action Plan developed	Date		2022/23 AG Audit Action Plan developed by 31 Jan 2024	N/A	N/A	2022/23 AG Audit Action Plan developed by 31 Jan 2024	N/A		AG Action Plan
GG 03				Audit Action plan implemented	N/A	N/A	N/A	Percentage of 2022/23 AG Audit Action plan implemented by 30 June 2024	Percentage (%)		50% of 2022/23 AG Audit Action plan implemented by 31 March 2024	N/A	N/A	50% of 2022/23 AG Audit Action plan implemented by 31 March 2024	100% of 2022/23 AG Audit Action plan implemented by		Progress report on implementation of audit action plan
GG 04	Audit Committee		32	Audit Committee Reports	N/A	N/A	N/A	Number of Audit Committee Report prepared by 30 June 2024	Number		4(four) Audit Committee Report prepared by 30 June 2024	1(one) Audit Committee Report prepared by 30 Sep 2023	2(two) Audit Committee Report prepared by 31 Dec 2023	3(three) Audit Committee Report prepared by 31 March 2024	4(four) Audit Committee Report prepared by 30 June 2024		Quarterly Audit Committee reports
GG 05	Integrated Development Planning	To ensure effective decision-making, budgeting and management of resources	34	IDP/Budget Process Plan	N/A	N/A	N/A	Date Final Budget Process Plan developed and submitted to Council for approval	Date		Final 2024/25 Budget Process Plan developed and submitted to Council for approval by 31 Aug 2023	Final 2024/25 Budget Process Plan developed and submitted to Council for approval by 31 Aug 2023	N/A	N/A	N/A	Development Planning	IDP/Budget Process Plan & Council Resolution
GG 06				Draft IDP	N/A	N/A	N/A	Date Draft IDP 2024/25 reviewed and submitted to Council for noting	Date		Draft IDP 2024/25 reviewed and submitted to Council for noting by 31 March 2024	N/A	N/A	Draft IDP 2024/25 reviewed and submitted to Council for noting by 31 March 2024	N/A		Extract of Council agenda & Council Resolution
GG 07				Final IDP	N/A	N/A	N/A	Date Final IDP 2024/25 reviewed and submitted to	Date		Final IDP 2024/25 reviewed and submitted to Council for	N/A	N/A	N/A	Final IDP 2022/24 reviewed and submitted to Council for		Council Resolution & Council Agenda extract

SDBIP Ref No.	Focus Area	Development Objectives	IDP Ref. No	Project	Ward	Budget	Funding Source	Key Perf. Indicator/ Performance Measure	Unit of Measure	Baseline	Annual Target	Quarterly Targets				Res. Dept.	Portfolio of Evidence
												Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target		
												01 Jul 2023– 30 Sep 2023	01 Oct 2023 – 31 Dec 2023	01 Jan 2024 – 31 March 2024	01 April 2024 – 30 June 2024		
								Council for approval			approval by 31 May 2024				approval by 31 May 2024		
GG 08	Performance Management	To promote a system of transparency and accountability within the municipality	35	Quarterly Performance Reports	N/A	N/A	N/A	Number of Quarterly Performance Reports submitted to Council by 30 June 2024	Number	2	4(four) Quarterly Performance Reports submitted to Council by 30 June 2024	1(one) Quarterly Performance Reports submitted to Council by 30 Sep 2023	2(two) Quarterly Performance Reports submitted to Council by 31 Dec 2023	3(three) Quarterly Performance Reports submitted to Council by 31 March 2024	4(four) Quarterly Performance Reports submitted to Council by 30 June 2024	Executive Dept.	Council Resolution & Council Agenda extract
GG 09				Quarterly Performance reviews	N/A	N/A	N/A	Number of Quarterly Performance reviews conducted by 30 June 2024	Number		4(four) Quarterly reviews conducted by 30 June 2024	1(one) Quarterly reviews conducted by 30 Sep 2023	2(two) Quarterly reviews conducted by 31 Dec 2023	3(three) Quarterly reviews conducted by 31 March 2024	4(four) Quarterly reviews conducted by 30 June 2024		Attendance Register
GG 10				PMS Policy Framework review	N/A	N/A	N/A	Date PMS Policy Framework reviewed and submitted to Council for approval	Date		PMS Policy Framework reviewed and submitted to Council for approval by 30 June 2024	N/A	N/A	N/A	PMS Policy Framework reviewed and submitted to Council for approval by 30 June 2024		Council Resolution & Council Agenda extract
GG 11				Annual Performance Report	N/A	N/A	N/A	Date Annual Performance Report submitted to Council	Date		Annual Performance Report submitted to Council by 30 Sep 2023	Annual Performance Report submitted to Council by 30 Sep 2023	N/A	N/A	N/A		Council Resolution & Council Agenda extract
GG 12				Signing of Annual Performance Agreements	N/A	N/A	N/A	% of the 2023/24 Annual Performance Agreements signed by 31 July 2023	%	100%	100% of the 2023/24 Annual Performance Agreements signed by 31 July 2023	100% of the 2023/24 Annual Performance Agreements signed by 31 July 2023	N/A	N/A	N/A		Signed Annual Performance Agreements
GG 13				2024/25 SDBIP completion & Approval	N/A	N/A	N/A	Date 2024/25 SDBIP and approved by the mayor	Date	28 June 2023	2024/25 SDBIP approved by the mayor by 28 June 2024	N/A	N/A	N/A	2024/25 SDBIP approved by the mayor by 28 June 2024		2024/25 Approved SDBIP

