



Ugu District Municipality

2022/2023-2026/2027 Final
Integrated Development Plan

Ugu District Development Planning

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AG	Auditor General	ISRDP	Integrated Sustainable Rural Development Programme
AIDS	Acquired Immune Deficiency Syndrome	IWMP	Integrated Waste Management Plan
ART	Antiretroviral Therapy	KPA	Key Performance Area
ARV	Antiretroviral	LED	Local Economic Development
BBBEE	Broad Based Black Economic Empowerment	LGSETA	Local Government SETA
CDWs	Community Development Workers	LM	Local Municipality
CWP	Community Workers Programme	LRAD	Land Redistribution Programme
CoGTA	Department Cooperative Governance and Traditional Affairs	LTT	Local Task Team
DEDTEA	Department of Economic Tourism & Development Environmental Affairs	LUMS	Land Use Management System
DEA	Department of Environmental Affairs	LUMF	Land Use Management Framework
DoT	Department of Transport	MMR	Maternal Mortality Rate
DM	District Municipality	MEC	Member of the Executive Council
DoHS	Department of Human Settlement	M&E	Monitoring & Evaluation
DTT	District Task Team	MDG	Millennium Development Goals
DWA	Department of Water Affairs	MIG	Municipal Improvement Grant
EAP	Employee Assistance Programme	MSIG	Municipal Systems Improvement Grant
EIA	Environmental Impact Assessment	NEMA	National Environmental Management Act
EKZNW	Ezemvelo KZN Wildlife	PGDS	Provincial Growth and Development Strategy
EMF	Environmental Management Framework	PHC	Primary Health Care
EMP	Environmental Management Plan	PMS	Performance Management System
EPWP	Expanded Public Works Programme	POE	Portfolio of Evidence
FBS	Free Basic Services	PSEDS	Provincial Spatial Economic Development Strategy
FET	Further Education and Training	SANRAL	South African National Roads Agency Limited
GDS	Growth and Development Strategy	SDBIP	Service Delivery and Budget Implementation Plan
HAST	HIV, AIDS, STI, TB	SDIP	Service Delivery Implementation Plan
HH	Households	SDF	Spatial Development Framework
HIV	Human Immunodeficiency Virus	EA	Strategic Environmental Assessment
HR	Human Resources	SONA	State of the Nation Address
ICMA	Integrated Coastal Management Act	SOPA	State of the Province Address

ICT	Information and Communication Technology	SSMP	Sanitation Service Master Plan
IDP	Integrated Development Plan	STATSSA	Statistics South Africa
IDPRF	Integrated Development Plan Representative Forum	VCT	Voluntary Counselling and Testing
IMCI	Integrated Management of Childhood Illness	WHO	World Health Organisation
IGR	Inter-Governmental Relations	WTT	Ward Task Team
IPT	Ionized Preventive Therapy		

Table 1: Glossary

Chapter 1: Executive Summary

In compliance with the Local Government Municipal Systems Act, 32 of 2000, the Ugu District Council adopted a reviewed Integrated Development Plan in June 2021 which is the year being implemented. The process has been initiated for the development of the 2022/23 – 2026/27 IDP. This plan aims at providing a basis for both public and private sector investment in the district and strengthen intergovernmental relations within the spheres of government.

1.1 Who Are We?

Ugu District Municipality is a category C municipality which is a municipality that has municipal executive and legislative authority in an area that includes more than one municipality. It is 4 908 km² in extent and boasts a spectacular coastline of 112 kilometres, which forms its Eastern border. The region is bordered on the North by the eThekweni, in the West by Umgungundlovu and Harry Gwala District municipalities and on the Southern side shares its borders with the Eastern Cape Province. The municipality consists of 85 municipal wards, which culminate into four local municipalities, namely Ray Nkonyeni, Umuziwabantu, Umzumbe and Umdoni. Ugu District municipality has forty (40) traditional council areas within its jurisdictional area and these are:

Table 2: Tribal Authorities

Municipality	Tribal Authority Area
Umdoni	Mbele; Qiko; Zembeni; Izimpethuzendlovu; Emandleni; Ukuthula; AmaNyuswa; Cele; and Malangeni.
Umzumbe	Bhekani; Cele P; Nhlangwini; Mabheleni; KwaBombo; Nyavini; Ndelu; Hlongwa; Thulini; Qwabe N; Cele K; Dungeni; Emadungeni; Qoloqolo; Qwabe P; and Hlubi.
Ray Nkonyeni	Qiniselani/Manyuswa; Mavundla/Nkumbini; Cele/Vukuzithathe; Xolo; Nzimakwe; Mavundla; Nsimbini; Lushaba; and Madlala.
Umuziwabantu	Kwa-Fodo; Thokozani/Madumisa; Jabulani/Beshwayo; Mbotho; Jali/Nhlangano; and Maci/Isibonda.

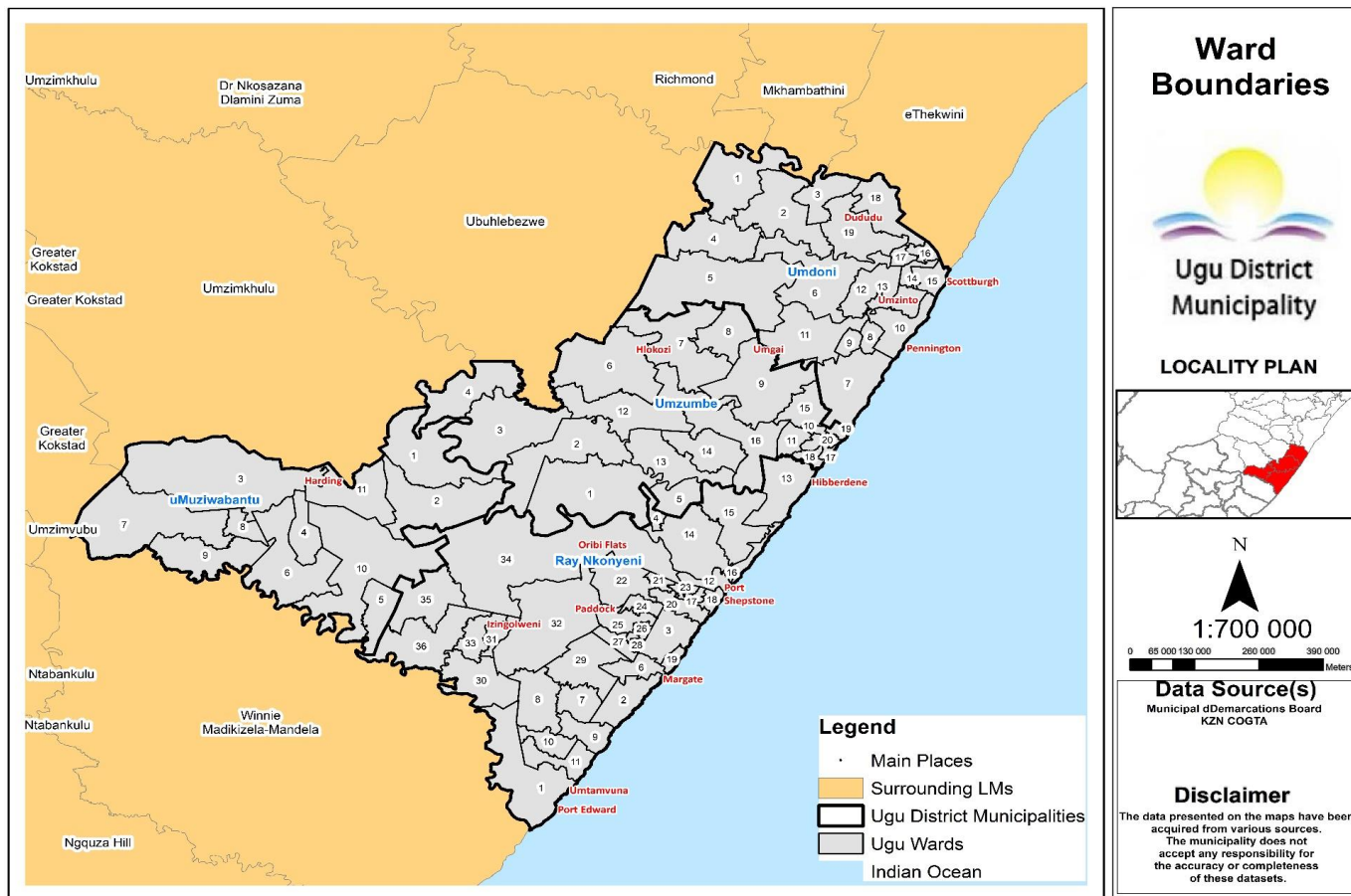
Source: CoGTA, 2020

The statistics show that the Ray Nkonyeni Municipality is the district's economic hub characterised by a range of businesses, administrative buildings, mixed transportation systems and integrated land uses.

Ugu District Municipality's main economic sectors are:

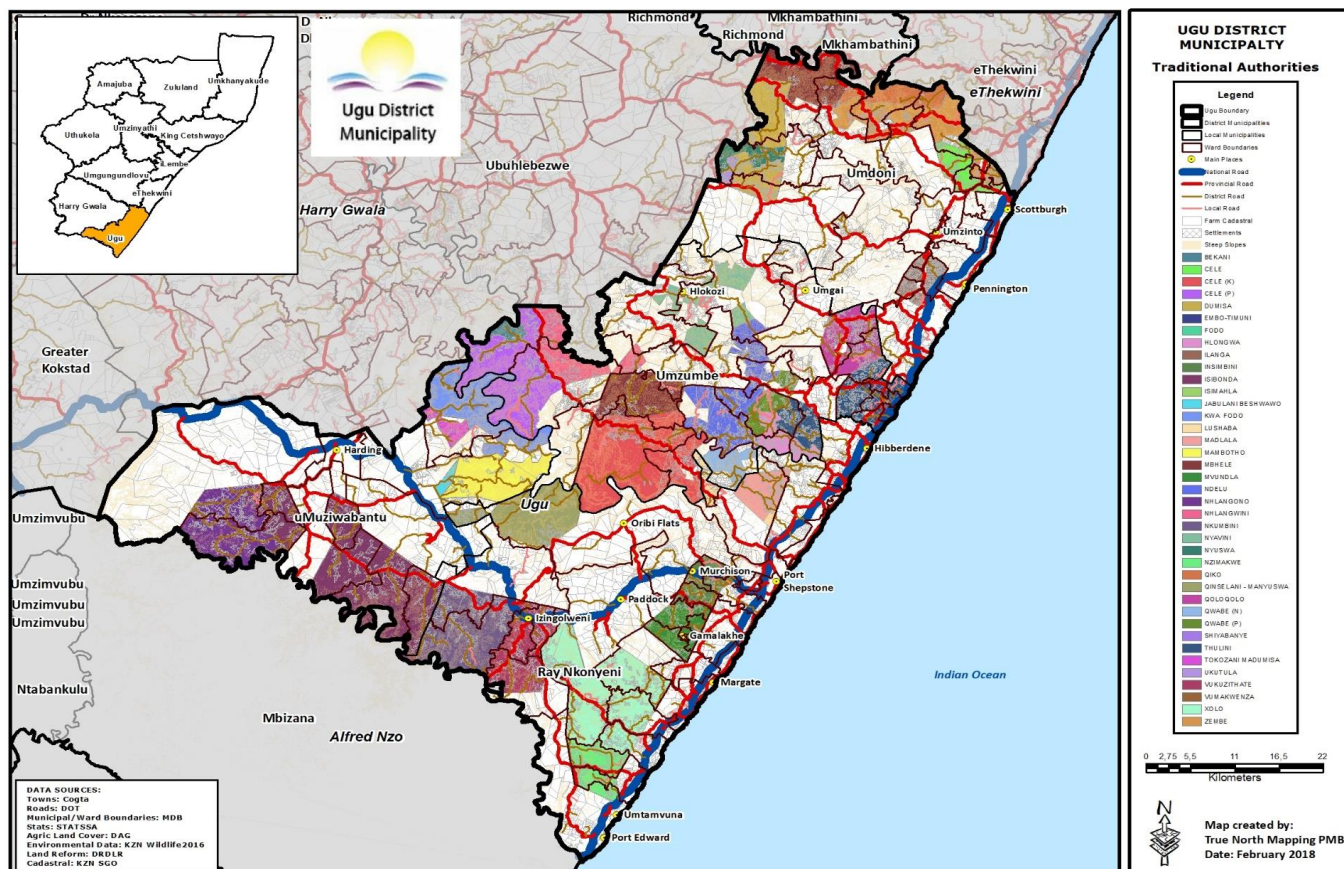
- Wholesale and retail,
- Trade and tourism,
- Finance and Insurance,
- Real estate and Business services,
- Manufacturing,
- Construction and Transport,
- Agriculture, forestry and fisheries and
- Mining and quarrying.

Commercial agriculture in the district produces one-fifth of all bananas consumed in South Africa, with numerous companies successfully exporting these and other products to some of the most exclusive packers in the United Kingdom. It is unfortunate that the status of the blue flag beach has dropped over the past years and this was marked as a major economic cultivator. The improvement of its infrastructure, education, health, and recreational facilities contributes immensely to its appeal. The nurturing of the local economy highly features tourism and agriculture and includes the district's very own Ugu Jazz Festival. It also includes other renowned annual activities, such as the Africa Bike Week, which has gained momentum worldwide. However, due to the COVID 19 pandemic, the economic sector has since dropped due to the restrictions and non-survival of businesses.



Map 1:Ward Boundaries

Source: Ugu GIS, 2022



Map 2: Tribal Authorities

Source: Ugu GIS 2022

1.1.1 Demographics Overview

According to the Stats SA Community Survey 2016, the total population of the Ugu District Municipality area of jurisdiction is 753 336 while the 2020 mid-year projections estimate a total population to be 824 612 in the year 2021, a growth rate of 2.03. The district has a relatively young population with the children and youth making up 38.7% of total population. The dominant population group is Africans making up 90% of the total population. Indians, Coloureds and Whites make up the other 10% of the population. Table 1.1.1.1: shows Key Demographic Information and Service Levels. The sex ratio as per 2011 census is 92 males per 100 females.

Table 3: Key Demographics

Population		Economic Profile	
Total Population	753 336	Total Number of Households	175 146
Young (0-14)	286 823	Average Household Size	4 (persons / hh)
Working age (15-64)	433 417	Access to Piped Water	125 308
Elderly (65+)	33 097	Access to Electricity	149 224
Area in km ²	4 908	Access to Sanitation	124 354
Population Density per km ²	153.49	Unemployment(official)	29.1
Growth Rates	0.042	Unemployment Rate (Youth)	36,0
Total Fertility Rate	67.5	Main Occupation Sector	Formal sector
Total Mortality Rate	6.0	Indigent Households	25 750
Sex Ratio (male/100 women)	92	Social Grants Recipients	288 728
Dependency Ratio	0.74	Literacy Rate	78

Source: Stats SA Community Survey, 2016

The Ugu District Municipality area of jurisdiction has a total number of 175 146 households with an average size of four persons per household. In terms of access to basic service delivery 67% of the households have access to water; 74% have access to electricity and 91% have access to sanitation.

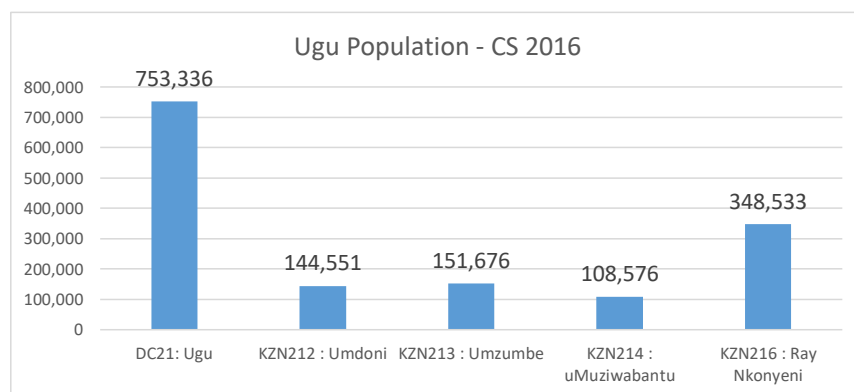


Figure 1: Population Per LM

Source: Stats SA Community Survey 2016

The above graph shows the population of the district as per the 2016 community survey then further categorises it in the different Local Municipalities.

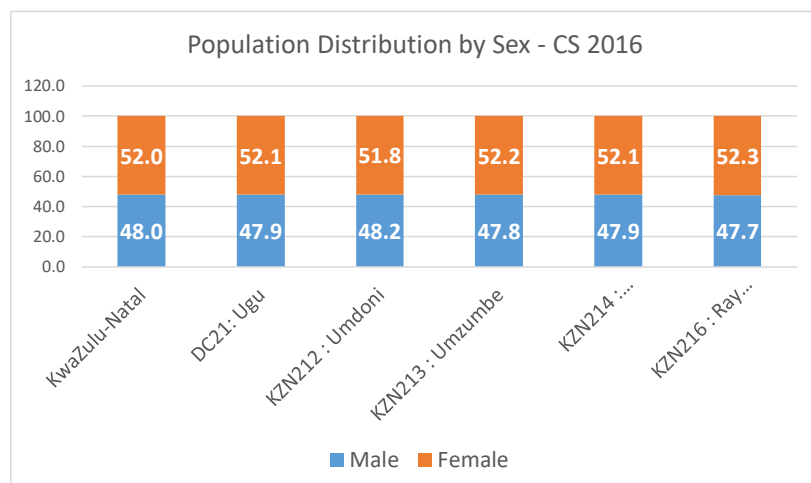


Figure 2: Population by Sex
Stats SA Community Survey 2016

Source:

This graph shows the district population distribution by sex against the provincial distribution.

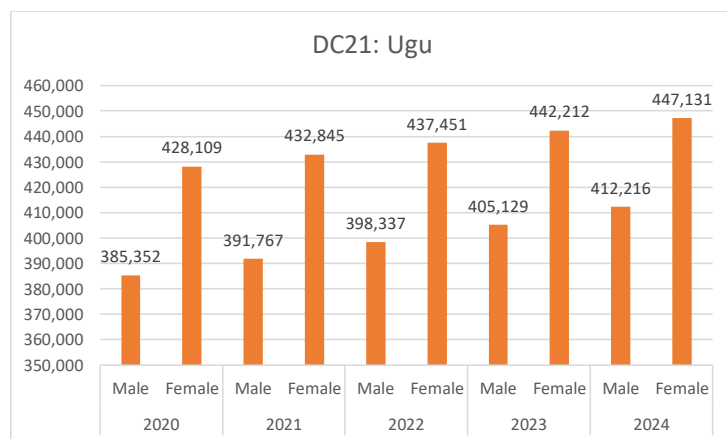


Figure 3: Population Estimates

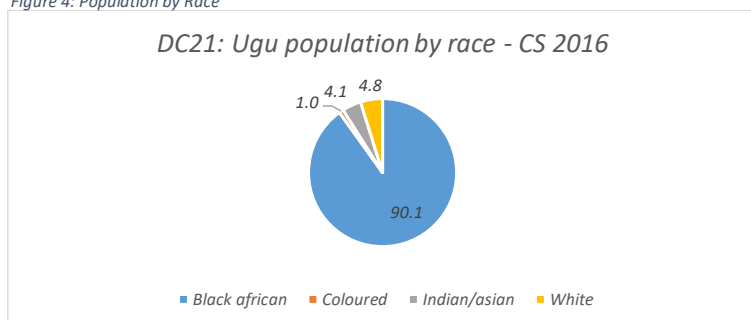
Source: Stats SA Population Estimates 2021

The graph above shows the populations estimates over a 5 year period starting from 2020 year. This paragraph gives us an indication of the kind of population count the district excepting.

1.2 How was this IDP Developed?

The Ugu District Municipality IDP was prepared in terms of the legislative requirements as entailed in chapter five (5) of the Municipal Systems Act. Consideration was given to the MEC's comments that were raised in the 2020/2021 IDP Review where the IDP received a total score of 72% an increase from the previous financial year of approximately 6%. An in-house team led by the Office of the Municipal Manager was assigned the task of developing the IDP. To ensure ownership of the process and to gather community inputs, existing municipal structures and systems i.e. IDP Representative Forum as well as IDP and Budget Road Shows were also used. Table 1.2.1 below provides a summary of the Process Plan and its implementation.

Figure 4: Population by Race



Source: Stats SA Community Survey 2016

This graph shows the Ugu district population by race where black Africans dominate at 90.1% of the district followed by white Africans at 4.8% then Indian/Asian and lastly the coloured population.

Table 4: Ugu IDP Development Action Programme

Phase	Activity	Timeframe
Preparatory	Drafting of Framework and Process Plan	01 July – 30
	Submission draft Framework and Process Plan to CoGTA for comment	September 2022
	Submit draft Framework & Process Plan to IDP Steering Committee, IDPRF and EXCO for consideration and recommendation.	
	Adoption by Council	
	Advertise in local newspaper for commencement of the IDP development process	

Analysis	• Evaluate the changed circumstances and conduct socio analysis research • Develop IDP Implementation Plan (by developing alignment of objectives strategies and projects against the METF budget) • Determine funding availability and requirements and all the necessary preparations • Determine which sector plans need to be reviewed and commence with the process of reviewing thereof • Consider MEC Comments • Action Plan to Address MEC Comments • Conduct Community Needs Consultation • Mayoral Izimbizo • Ward Committee Imbizo Workshop	01 October – 31 December 2022
Strategy & Projects	• Hold strategic sessions (to include sector departments and feed local analysis into sector strategic plans thereof) • Align the strategic framework with internal and external policies • Assess financial Feasibility of proposed new projects based on existing and potential funds. (Budget Examination) • Submit the draft reviewed strategic framework to the Steering Committee and IDPRF • Sector - Municipal Alignment sessions under the auspices of COGTA • Integrate Reviewed Sector Plans into the IDP • Alignment meetings with neighbouring District Municipalities	01 January – 28 February 2022
Integration	• 1st draft 2021/22 IDP • Submit 1st draft IDP to Steering Committee, IDRF and EXCO for recommendations • Submit 1st draft IDP to Council for consideration • Submit 1st draft IDP to province (CoGTA) for assessment.	31 March – 30 April 2022

Approval	• Ugu Decentralised IDP Assessment Forums • Incorporate comments received from IDP Provincial Assessment and all other outstanding comments • Conduct Community Consultation • Final draft 2021/22 IDP • Submit final draft IDP to Steering Committee, IDRF and EXCO for recommendations • Submit final IDP to Council for adoption • Submit final draft IDP to province (CoGTA) for assessment	30 April – 30 June 2022
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Source: 2022/2023 IDP, IPMS and Budget Process Plan and Framework

1.2 Our Key Development Challenges

The key development challenges that are faced by Ugu District Municipality are summarised as per the five National Key Performance Area (KPA) in the subsequent subsections.

1.2.1 Basic Services

The major basic service delivery challenge faced by the district is the slow pace of backlog eradication and high levels of aged infrastructure. The ageing infrastructure results in high maintenance costs which have an adverse effect on the eradication of backlog due to limited funding. This also has a direct impact on the municipality's compliance with minimum requirements of the No Drop, Green Drop, and Blue Drop standard. Furthermore, the municipality's Water and Sanitation Master Plans and thus prioritisation and planning of projects, is outdated and in the process of development despite the financial constraints. There is also a challenge of high levels of illegal connections which further strains the available resources.