SDBIP Ref No.	Focus Area	Development Objectives	IDP Ref. No	Project	Ward	Budget	Funding Source	Key Perf. Indicator/ Performance Measure	Unit of Measure	Baseline	Annual Target	Quarterly Targets				Res. Dept.	Portfolio of Evidence
												Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target		
												01 Jul 2023– 30 Sep 2023	01 Oct 2023 – 31 Dec 2023	01 Jan 2024 – 31 March 2024	01 April 2024 – 30 June 2024		
KPA - Social and Local Economic Development:																	
Municipal Goal: promote socio-economic growth and job opportunities.																	
SLED 01	Agriculture	Unleashing agricultural potential in AbaQulusi by 2027	37	Agricultural Forums		N/A	N/A	Number of Agri-forums held by 30 June 2024	Number		2(two)Agri-forums held by 30 June 2024	N/A	1(one) Agri-forums held by 31 Dec 2023	N/A	2(two)Agri-forums held by 30 June 2024	Executive Support	Attendance Register/ Minutes
SLED 02				Agricultural Cooperatives support		N/A	N/A	Number of Agricultural cooperatives supported to register by 30 June 2024	Number		2(two) Agricultural cooperatives supported to register by 30 June 2024		1(one) Agricultural cooperatives supported to register by 31 Dec 2023	N/A	2(two) Agricultural cooperatives supported to register by 30 June 2024		Copy of Proof of Registration
SLED 03	SMME’s and Job Creation	Continuous assistance of entrepreneurship and job creation by 2027	38	SMME Training	N/A	N/A	internal	Number of SMME trainings and/ workshops conducted by 30 June 2024	Number		2(two) SMME training and/ workshops conducted by 30 June 2024	N/A	1(one) SMME training and/ workshops conducted by 31 Dec 2023	N/A	2(two) SMME training and/ workshops conducted by 30 June 2024	Executive Support	Attendance Register/ Minutes
SLED 04				EPWP jobs creation	N/A	R2 700 000	EPWP Grant	Number of EPWP jobs created	Number		150(one-hundred and fifty) EPWP jobs created by 31 Dec 2023	N/A	150(one-hundred and fifty) EPWP jobs created by 31 Dec 2023	N/A	N/A	Community Services	Appointments
SLED 05	Tourism	Promote economic development by 2027	40	Review and adoption of Tourism Strategy	N/A		N/A	Date Tourism Strategy reviewed and submitted to Council	Date of adoption		Tourism Strategy reviewed and submitted to Council by 30 June 2024	N/A	N/A	N/A	Tourism Strategy reviewed and submitted to Council by 30 June 2024	Executive Support	Copy of Council Resolution
SLED 06	Economic growth			41	Review and adoption of LED Strategy	N/A	R300 000	N/A	Date LED Strategy reviewed and submitted to Council for adoption	Date of adoption	Draft in Place	LED Strategy reviewed and submitted to Council by 30 June 2024	N/A	N/A	N/A		
SLED 07	Arts and culture	Ensure availability of social services programmes to the community by 2027	46	Conduct outreach programme	N/A	N/A	N/A	Number of Library outreach programmes conducted by 30 June 2024	Number		4(four) Library outreach programmes conducted by 30 June 2024	1(one)Library outreach programmes conducted by 30 Sep 2023	2(two) Library outreach programmes conducted by 31 Dec 2023	3(three)Library outreach programmes conducted by 31 March 2024	4(four)Library outreach programmes conducted by 30 June 2024	Community Services	Report
SLED 08				Conduct outreach programmes	N/A	N/A	N/A	Number of museum outreach programmes	Number		4(four) museum outreach programmes	1(one) museum outreach programmes	2(two) museum outreach programmes	3(three) museum outreach programmes	4(four) museum outreach programmes		Report