1.2.2 Municipal Transformation and Institutional Development

The key Municipal Transformation and Institutional Development challenges include but not limited to:

- ☐ High Employee Costs;
- ☐ Disengaged Employees;
- ☐ Slow Implementation of Individual Performance Management;
- ☐ Bloated Organisational structure;
- ☐ Lack of Monitoring and Evaluation;
- ☐ Manipulation of Recruitment Processes;
- ☐ Poor Conflict Resolution and Management;
- ☐ Poor Manager and employee relations;
- ☐ Lack of Skills Transfers;
- ☐ Old Aging Fleet;

- ☐ Clashing of Meetings;
- ☐ Limited Office Space;
- ☐ High Security Costs;
- ☐ High Printing and Copying Costs;
- ☐ Lack of Human Resource Capacity; and
- ☐ Delegations of authorities are not clear

1.2.3 Local Economic Development

The key LED challenge is the triple challenge which is poverty, inequality, and unemployment. Furthermore, there is no clear District LED mandate which results in duplication of resources and efforts between the district and local municipalities. LED is still poorly resourced across the district.

1.2.4 Municipal Financial Viability and Management

The key Municipal Financial Viability and Management challenges include but not limited to:

- ☐ Budget Management and Financial Reporting
- ☐ Supply chain Management
- ☐ Revenue management
- ☐ Asset management
- ☐ Non-compliance with MFMA
- ☐ Expenditure Management

1.3 What will we do to unlock and Address our Key Challenges?

Ugu District Municipality has set in place goals and strategic objectives to unlock the identified key challenges. These strategic objectives and goals were grouped as per the six National KPAs as discussed in the subsequent sections.

1.3.1 Basic Services

The district is committed to ensuring universal access to basic services, water and sanitation in particular. Through the planned projects, the district will reduce the current backlogs by 31% for access to water and 21% for access to decent sanitation for the current period of the IDP. The district will further replace 100 kms of aged water and sanitation pipelines. The district also has plans in place to ensure compliance to the Blue Drop, Green Drop, and No Drop minimum requirements. The fight against illegal connections which strains the existing infrastructure will also be reinforced.

1.3.2 Municipal Transformation and Institutional Development

The district is committed to creating a conducive environment for the highly motivated, skilled, productive, and disciplined workforce. This is to be done through programmes such as Employee Wellness, Skills Development, and continuous investment on building team spirit amongst all

employees. The district will also implement vigorous Performance, Monitoring, and Evaluation mechanism, ensure constant renewal of aging fleet, and explore paperless administration in certain areas of the municipality.

1.3.3 Local Economic Development

The district is committed to dealing with the triple challenge which is poverty, inequality, and unemployment. A total of 3 450 job opportunities will be created, and 450 SMMEs, Cooperatives, and Informal Business Sector will be trained during the current IDP period. Furthermore, the district will ensure the development of the main economic sectors such as agriculture and explore green economic initiatives. In terms of community development, the municipality will ensure implementation of seven programmes per annum for vulnerable groups and consistent promotion of youth development.

Commented [F1]: tautology

1.3.4 Municipal Financial Viability and Management

In a bid to ensuring that Ugu District Municipality is a financially viable and sustainable institution, the municipality is committed to ensuring:

- There is zero fruitless and wasteful expenditure through optimisation of procurement processes
- There is zero unauthorised, irregular expenditure and payment of creditors within 30 days through optimisation of expenditure;
- 100% accurate billing to improve revenue collection rate;
- There is a GRAP Compliant Asset Register through optimised asset management.
- An mSCOA compliant budgeting and expenditure is in place
- Reduction of overdue debt through the optimisation of debt management;

Full compliance with the MFMA will also be ensured for sound financial management.

1.3.5 Good Governance and Public Participation

The key Communication and Batho Pele Strategies will be reviewed and institutionalised to ensure effective communication and stakeholder involvement. The municipality is also committed to achieving Unqualified Audit Opinion with no matters of emphasis and plans have been put in place. The municipality is determined to be a clean social government institution and a series of anticorruption awareness campaigns have been planned to this effect. Furthermore, the public participation mechanisms will be integrated to ensure that the communities are properly consulted and are involved in the affairs of the municipality. The municipality also plans in conducting customer satisfaction surveys annually.

1.3.6 Cross Cutting Issues

The capacity of Disaster Management will be bolstered across the district to improve disaster prevention and management. Through various environmental health and management programmes, the municipality will ensure a healthy, safe and sustainable environment, as well as enhance the

measures to reduce community exposure to diseases and health risk. Every effort will be made through the development of relevant development plans to improve planning and coordination in the district.

1.4 What could you expect from us in the next five years?

If operational excellence is achieved the result will be good governance and administration, sound financial management and viability, innovative, effective, and efficient institution, and administration.

In general, Ugu District Municipality through stakeholder relations is striving for:

- ☐ Coordinated, effective and efficient planning and service delivery.
- ☐ A credible and well informed IDP
- ☐ Better investments and reduced dependency on grants.
- ☐ Protest free and happy communities.
- ☐ Confident investors and partners in service delivery.
- ☐ Social cohesion.
- ☐ Quality input and engagements.
- ☐ Vibrant and active tourism, increasing investment and job opportunities.
- ☐ Realisation of a developmental state

1.5 How will our progress be measured?

Once the IDP is adopted, the Organisational Scorecard and SDBIP are created. The indicators and targets for efficiency, effectiveness and impact are set.

The Organisational Performance Management System is used as a tool for:

- ☐ Monitoring, review and improving the implementation of IDP;
- ☐ Monitoring actual performance against targets and contractual obligations;
- ☐ Effective management, including planning, budgeting, implementation, monitoring and reporting; and
- ☐ Facilitation of effective accountability, identify the scope for improvement, provide early warning signals and facilitate decision making. The Service Delivery and Budget Implementation Plan and Organisational Scorecard are tools to:
 - ☐ Regularly plan;
 - ☐ Continuously monitor; and
 - ☐ Periodically measure and review performance.

1.5.1 Two Level Scorecard

The municipality utilises the two-level scorecard approach which is the Organisational and SDBIP scorecards. The Strategic or Organizational Scorecard:

- Reflect KPA's, objectives, indicators, and targets at a strategic level;
- Align directly with the IDP priorities; and
- Follow SDBIP but would not have monthly financial cash flow projections and the ward level projects.

The SDBIP or Departmental Scorecards reflect objectives, indicators and targets at a departmental level and inform the individual scorecards of the Section 54 and 56 Managers. The two levels of scorecards form Organisational Performance Management System of the municipality. All reporting on the municipality's performance is informed by information derived from the two-level scorecards and reflect the municipality's performance on the 23 goals and 33 strategic objectives.

1.5.2 Monitoring and Evaluation

The performance monitoring and evaluation is done through a periodic analysis assessment of milestones achieved which is done quarterly, half yearly and annually. Analysis of planned and actual achievements considers the assessment of:

- ☐ Inputs vs. Outputs,
- ☐ Cost of results achieved
- ☐ Impact of results

This then assists management with the review of the IDP and setting of new performance targets.

Chapter 2 Government Priorities

Alignment of government policies and plans is crucial in the strategic planning processes of the municipality. Therefore, the relevant binding and non-binding national and provincial policies including programmes and strategies need to be considered in the municipal development planning process and interventions. Our implementation and proposed interventions will focus only on the key mandates relevant to the municipal context in cooperative governance and those will be considered and addressed.

2.1 Sustainable Development Goals

In September 2015, the 2030 Agenda for Sustainable Development, which includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, fight inequality and injustice and tackle climate change was adopted. The SDGs build on the Millennium Development Goals (MDG) eight antipoverty targets that the world committed to achieving by 2015. Enormous progress was made on the MDGs, showing the value of a unifying agenda underpinned by goals and targets. Despite this success, the indignity of poverty has not been ended for all.

The new Global Goals, and the broader sustainability agenda, go much further than the MDGs, addressing the root causes of poverty and the universal need for development that works for all people. The SDG is an attempt at global co-ordinated efforts to ensure that the goals South Africa and the rest of Africa set including ending poverty and hunger, improving health and education, making cities more sustainable, combating climate change, and protecting oceans and forests are achieved in the shortest possible time and in the most efficient way imaginable.

The 17 Sustainable Development Goals are:

- 1) End poverty in all its forms everywhere
- 2) End hunger, achieve food security, improved nutrition and promote sustainable agriculture
- 3) Ensure healthy lives and promote well-being for all at all ages
- 4) Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- 5) Achieve gender equality and empower all women and girl children
- 6) Ensure availability and sustainable management of water and sanitation for all
- 7) Ensure access to affordable, reliable, sustainable, and modern energy for all
- 8) Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all
- 9) Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- 10) Reduce inequality within and among countries
- 11) Make cities and human settlements inclusive, safe, resilient, and sustainable
- 12) Ensure sustainable consumption and production patterns
- 13) Take urgent action to combat climate change and its impacts
- 14) Conserve and sustainably use the oceans, seas, and marine resources for sustainable development
- 15) Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- 16) Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable, and inclusive institutions at all levels
- 17) Strengthen the means of implementation and revitalize the global partnership for sustainable development

2.1.1 Applicability to Ugu

The SDGs drove progress in several important areas such as income, poverty, access to improved sources of water, primary school enrolment and child mortality. The Ugu District is still committed to these areas. Furthermore, SDG goal 6 talks directly to the Ugu District's commitment to availability and sustainable management of water and sanitation for all.

2.2 National Development Plan: 2030

The National Development Plan aims to eliminate poverty and reduce inequality by 2030. South Africa has the potential and capacity to eliminate poverty and reduce inequality over the next decade. This requires a new approach – one that moves from a passive citizenry receiving services from the State to one that systematically includes the socially and economically excluded, where people are active champions of their own development, and where government works effectively to develop people's capabilities to lead the lives they desire. The achievement of this vision is based on the following nine elements:

- Creating jobs and livelihoods,
- Expanding infrastructure,
- Transitioning to a low-carbon economy,
- Transforming urban and rural spaces,
- Improving education and training,
- Providing quality health care,
- Building a capable state,
- Fighting corruption and enhancing accountability,
- Transforming society and uniting the nation.

2.3 Medium Term Strategic Framework (MTSF)

The Medium-Term Strategic Framework (MTSF) is Government's strategic plan for the electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the actions Government will take and targets to be achieved. It also provides a framework for the other plans of national, provincial, and local government. The aim of the MTSF is to ensure policy coherence, alignment and coordination across government plans as well as alignment with budgeting processes. Performance agreements between the President and each Minister will reflect the relevant actions, indicators and targets set out in this MTSF. In the presence of the NDP as an overarching, long-term plan, the MTSF process has been reoriented towards conversion of the NDP into medium term five-year plans. The intention of the MTSF is to directly inform departments' planning and oversight of plans and performance. The 2019 – 2024 MTSF has two overarching themes which are radical economic transformation and improving service delivery and 14 priority outcomes which are building on previous MTSF and the NDP. Within each priority outcome there are broad objectives and themes.

The 14 priority outcomes are as follows:

1. Quality 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 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, sustainable rural communities contributing towards food security for all;
8. Sustainable human settlements and improved quality of household life;
9. Responsive, accountable, effective, and efficient local government;
10. Protect and enhance our environmental assets and natural resources;
11. Create a better South Africa and contribute to a better Africa and a better world;
12. An efficient, effective, and development-oriented public service;
13. A comprehensive, responsive, and sustainable social protection system;
14. A diverse, socially cohesive society with a common national identity.

2.4 State of the Nation Address

In the State of the Nation address, His Excellency Cyril Ramaphosa, president of the Republic of South Africa, pronounced in 2021 that nearly a year has passed since South Africa saw its first case of the novel coronavirus, COVID-19. Since then, nearly one-and-a-half million people in our country are known to have been infected by the virus. More than 45 000 people are known to have died. Beyond these statistics lies a human story of tragedy and pain. It is a story of solidarity and compassion of a nation that has stood together to confront COVID-19 in ways not seen since the early days of our democracy. It is this South African spirit that must drive our resolve to build a new and more equal economy and a better, more just society. He then highlighted following overriding priorities of 2021.

- Defeat the coronavirus pandemic.
- Accelerate our economic recovery.
- Implement economic reforms to create sustainable jobs and drive inclusive growth.
- Fight corruption and strengthen the State.
- Intensifying our prevention efforts and strengthening our health system
- Undertake a massive vaccination programme to save lives and dramatically reduce infections across the population.
- Overcome poverty, hunger, and inequality.
- Regain lost time and improve educational outcomes, from the early years through to high school and post-school education and training.

- Fast-tracking the implementation and capacitation of the Border Management Agency to curb illegal immigration and cross-border crime.
- Implement structural economic reforms.
- Expand energy generation capacity.
- rollout of infrastructure throughout the country,
- Increase in local production,
- Employment stimulus to create jobs and support livelihoods.

2.4.1 Applicability to Ugu District

The Ugu District Municipality has a major role to play in realising the NDP 2030 vision especially with regards to the expansion of infrastructure which in the case of Ugu is mainly water and sanitation infrastructure to ensure universal access to clean potable water and sanitation dignity for all people of Ugu area of jurisdiction. Furthermore, priority outcome nine of the 14 priority outcomes of the MTSF talks to a responsive, accountable, effective and efficient local government. Given the role at the front line of service delivery, local government has a critical role to play in the NDP's vision and as a district, Ugu has to ensure co-ordinated effort with its family of municipalities that the five sub-outcomes are achieved and therefore the five IDPs of the district's family need to address and ensure:

- Members of society have sustainable and reliable access to basic services
- Intergovernmental and democratic governance arrangements for a functional system of cooperative governance strengthened
- Sound financial and administrative management
- Promotion of social and economic development
- Ugu District Municipality and its four local municipalities have a task to fight corruption and state capture
- Ugu District Municipality and its four local municipalities have a task to develop skills both internally and externally

Furthermore, the District is currently championing the implementation of Agri-Park in the district in partnership with the Department of Rural Development. The Operation Phakisa is also being implemented in the district with Ray Nkonyeni Municipality being a major stakeholder as they have the longest coastline in the district.

2.5 KZN Provincial Growth Development Strategy

The 2012 Provincial Growth and Development Strategy (KZN PGDS) bolsters the Province's commitment to achieving the vision of a "Prosperous Province with a healthy, secure and skilled population, acting as a gateway to Africa and the world". The PGDS aims to build this gateway by

growing the economy for the development and the improvement of the quality of life of all people living in the Province.

The PGDS provides a reasoned strategic framework for accelerating and sharing economic growth through catalytic and developmental interventions, within a coherent equitable spatial development architecture, putting people first, particularly the poor and vulnerable, and building sustainable communities, livelihoods and living environments. Concomitant attention is also given to the provision of infrastructure and services, to restoring natural resources, to public sector leadership, delivery and accountability, thus ensuring that these changes are responded to with resilience, innovation and adaptability. This strategy will lay the foundations for attracting and instilling confidence from potential investors and to develop social compacts that address the Provincial challenges.

The main purpose of the KZN PGDS can be summarised as, being the primary growth and development strategy for KwaZulu-Natal to 2030; mobilising and synchronising strategic plans and investment priorities in all spheres of government, state owned entities, business, higher education institutions, labour, civil society and all other social partners in order to achieve the desired growth and development goals, objectives and outcomes; to spatially contextualise and prioritise interventions so as to achieve greater spatial equity; and to develop clearly defined institutional arrangements that ensure decisive leadership, robust management, thorough implementation and ongoing review of the growth and development plan.

The KZN PGDS sets out seven goals which are as follows:

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

2.6 State of the Province Address

The State of the Province Address delivered by the Premier of KwaZulu-Natal Mr. Sihle Zikalala on 04 March 2020, presented under the theme “Together, Creating Our Common Future” The Premier of KwaZulu-Natal Mr. Sihle Zikalala reiterated the Province’s commitment to the realisation of the Country’s as well as the Province’s visions. The provincial vision is to be realised through continued implementation of the seven provincial strategic goals as outlined in the PGDS. The following eight (8) provincial priorities were highlighted in the 2020 SOPA:

1. Basic services (especially access to clean potable water)
2. Job creation
3. Growing the economy

4. Growing SMMEs and cooperatives
5. Education, health, and skills development
6. Human settlements and sustainable livelihoods
7. Building a peaceful province
8. Building a caring and incorruptible government

2.7 Applicability to Ugu District

The Ugu District Municipality as a water services provider will contribute immensely in the development of strategic infrastructure in its endeavours to eradicate water and sanitation backlogs in the district. Furthermore, the district municipality as the champion of the Ugu DGDS needs to ensure that the four local municipalities work together towards a shared vision and that tourism and agriculture which are the core economic sectors are strategically positioned in the path that the province is taking to ensure that the population of the Ugu District area of jurisdiction benefits optimally.

2.8 Local Government Back to Basics Programme

The core services that local government provides is clean drinking water, sanitation, electricity, shelter, waste removal and roads which are basic human rights, essential components of the right to dignity enshrined in the Constitution and Bill of Rights. The government vision of developmental local government was that it would be the building block on which the reconstruction and development of the country and society was built, a place in which the citizens of the country could engage in a meaningful and direct way with the institutions of the state. Local government is where most citizens interface with government, and its foundational ethos must be about serving people.

Local government has been a primary site for the delivery of services in South Africa since 1994. Tremendous progress in delivering water, electricity, sanitation and refuse removal at a local level has been made. However, notwithstanding delivery achievements thus far, it is evident that much needs to be done to support, educate and where needed, enforce implementation of local government's mandate for delivery. The transformation of the local government sector remains a priority for the current administration.

It is against this background that the President introduced the Back to Basics programme. Back to Basics is the understanding of where local government is, where it could be and what needs to be done to improve performance. The main goal of Back to Basics is to improve the functioning of municipalities to better serve communities by getting the basics right.

The Back to Basics approach recognises that there are widely divergent levels of performance between different categories of municipalities. The aim therefore to encourage all municipalities to become positively functional centres of good governance and need to set proper standards for municipal performance. The Back-to-Basics programme is founded on five pillars.

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2.9 Applicability to Ugu

The Ugu District Municipality in 2014 was amongst those 8 municipalities that were requiring intervention by CoGTA. CoGTA will aim at the very least, that the municipalities in a requiring intervention state, perform the basic functions of local government and will do this through enforcement of current policies and legislation, systematically managing performance and accountability, and ensuring that there are consequences for underperformance. Minimum performance requirements include ensuring the proper functioning of council structures and council processes, the provision of basic services, and the appointment of competent staff and these are non-negotiable.

The Ugu District Municipality has therefore aligned its resources with the Back-to-Basics programme to ensure that the functionality is improved, and the district's community is served better.

Commented [F3]: This IDP period has come and gone and we have been the benchmark for a long time after this initial assessment. We have even had awards in that regard. The next IDP cannot refer to this anymore

Table 5: Alignment of Back to Basics with the Ugu IDP

No.	B 2 B Pillars	Description	Goal / Desired Outcome
1.	Putting People First	Placing people and their concerns first and ensuring constant contact with communities through effective public participation platforms.	Effective Communication and stakeholder involvement Effective and integrated approach to Public participation Effective Disaster prevention and management
2.	Basic Services	Creating conditions for decent living by consistently delivering municipal services to the right quality and standard. This includes planning for and delivery of infrastructure and amenities, maintenance, and upkeep, including the budgeting to do this. Ensuring there are no failures in services and where there are, restore services with urgency.	Universal access to Basic Services Compliance with No Drop Minimum Blue Drop Score of 95% Minimum Green Drop Score of 90%
3.	Good Governance	Ensuring municipalities are well governed and demonstrate good governance and administration, cut wastage, spend public funds prudently, hire competent staff, ensure transparency and accountability.	Effective Governance and Leadership Clean and Social Government
4.	Sound Financial Management	Ensuring sound financial management and accounting, and prudently manage resources to sustainably deliver services and bring development to communities.	Zero unauthorised, irregular expenditure Creditors paid within 30 days Zero fruitless and wasteful expenditure 100% compliance with all laws and regulations 100% accurate billing GRAP compliant asset register Reduction of overdue debt

5.	Capable Local Government institutions	Building and maintaining sound institutional and administrative capabilities, administered, and managed by dedicated and skilled personnel at all levels.	Highly Motivated, Skilled, Productive and Disciplined Workforce
			Sound and Efficient Municipal Systems and Operations

Source: Ugu District Office of the Municipal Manager

2.10 Ugu District Growth and Development Plan

The Ugu Growth and Development Strategy (GDS) commits all stakeholders (public, private, and civil society) to achieving a shared vision that by that by 2035 Ugu will be a thriving and sustainable well managed tourism and investment friendly destination with resilient communities benefitting from all sectors of the community, particularly the youth and the women. The DGDS has seven drivers which are:

1. Spatial Integration and Facilitating Security of Tenure
2. Strategic Infrastructure Investment
3. Education and Skills Development
4. Institutional Development
5. Sectoral Development and Support
6. Environmental Sustainability
7. Safety Nets & Civic Empowerment

2.10.1 Applicability to Ugu

The district municipality needs to craft its IDP and LED programmes around these cascaded national and provincial policies. This will ensure that there is common understanding of issues that need to be addressed. This in turn will go a long way in co-ordinating government efforts around eradicating under development and thus bring about prosperity in an integrated fashion.

2.11 Spatial Planning and Land Use Management Act

The SPLUMA seeks to bridge the racial divide in spatial terms and to transform the settlement patterns of the country in a manner that gives effect to the key constitutional provisions. The Act addresses the legacy of the discriminatory, inefficient, and costly spatial pattern that puts a considerable burden on the public resources. The Act also ensures that the restructuring of South African cities, towns and settlements is in line with priorities and principles of the democratic government, in a manner that gives effect to the key constitutional provisions.

The Act has six objectives as listed below.

- Provision of a uniform, effective and comprehensive system of spatial and land use management;
- Ensuring of a spatial planning and land use management system that promotes social and

economic inclusion;

- Provision of development principles and norms and standards;
- Provisions for a sustainable and efficient use of land;
- Provision of cooperative government and intergovernmental relations amongst the national provincial and local spheres of government; and
- Redressing imbalance of the past and ensuring of equitable application of spatial development planning and land use management systems.

Furthermore, the Act provides five principles that must be applied to all aspects of spatial development planning, land development and land use management. These principles are outlined in Table 6.