SDBIP Ref No.	Focus Area	Development Objectives	IDP Ref. No	Project	Ward	Budget	Funding Source	Key Perf. Indicator/ Performance Measure	Unit of Measure	Baseline	Annual Target	Quarterly Targets				Res. Dept.	Portfolio of Evidence
												Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target		
												01 Jul 2023– 30 Sep 2023	01 Oct 2023 – 31 Dec 2023	01 Jan 2024 – 31 March 2024	01 April 2024 – 30 June 2024		
	Safety and Security		50					conducted by 30 June 2024			conducted by 30 June 2024	conducted by 30 Sep 2023	conducted by 31 Dec 2023	conducted by 31 March 2024	conducted by 30 June 2024		
SLED 09				Arts and Culture Committee	N/A	N/A	N/A	Number of Arts and Culture Committee meetings held by 30 June 2024	Number		4 Arts and Culture Committee meetings held by 30 June 2024	1(one) committee meeting held by 30 Sep 2023	2(two) committee meetings held by 31 Dec 2023	3(three) committee meetings held by 31 March 2024	4(four) committee meetings held by 30 June 2024		Minutes, Agenda and attendance register.
SLED 10				DTLC Transactions	N/A	N/A	N/A	Number of transactions processed at DLTC by 30 June 2024	Number		80 000(eighty thousand) transactions processed at DLTC by 30 June 2024	20 000(twent y thousand) transactions processed at DLTC by 30 Sep 2023	40 000(fourty thousand) transactions processed at DLTC by 31 December 2023	60 000(sixty – thousand) transactions processed at DLTC by 30 March 2024	80 000(eighty thousand) transactions processed at DLTC by 30 June 2024		Transaction report
SLED 11				Motor licensing	N/A	N/A	N/A	Number of transactions processed at Motor licensing by 30 June 2024	Number		80 000 (eighty thousand) transactions processed at motor licensing by 30 June 2024	20 000 (twenty thousand) transactions processed at Motor licensing by 30 Sep 2023	40 000 (fourty thousand) transactions processed at Motor licensing by 31 Dec 2023	60 000(sixty – thousand) transactions processed at Motor licensing by 30 March 2024	80 000 (eighty thousand) transactions processed at Motor licensing by 30 June 2024		Transaction report
KPA: Cross-Cutting Interventions																	
Municipal Goal: to redress the spatial imbalances and promote sustainable environmental planning																	
CC 01	Town Planning	To ensure effective management of current and desirable land uses by 2027	50	Spatial Development Framework (SDF)	All		-	Date Spatial Development Framework (SDF) reviewed and submitted to Council	Date	N/A	Spatial Development Framework (SDF) reviewed and submitted to Council by 31 May 2024	N/A	N/A	N/A	Spatial Development Framework (SDF) reviewed and submitted to Council by 31 May 2024	Development Planning	
CC 03	Environmenta l Management	Establish and promote a healthy environment in AbaQulusi by 2027	55	Waste Management Plan				Date Waste Management Plan developed	Date		Waste Management Plan developed and submitted to Council by 30 June 2024	N/A	N/A	N/A	Waste Management Plan developed by 30 June 2024	Community Services	Waste Management Plan and Council Res.

Section H: Organisational Performance Management

1. Introduction

The Municipal Planning and Performance Management Regulations (2001) stipulate that “a municipality's performance management-system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players”.

The Abaqulusi LM currently has in place an adopted Performance Management Framework which is aligned to the abovementioned and reviewed and adopted annually. This Framework sets the basis as to what the performance requirements are for the Organisation and Individuals. The framework acts as a municipal policy document that defines its performance management system. It constitutes Council policy with regards to:

- The requirements that a PMS for the Municipality will need to fulfil,
- The principles that will inform its development and application,
- A model that describes what areas of performance will be managed, in the Municipality
- What processes will be followed in managing performance
- What institutional arrangements are necessary for this
- Who will take responsibility for parts of the system
- How this links to S54 and S56 Performance agreements
- How S54 Managers will have their performance managed

However, in order to have a fully effective Performance Management System in place, a municipality requires the following:

- i. A Final Council Adopted Integrated Development Plan (Strategic)
- ii. A Final Council Adopted Municipal Budget (Financial)
- iii. A Final signed Service Delivery Budget Implementation Plan (Implementation)
- iv. Quarterly, Half-year and Annual Performance Reports (Monitoring)
- v. Performance Audit Committee (Evaluation)

2. Abaqulusi Municipality's Performance Standard Operating Procedures

2.1 Phases of Performance Management

Planning

The Planning Phase of an effective Performance Management System (PMS) begins with the Municipal Integrated Development Plan (IDP). A municipal IDP is a 5 year Strategic Plan that guides the Planning, Budgeting and Management processes within a municipality.