Table 6: SPLUMA Development Principles

Principle	Definition	Applicability to Ugu
Spatial Justice	Concerned with the past spatial and other development imbalances through improved access and ensuring the inclusion of previously disadvantaged communities. Furthermore, the land development procedures need to accommodate access to secure tenure.	The focus of development on urban coastal strip in the past has resulted in an imbalance development leading to the rural communities always lagging. The district family is also on a process of implementing wall to wall schemes which are anticipated have an impact reshaping the spatial footprint of the district.
Spatial Sustainability	For viable communities, there needs to be promotion of land development to happen within the fiscal, Institutional, and administrative means. The protection of prime and unique land should be given special consideration and the consistency of land use measures in accordance with the environmental management tools. Furthermore, the future and current costs of infrastructure and social services provision in land development need to be considered by all parties.	One of main the economic contributors in Ugu is agriculture and thus the agricultural land needs to be protected to ensure continued productivity and preservation. Furthermore, the DGDS talks about Strategic Infrastructure, that needs to be properly costed and be considered by all parties involved. The environmental viability is also of utmost importance as tourism is the key economic contributor in the district.
Efficiency	The land development should optimise the use of existing resources and infrastructure and the decision-making procedures to be designed in a way that limits negative financial, social, economic, or environmental impacts.	The need for optimisation of existing resources and infrastructure has been identified in Ugu and the importance of infrastructure operation and maintenance plan emphasised to a longer lifespan. Furthermore, even the decision making with regards to infrastructure deployment is guided by relevant policies and plans to ensure integrated implementation.
Spatial Resilience	In ensuring sustainable livelihoods in communities most likely to suffer the impacts of economic and environmental	With the high levels of poverty and unemployment in Ugu there is a need to ensure sustainable

	shocks, the spatial plans, policies, and land use management systems flexibility needs to be accommodated.	livelihoods and SPLUMA offers that opportunity through spatial and environmental plans and policies flexibility is accommodated.
Good Administration	Ensuring an integrated approach by government (all 3 spheres) to land use and land development as guided by spatial planning and land use systems embodied in the Act. All sectors need to ensure they provide necessary inputs and comply with all the prescribed requirements. There must also be transparency in policies, legislation, and procedures so that members of the community are empowered and informed.	Through the development of one or the IDP the district aims to ensure an integrated approach inclusive of all departments and local municipalities. Public participation mechanisms are also in place to ensure transparency and the members of the community are kept informed and empowered.

Source: Spatial Planning and Land Use Management Act, No.16 of 2013

2.12 EASTERN SEABOARD DEVELOPMENT FRAMEWORK

In his 1 February 2021 State of the Nation Address, His Excellency, the President reiterated government plans to build new Post-Apartheid Cities. The Eastern Seaboard is situated along the 600-kilometer coastal stretch between Buffalo city and eThekweni Metro and is largely underdeveloped. The area is endowed with natural resources spanning across multiple administrative boundaries and lies between two provinces, the Eastern Cape and Kwa Zulu Natal. In terms of connectivity and spatial relationships between the two provinces it spans to four district municipalities namely, Alred Nzo, Ugu, OR Thambo and Harry Gwala.

The eastern seaboard corridor has been identified as a strategic catalytic development area by the three spheres of government. The National Spatial Development Framework identifies the East Coast N2 corridor as a national transformation corridor, giving national priority and focus support to this area.

In the February 2021, KZN Cabinet Lekgotla a resolution was passed for COGTA and EDTEA to establish a joint task team that will implement the promotion of the N2 Eastern Seaboard Smart City and Corridor Development between KZN and the Eastern Cape. The corridor development will strengthen the link and connect the Buffalo city in the Eastern Cape to eThekweni in KZN.

The eastern seaboard coastal development will require such a focused inter-provincial, inter-governmental, collaborative and trans-disciplinary planning process, as well as implementation. The overall responsibility for management for the region will have to be done through a formal structure which will have to be formulated and administered at a national level.

2.13 District Development Model

The District Development Model consists of a process by which joint and collaborative planning is undertaken at local, district and metropolitan by all three spheres of governance resulting in a single

strategically focussed One Plan for each of the 44 districts and 8 metropolitan geographic spaces in the country, wherein the district is seen as the 'landing strip'. The District Development Model builds on the White Paper on Local Government (1998), which seeks to ensure that "local government is capacitated and transformed to play a developmental role". The White Paper says developmental local government "is local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives".

The District Development Model was initiated by President Cyril Ramaphosa in his Budget Speech in 2019. Subsequently, the District Development Model was discussed and adopted by Cabinet, the 2019 Presidential Coordinating Council (PCC), the March 2020 extended PCC and various MINMECs.

The President in the 2019 Presidency Budget Speech (2019) identified the "pattern of operating in silos" as a challenge which led to "to lack of coherence in planning and implementation and has made monitoring and oversight of government's programme difficult".

The District Development Model seeks to.

- Coordinate a government response to challenges of poverty, unemployment and inequality particularly amongst women, youth and people living with disabilities.
- Ensure inclusivity by gender budgeting based on the needs and aspirations of our people and communities at a local level.
- Narrow the distance between people and government by strengthening the coordination role and capacities at the District and City levels.
- Foster a practical intergovernmental relations mechanism to plan, budget and implement jointly in order to provide a coherent government for the people in the Republic; (solve silo's, duplication and fragmentation) maximise impact and align plans and resources at our disposal through the development of "One District, One Plan and One Budget".
- Build government capacity to support to municipalities.
- Strengthen monitoring and evaluation at district and local levels.
- Implement a balanced approach towards development between urban and rural areas.
- Exercise oversight over budgets and projects in an accountable and transparent manner.

The development of the Document is hinged on information and resolutions taken in the various IGR structures (clusters). These clusters include the Social Protection, Community and Human Development cluster, Economic Sector and Infrastructure Development cluster, Justice Crime Prevention and Security cluster and the Governance and Administration cluster. These clusters then

consolidate reports, and they are submitted to the Technical command, where the Municipal Managers from the district family of municipalities convene.

CHAPTER 3: SITUATIONAL ANALYSIS

3.1 CROSS CUTTING INTERVENTIONS

The Spatial Development Framework which informs a major part of this section forms an integral part of the IDP. It identifies what physical / spatial development should take place and where and provides the physical location and spatial interrelationship of social, economic, environmental development. It provides guidance for all future development in Ugu. The Framework does not identify every detail but establishes the strategic development direction. Furthermore, this analysis is also informed by the DGDS document.

3.1.1 Regional Context

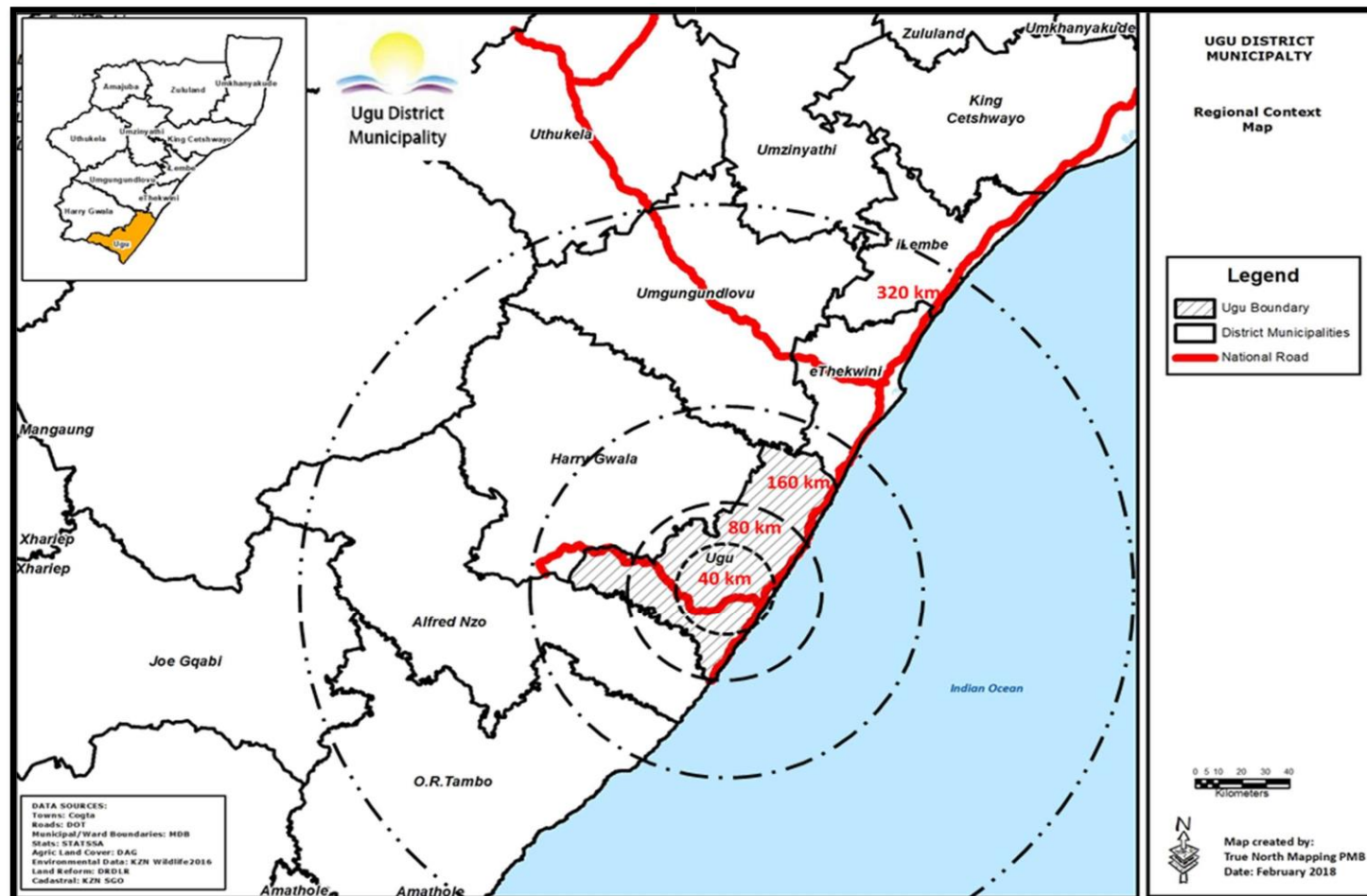
Ugu District is a notable service centre within the south of KwaZulu-Natal and the northern part of the Eastern Cape Province. It provides highly competitive tertiary services within these regional parts of both provinces, such services mainly include commercial, retail and tourism. The district also attracts a number of people for public services including medical care given the amount of public and private health care facilities.

3.1.2 Administrative Entities

The municipality is bordered in the north by eThekweni Municipality, in the West by UMgungundlovu and Harry Gwala District Municipalities and on the Southern side shares its borders with the Eastern Cape Province. The municipality is accessed via N2 and the R102 from eThekweni on the north. The N2 is an important access point as it stretches throughout the district and provides regional access to Eastern Cape on the western border where it interfaces with Harry Gwala District Municipality. R61 (National Road) links the district with the Eastern Cape on the South where it interfaces with Alfred Nzo District Municipality whilst the R102 links the district with uMgungundlovu to the west. It is located on the

southern part of KwaZulu-Natal province with a number of strategic features that embraces this location such as the following:

- ☐ It is highly accessible by the N2 and R61 which connects the area with a number of towns within KwaZulu-Natal as well as Eastern Cape and beyond;
- ☐ It is situated within a highly admired coastal strip which is affectionately known referred to as the South Coast by the tourists, residents and general travellers;
- ☐ It shares borders with eThekweni Municipality which is the economic powerhouse of KwaZulu-Natal and a very notable economic point within the country; and
- ☐ It accommodates the first coastal commercial hubs from Eastern Cape to KwaZulu-Natal.



Map 3: Regional Context

Source: Ugu District SDF

3.1.3 Existing Nodes and Corridors

In August 2015, KZN COGTA published a report titled "Towards a framework for the classification of development nodes in KwaZulu-Natal – Regional spatial restructuring for an efficient delivery of services" The aim of the report was to provide a standardised classification of nodes throughout the province. The study identified the following categories of nodes:

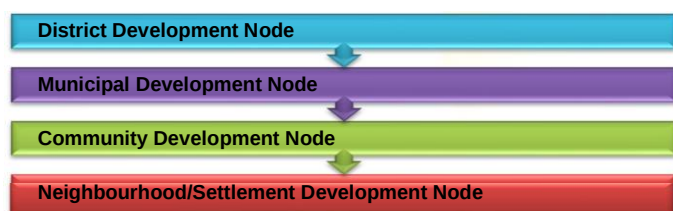


Figure 5: Ugu District Activity Nodes

Source: Ugu District SDF, 2021

District development nodes: These nodes play an integral role in the regional economy and contribute substantially to the provincial economy. They serve as major clusters of economic activities and provincial population. They have considerably developed and diversified economies. They serve as both economic hubs and administrative centres, but also perform some service centre functions. **Municipal Development Nodes** are physically connected to each other and to urban centres outside their regions (districts), by frequent and reliable transport and all-weather roads. They offer diversified commercial, financial, professional and administrative duties and services. They accommodate sub-regional offices of national government departments and branch offices of provincial government departments. They provide facilities for large scale and diversified markets, function as communication nodes for a broad rural hinterland, and provide sites for agri-business and largescale agriculture processing.

They also provide space for the location of small-scale consumer goods industries, repair workshops, and light durable goods. They offer higher educational opportunities and more specialised vocational training; and provide diversified and multi-purpose hospitals and health clinics. Municipal offices would mostly be located in these development nodes. **Community Development Nodes** are small towns that provide an area-wide exchange point household and common consumer products as well as farm inputs. They serve as nodes of transportation and distribution linked to regional centres within the province. They provide higher-level administrative services that cannot be found in community development nodes and offer vocational and secondary education, health and childcare services and rural commercial services.

Neighbourhood/Settlement Development Nodes: These would locate a settlement or cluster of settlements. Its service area would be limited to the surrounding settlements and would include lower order public, shopping and small business enterprise facilities. They serve as linkage between the local

3.1.3.1 Hierarchy of Development Corridors

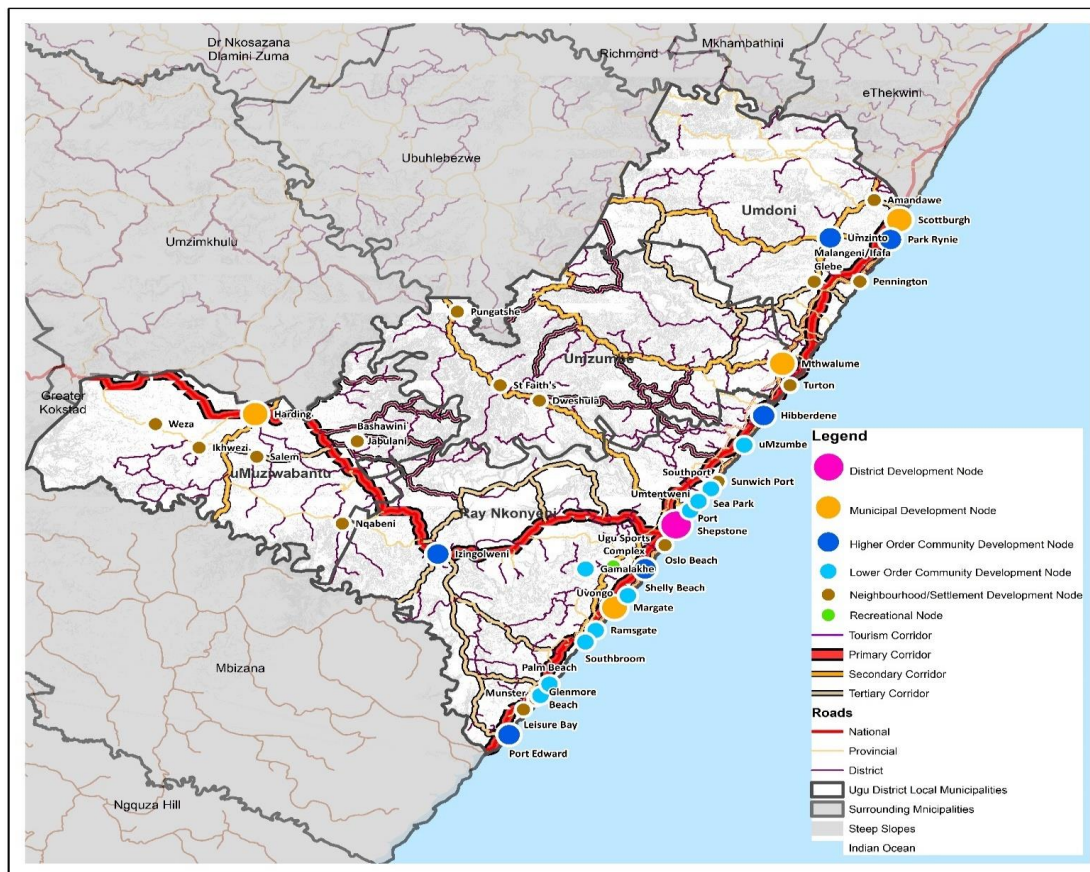
Corridors are areas of street or route-oriented uses which incorporate a mix of retail, employment and residential uses, developed at overall greater densities, located along arterial roads serving as major transit routes. Corridors link Nodes and important areas of activity within the district and are intended to be key locations for residential intensification. Corridors may form the boundaries of residential subdivisions or neighbourhoods but should act as a linear focus for activities and uses within the community. The District's Corridors provide a significant opportunity for creating vibrant pedestrian and transit-oriented places through investment in hard and soft infrastructure, residential intensification, infill and re-development.

The concept of spatial development requires an understanding of the movement networks of people, goods and services which are channelled along specific routes. These routes are described as networks of interaction. The level and intensity of activity that these networks of interaction provide result in the concept of "Development Corridors" which are broad areas of development which are centred on activity and development routes. They are characterised by dynamic, mutually supporting relationships between land uses and the supporting movement system. These development corridors are generally supported by a hierarchy of transport services which functions as an integrated system to facilitate and foster ease of movement for private and public transport users.

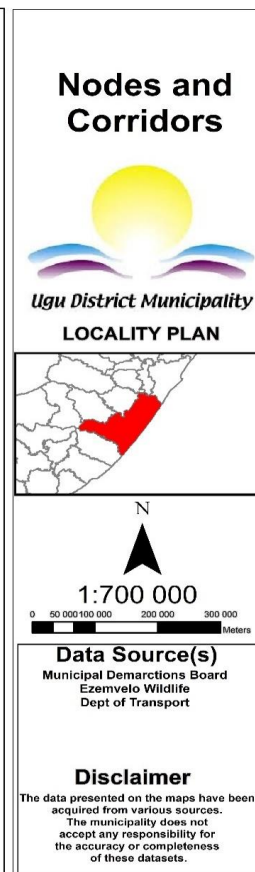
A key element of corridor development is intensification. A large portion of the District's land use intensification target is directed to Nodes and Corridors. In older Corridors, intensification stabilizes and grows the population, helping to support local businesses, institutions and community facilities such as community centres, parks and schools, thus returning vitality to these areas. In new or developing corridors, intensification, supported by transit, provides a diversity of housing types and living environments that reduce the dependency on automobiles, creating liveable environments.

The SDF recognizes Corridors as key structural elements for Municipal, neighbourhood and precinct planning; however, some corridors function as an integral part of a much broader environment with a national, provincial and district wide impact (N2). Therefore, a central element of corridor planning will be to identify the unique role played by each corridor and ensure that proper planning co-ordination and guidance is provided for each of the corridors identified, whilst embracing the general ethos of corridor development planning.

Development corridors in Ugu DM occur at various scales and are dependent on function and categorisation of the transportation route that forms the basis of the corridor. They carry flows of people and trade between two points (origin and destination) and foster nodal development at strategic points. Corridor development forms the basis of spatial structuring and is a tool for economic growth. It seeks to create functional linkages between areas of higher thresholds and economic potential, with those that have insufficient thresholds. This, in turn, enables areas that are poorly serviced, to be linked to areas of opportunity and benefit and with higher thresholds.



Map 4: Nodes and Corridors



GIS, 2022

Source: Ugu

3.1.4 Broad Land Use Patterns

3.1.4.1 Coastal Tourism Towns and Surrounding Suburbs

There are a number of coastal tourism towns that are located along Marine Drive, Ocean Drive and Finnis Road. These are mostly dominant within Ray Nkonyeni Local Municipality, specifically along R61 from Port Shepstone to Port Edward, however coastal tourism is also seen in Scottburgh, Park Rynie, Pennington, Sunwhich Port, Hibberdene etc. These towns are also surrounded by associated formal suburbs. These towns have a number of commercial and entertainment activities within it which were introduced in order to embolden this tourism environment.

Commented [F4]: Do we call them towns?

3.1.4.2 Urban Towns and Surrounding Suburbs

The main urban centres within the study area are Port Shepstone, Hibberdene, Scottburgh, Margate, Port Edward and Harding Town. These serve as the main towns for the municipal area with the highest agglomeration of commercial activities.

3.1.4.3 Rural Town and Surrounding Peri-Urban Settlements

Izingolweni is the main rural town that is found within the municipal area. Turton within Umzumbe is experiencing an increase in density marked by a phenomenal increase in the number of people that live within the area. It is surrounded by the densely populated rural settlements which have grown around it over the years.

3.1.4.4 Rural Villages and Settlements

Majority of the inland area is occupied by rural villages and settlements. These are spread within different parts of the administrative boundaries of traditional authorities. These villages and settlements have a number of commercial and social activities within them. The kind of commercial activities are limited to small local convenient shops, taverns as well as small scale manufacturing activities (block making) and personnel services such as salons and small-scale agricultural activities (ploughing fields and food gardens).

3.1.4.5 Commercial Agriculture

Most commercial agriculture is intensive in one or more ways. Forms that rely especially heavily on industrial methods are often called industrial agriculture, which is characterised by innovations designed to increase yield. Techniques include planting multiple crops per year, reducing the frequency of fallow years, and improving cultivars. It also involves increased use of fertilizers, plant growth regulators, pesticides and mechanised agriculture, controlled by increased and more detailed analysis of growing conditions, including weather, soil, water, weeds and pests. This system is supported by ongoing innovation in agricultural machinery and farming methods, genetic technology, techniques for achieving economies of scale, logistics, as well as data collection and analysis technology. Intensive farms are widespread in developed nations and increasingly prevalent worldwide. Most of the meat, dairy, eggs, fruits and vegetables available in supermarkets are produced by such farms. Smaller intensive farms usually include higher inputs of labour and more often use sustainable intensive methods. The farming practices commonly found on such farms are referred to as appropriate technology. These farms are less widespread in both developed countries and worldwide but are growing more rapidly. Most of the food available in specialty markets such as farmers markets is produced by these smallholder farms.

The district has an abundant amount of agricultural land which is geographically located between the urban and rural areas in the form of commercial agricultural farms. The agricultural pattern within the area is primarily due to the undulating topography, which prescribes the available land parcels out of the valley lines and along other major structuring elements. The agricultural industry is a prominent feature within the KwaZulu-Natal south coast, and therefore becomes a predominant land use within the area. The predominance is due to the rich natural resources and climatic conditions, which allow for the farming of produce such as sugar, bananas, timber, pawpaws, coffee, tea and exotic nuts along the coast, maize, legumes, cattle, vast pine, commercial forestry, wattle and eucalyptus plantations inland. Commercial agriculture activity is concentrated largely within a central band located south-east of Harding.

3.1.4.6 Subsistence Agriculture/ Grazing Land

Rural subsistence farming activity is generally equated with the traditional settlement areas of specifically the rural areas. The agricultural practices within the Traditional Settlement areas of Ugu are diversified with many households producing food for subsistence purposes. Rural subsistence agriculture is far more extensive in the southern traditional authority areas of KwaJali and KwaMachi in Harding. Due to the often-large degree of transformation of these areas in terms of grazing cover as well as institutional factors, grazing capacity and other resource constraints limit the extent to which livestock as well as farming could be expanded. Settlements such as Odidini, Imfume, Dududu, Mkhunya, Kenterton, Qoloqolo, Msinsini, Dweshula, Assissi, Qiniseleni and Ezingolweni villages are low density settlements which still practice subsistence agriculture.