Implementation

The Implementation Phase of Performance Management can be viewed as two-fold which utilises 2 key tools within a municipality, ie. the Municipal Budget and the Service Delivery Budget Implementation Plan (SDBIP).

This phase also entails the conclusion of Performance Agreements, Performance Plans and Personal Development Plans for S54/56 Managers within the municipality.

Monitoring

Monitoring of a Performance Management System is undertaken by the Municipal Council which further delegates the function to the Municipal Manager (Accounting Officer within a municipality). Thereafter, the PMS is directly applied to the Municipal Manager (S54) and all Managers directly accountable to the Municipal Manager (S56).

The primary tool utilised to monitor performance is the municipal SDBIP which in essence is the one-year Implementation Plan of a municipality and is a by-product of the Municipal IDP and Budget.

The monitoring process is done via the submission of Quarterly Reports, Half-year Report and Annual Performance Report along with the relevant Portfolio of Evidence (POE) to support all achievements or targets that are contained within the SDBIP.

Evaluation

Evaluating Performance of a municipality is also considered to be two-fold: this includes Informal and Formal Reviews of a specific quarter that has concluded. Evaluating Performance only applies to the Municipal Manager and all Managers that report directly to the Municipal Manager as these are officials that have entered into a Performance Agreement. Informal Reviews (Verbal) are conducted in the 1st and 3rd Quarter while Formal Reviews (Documented/Written) are conducted in the 2nd and 4th Quarter.

The review of Performance for the Municipal Manager is undertaken by the Honourable Mayor of a municipality and the review of Performance for all S56 Managers is undertaken by the Municipal Manager.

Upon the conclusion of a financial year, the Municipal Manager and all S56 Managers are further Assessed by the Municipal Performance Evaluation Committee, which determines if they qualify for a Performance Bonus or not.

Reporting

Reporting of Performance is very critical within a municipality as this will determine the progress that is made towards achieving the goals of a municipality as set out within the SDBIP. Performance reporting must be done at least twice a year to a Municipal Council/Auditor General/Treasury. These reports must include the Half-Year and Annual Performance of the municipality.

2.2 Documenting a Performance Management System (Departmental Quarterly Reports, Portfolio of Evidence and Internal Audit Report)

Process	Activity	Responsibility	Time-frame
Compilation	All Departments are to complete their quarterly reports in terms of the SDBIP in a standard prescribed format.	Directors and Managers	Within 5 days after the quarter has ended
Collection	Portfolio of Evidence is to be collected in support of all reported Targets that have being Achieved/Met	Managers	Within 10 days after the quarter has ended
Verification	Directors are to validate, verify and sign of Confirmation Certificate to ascertain all reported information prior to submission	Directors	Within 15 days after the quarter has ended
Submission	Departments are to submit departmental quarterly reports together with their POEs to Performance Management Unit.	Directors	Within 15 days after the quarter has ended
Consolidation	PMS Unit to consolidate all departments quarterly reports and prepare the Municipal Qualitative and Quantitative Performance Management Quarterly Report and submit to Internal Audit	PMS Manager	Within 20 days after the quarter has ended
Auditing Process	Internal Audit to audit all quarterly Reports together with POE	Internal Audit Manager	Within 40 days after the quarter has ended
Feed-back	Internal Audit Report on Performance of Information submitted to Municipal Manager and All Departments	Internal Audit Manager	Within 50 days after the quarter has ended
Implementation of Corrective Measures	Municipal Manager to monitor the implementation of the Corrective Measures as identified in the Internal Audit Report	Municipal Manager	Within 90 days after the quarter has ended

Section I: Annexures

Annexure I 1: Spatial Development Framework

Annexure I 2: Disaster Management Sector Plan

Annexure I 3: Organogram

Annexure I 4: Community Wish List

Annexure I 5: Housing Sector Plan

Annexure I 6: LED Strategy

Annexure I 7: Indigent Register

Annexure I 8: HR Strategy and Policy Manual

Annexure I 9: ICT Policy

Annexure I 10: Status Quo of Municipal Policies, By-Laws and Sector Plans

Annexure I 11: MFMA Circular 88 Indicators