3.1.4.7 Conservation and Environmentally Sensitive Areas

The Conservation areas comprise a composite of Core Environmental areas, steep slope areas unsuitable for development and the 30m flood line buffers. There are two important grassland areas to the south and east of Odidini. These grassland areas are of high conservation value as they form part of the Interior South Coast Grasslands Belt, a Critically Endangered ecosystem. These grasslands occur within a Traditional Authority Area and have relatively low levels of settlement. Imfume is an area of grassland to the east, which is also of high conservation value as it forms part of the Interior South Coast Grasslands Belt, a Critically Endangered ecosystem. This area also provides an important wildlife corridor between the conservation areas along the iLovu River, Umgababa River, and the Umkhomazi River. This grassland occurs within a Traditional Authority Area and has relatively low levels of settlement.

Umkhomazi River Valley is a large area of Eastern Valley Bushveld, situated in the upper catchment of the Umkhomazi River, and which forms the northern boundary of the Ugu Municipal Area. Other formal environmental areas include Umtamvuna, Mbubazi, Mpenjati, Skyline, and Oribi Gorge. This area occurs within a Traditional Authority Area and has relatively low levels of settlement due to the steep topography. There are also a number of unprotected environmental areas within the area which are undeveloped /untransformed and consist of grassland, dense bush and forests. High biodiversity areas represent a substantial fraction of the area.

Mpambanyoni River Valley is an area of Ngongoni Veld (Vulnerable) and Eastern Valley Bushveld situated in the upper catchment of the Mpambanyoni River. This area occurs within a Traditional

Authority Area and has relatively low levels of settlement. Other river valleys which the district considers crucial, endangered, vulnerable and environmentally sensitive areas, include Fafa River Valley, Mtwalume River Valley, Quha River Valley, Kwa-Malukaka Valley, Mzumbe River Valley, and Umzimkhulu River Valley. There are several pockets of Scarp Forest occurring within and surrounding Vernon Crookes Nature Reserve. These forests occur on private properties, between areas of commercial sugarcane. Other forests which are environmentally sensitive, endangered and must be protected include Ntimbankulu Forest and Weza State Forest.

3.1.4.8 Industrial Hubs

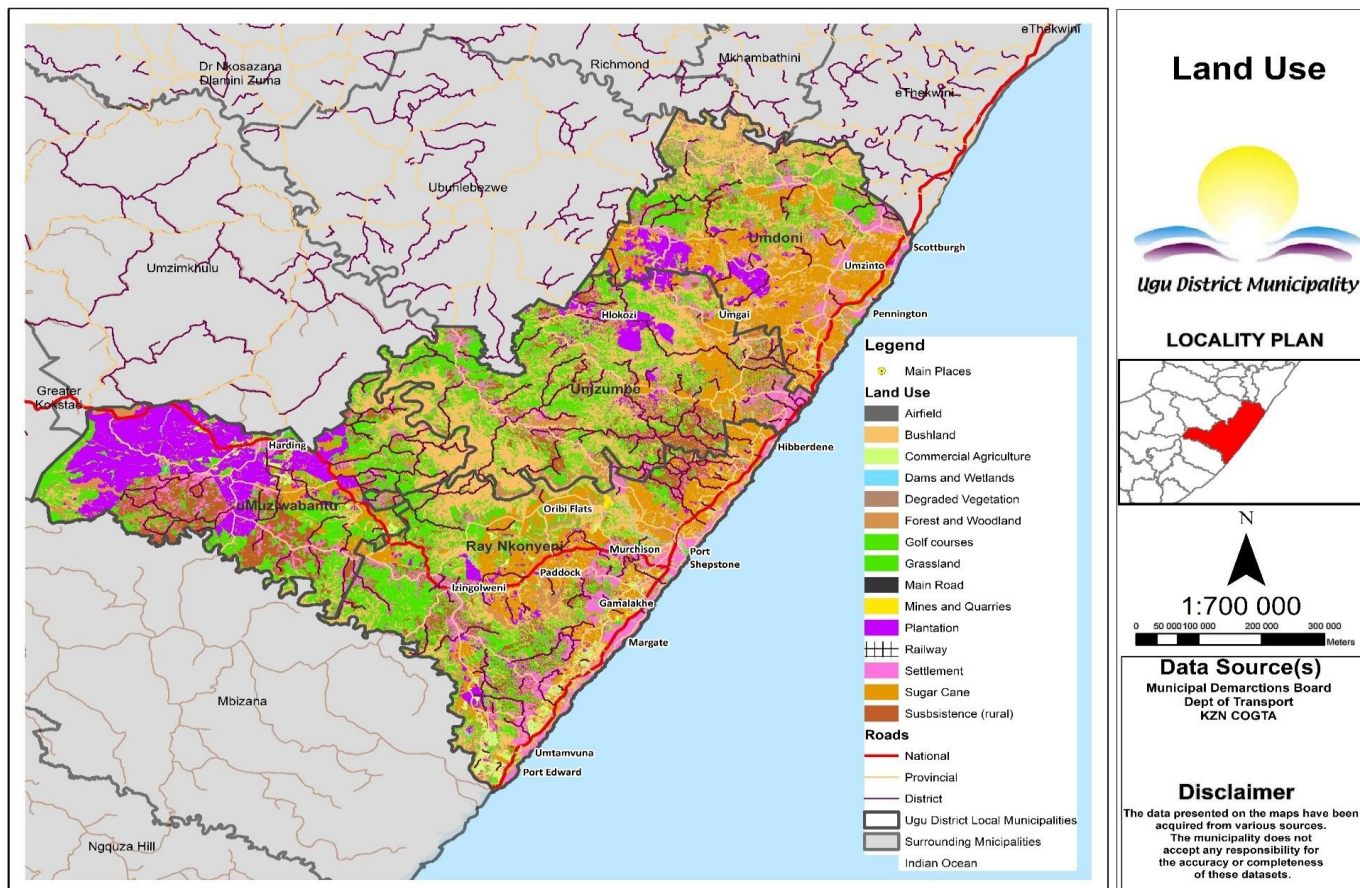
There are several industrial hubs which are observed within the region, and they include Weza Sawmill Merensky which is a theatre of manufacturing and storage/ warehouse activities within Umuziwabantu area, Izotsha Industrial Development Corridor which is a theatre of manufacturing and storage/ warehouse activities within the RNM area, Other industrial activities are found in towns such as Marburg and Port Shepstone which also extensively contribute in the economic growth of the municipality. The areas that are currently zoned as industrial areas within Umdoni include 1 Area in Scottburgh (adjacent to the N2), 1 Area in Park Rynie (adjacent to the N2 off ramp), 1 Area in Esperanza (south), Specific sites in Umzinto North and Specific sites in Umzinto South.

3.1.4.9 Tourism Activities and Farms

Tourism is a key sector which can and should be developed through the development of tourism products based on the diverse natural and cultural resource base of the municipality. within the area of Umzumbe, it is identified as one of the economic opportunity areas that requires attention and investment. The district has identified several tourism opportunities and projects in Umzumbe, with the focus being on agri-heritage and cultural tourism.

Tourism assets which Umdoni area is richly blessed with include; Beaches: Scottburgh Beach and its grass-covered banks is one of the main attractions as it has established itself as the popular holiday resort destination for South Africans and foreign dwellers; Golfing: Along the South Coast Umdoni is identified as one of the hidden treasures of the Golf coast. The Golf course has 18 holes and is situated on 200 hectares of indigenous coastal forest. It has fauna and flora and magnificent vistas that make it a breath-taking experience to explore; Caravan Parks and Camp Sites. Scottburgh Caravan parks are privately owned seaside resorts and campsites are owned by the municipality. TC Robertson Nature Reserve: This nature reserve is located within just a 10 min walk from the centre of Scottburgh and from the main beach area. It has become a popular picnic venue with over 180 species of birds, bushbuck, grey duiker and blue duiker and Croc World.

This tourist attraction was established in 1985 and it is popularly known for its spectacular inland valley views and indigenous trees and plants. It houses a large collection of snakes and showcases endangered other species such as tortoises and therefore described as the reptile and bird park. Adventure tourism is already an important draw card for the Ugu District, but to date the focus has been on coastal adventure tourism activities such as diving, fishing and related water sports. Other tourism activities ensue from Oribi Gorge and include but not limited to hiking, river crafting, zip line, wild swing and sliding.



Map 5: Broad Land Use

Source: Ugu GIS, 2022

3.1.5 Land Ownership

Most of the households in the Ugu District Municipality's area of jurisdiction are owned and fully paid off by their occupants (61%), occupied rent free is 9% and rented also 16%. The households that are owned but not yet paid off are 9%. It is important to further interrogate the tenure / ownership type of the ownership as most of the ownership type is long term lease or PTO the title deed being limited only to the urban areas as the rural areas are under Ingonyama Land Trust and 79% of the population reside in the traditional areas. The table and chart below show the land ownership of the district.

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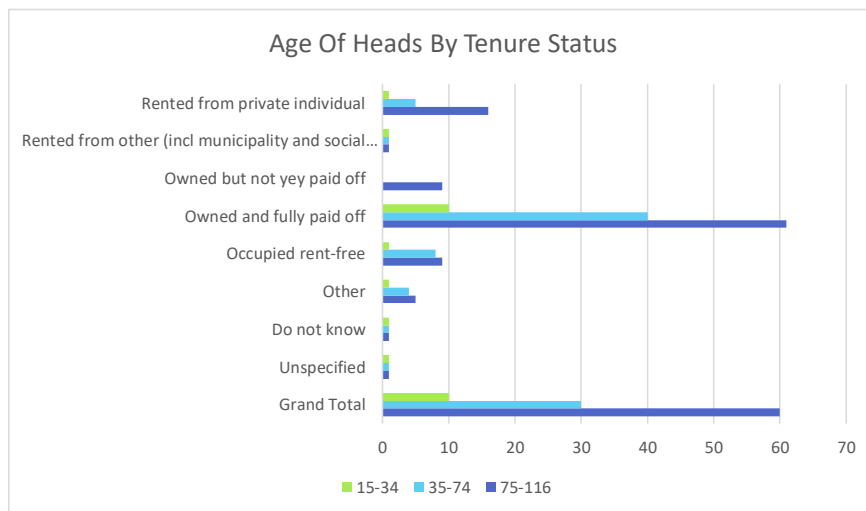


Figure 6: Ugu District Municipality Land Ownership
Source: Community Survey Stats SA 2016

3.1.6 Land Reform

Land reform is an integral part of the transformation of the South African urban and rural landscape and limited success has been achieved to date across South Africa. Where it has been implemented it has been generally regarded as unsuccessful leaving communities and individuals destitute. There are quite a number of land claims that were lodged within the district. However, a few of these claims were transferred into projects, inter alia Nzimkwe, Impenjati and Khoshwani. There are also a number of gazetted restitution claims within the area. This includes Beshawu claim, Ezinqoleni claim, kwaXolo claim, Madlala claim, Masakhane claim, Mathulini claim, Mavundla claim and Oshabeni claim.

The importance of implementing successful land reform initiatives can, however, not be doubted. Such initiatives should contribute to improving household food security and supporting economic development in the District. As the focus of spatial planning is on the appropriate use of land, it is of specific importance that the impact of spatial planning proposals in the district on all facets of land reform be considered. The different facets of the land reform programme include land redistribution; land restitution and land tenure.

3.1.7 Land Potential

Much of development proposals presented in local economic development strategies require access to land. Examples of this include the development of industrial areas, the expansion of agricultural production, the establishment of new residential developments and more. From initial spatial and land use assessment, it has, however, been concluded that land in the Ugu District should be viewed as a scarce resource. Map 5 quantifies the current land use situation in the Ugu District, and specifically considers the availability of undeveloped land for development.

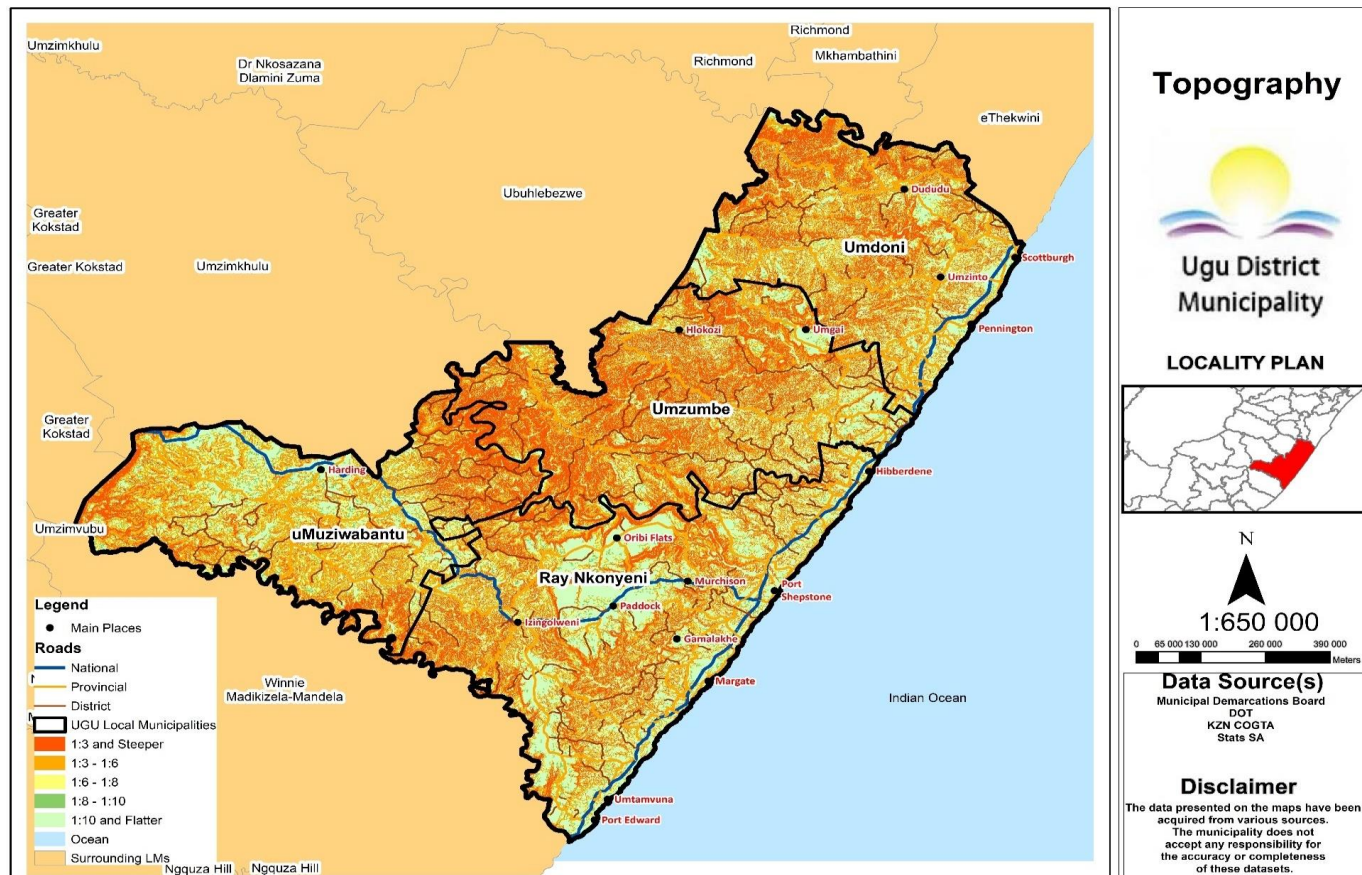
Although there appears to be substantial land available for development in the Ugu District, much of this land has a slope of greater than 13° which severely restricts the development potential. Approximately 30% of the land in the District can be classified as settled areas (including the urban edge and dense rural settlement). Sugar cane and forestry occupy 20% of the land with commercial crops and orchards occupying only 0.5% of the land.

The land available for development is generally located in small pockets and / or not well-located (i.e. located on river flood plains) and therefore not necessarily available for development. Low density rural and urban settlement areas also continue to expand and reduce the extent of land available for development. Also, to be considered is that sugar cane land, if used for alternative production or urban land uses, reduces the land for sugar cane and may impact on the longer-term sustainability of the two sugar mills located in the District. These are major contributors to the economic output of the District.

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3.1.7.1 Spatial Planning Perspective on Land Potential

With the above in mind it is important that the appropriateness of nodes currently reflected in spatial planning is assessed and the optimal location for the establishment of specifically rural nodes be determined. The establishment of periodic service delivery points across the District, in locations that may in future be targeted for nodal development, should be considered. These periodic service delivery points must be clearly reflected on local municipality spatial development frameworks and should be the basis for the development of a periodic service delivery system. Through the establishment of such service delivery points the formation of informal and formal markets can also be promoted.



Map 7: Topography

Source: Ugu GIS, 2022

3.2 ENVIRONMENTAL MANAGEMENT ANALYSIS

Environmental management is the process to improve the relationship between the human beings and environment which may be achieved through check on anthropogenic activities, conservation, protection, regulation and regeneration of nature.

Ugu District Municipality endeavours to engage in the process of adjustment of a relationship of man with nature which involves judicious exploitation and utilization of natural resources without disturbing the ecosystem balance and ecosystem equilibrium.

A background desktop analysis of the environmental analysis in Ugu District Municipality is outlined in this chapter of the IDP.

3.2.1 Physical Environment

This section covers the physical environment of the Ugu District Municipality area, looking at the topography and water resource, geology and soils, land cover, the coast, and biodiversity and conservation as summarised below:

- Topography and Water Resources: Rises from sea level to inland plateau. The major rivers are Umzumbe, Ifafa, UMthwalume, UMzumbe, UMtentweni, Umzimkhulu, Umzimkhulwana, UMthamvuna, Mzimayi. Bordering rivers are Umkomaas and Umthamvuna. The altitude is 20-100 above sea level and the slopes are >40%.
 - Estuaries: Ugu District Municipality has about 36 estuaries which are distributed along a 112-kilometre coastline. These estuaries are characterised by high biodiversity and productivity and provide a range of environmental socio-economic benefits. 24 of these estuaries have Estuary Management Plans as required by the National Environmental Management: Integrated Coastal Management Act (Act No. 24 of 2008), as amended by the National Environmental Management: Integrated Coastal Management Amendment Act (Act No. 36 of 2014)
- Biodiversity and Conservation: Environmentally sensitive areas are marine reserves, wilderness areas, monuments, conservation areas, nature reserves, wetlands, threatened species and their habitats, areas of high species diversity and sites of scenic value. Wetlands are under severe, inappropriate development pressure, wetland habitats being replaced by developments. An emerging challenge in terms of biodiversity is that vegetation is characterised by various indigenous communities being overtaken by invasive alien plants. Protected areas are Vernon Crookes, Mpenjati, Oribi Gorge, Umtamvuna and Mbumbazi Nature Reserves under EKZNW. There are others under private ownership.
- Geology and Soils: Parent geological material along the coast includes the Dwyka Series occurring south of the Umkomaas River, inland from the UMthwalume River to the Ifafa River, south of the Umzimkhulu River and north of the UMtentweni River. Slight moderate erosion occurs. Alluvial deposits occur along estuaries and river flood plains, highly productive soils ranging from sandy through loamy to clay deposits, rich and humus, prone to extensive development pressure for cultivation activity. Sands that are overlaying the bluff beds are berea

red sands representing the old dunes. – north of Sezela, south of Mpambanyoni and south of Mkomaas rivers. Sands colour generally range typically from white to gray, red or brown to yellow depending on the oxidation state of the iron containing minerals coating the quartz grains, typically poor for cultivation as they are subject to erosion if disturbed through inappropriate development. Dolorite is found along the uMzumbe coast and in the vicinity of the Damba River. Soils are usually nonstructured clay formations with loam. High agricultural potential. Sections of structured upland clays become waterlogged and there are extensive deposits of Gneiss (Granite) along the entire coast with cretaceous marine sediment deposits. Small quantities of gold, asbestos, limestone, kaolinite, bauxite, graphite, copper and nickel occur on the coast

- The Coast: The length of strip of the coast is 112km, covering Umdoni, Umzumbe and Ray Nkonyeni local municipalities with 36 estuaries. The development in the coastal corridor is relatively well developed with hard and bulk infrastructure; light industries on the south focused around Port Shepstone, Marburg areas and Margate Airport as well as Scottburgh-Park Rynie on the North. There are intensive residential and holiday resorts developments. In the coast is highly vulnerable due to development and sea level rises thus the CVI suggests precautionary measures on the high to moderate risk areas.
- Land Cover: according to CSIR's "Standard Land-cover Classification Scheme for Remote Sensing Applications", sugar cane and small holdings penetrate the land in the Northern subregion-limited to no more grassland left in the primary and secondary boundaries of the sub-region except on the Southern Sub-Region, west of Port Shepstone, Shelly Beach and Port Edward.

Integrated Environmental Management (IEM) in the form of EIA compliance is a major milestone being achieved under the National Environmental Management Act (NEMA) across various sectors, both public and private. This milestone is of high importance in achieving the overall objective of maintaining harmony between man and the environment whilst there is no hinderance in development.

3.2.1 Key Hydrological Features

The Ugu District contains three main river systems (Umkomaas, Mzimkhulu and Mtamvuna) as well as several smaller, but significant, rivers. Only a small portion of the Umkomaas River Catchment falls within the Ugu District. Only two of the 12 Quaternary Catchments fall partially/ within the UDM. Both are relatively undeveloped but with a relatively high proportion of alien invasive vegetation. These catchments have relatively low to no anthropogenic impacts and are in a good ecological state. There are extensive areas of significant wetlands which are in good ecological condition.

A small portion of the Mzimkhulu River Catchment falls within the Ugu District. The catchment is relatively well developed throughout and most of the Quaternary Catchments have a high proportion of alien invasive vegetation. These catchments have relatively low to no anthropogenic impacts and are in a good ecological state. However, more impact has been noted within T52K. There are extensive areas of significant wetlands which are in good ecological condition.

The Mtamvuna River Catchment falls mostly within the Ugu District. The inland portion of the catchment is relatively well developed, while the three Quaternary Catchments closer to the coastline have markedly less development. Most of the Quaternary Catchments have a high proportion of alien invasive vegetation. These catchments have relatively low to no anthropogenic impacts and are in a good ecological state. There are extensive areas of significant wetlands which are in good ecological condition.

The remaining smaller but significant catchments vary in their levels of development and proportion of alien invasive vegetation. However, all, except the Mzinto River Catchment are classed as having relatively low to no anthropogenic impacts and are in a good ecological state. The Mzinto River Catchment is classed as having a higher level of impact. There are also significant wetlands within these catchments.

3.2.2.1 Runoff Potential

There is a trend of increasing runoff potential towards the southern section of the Ugu District. At this desktop level of study, it is unclear as to how best to access the available water resources, should they be required. If the streamflow is variable, then storage structures may be required to get specific demands at the required assurance of supply. Conversely, if the flow volumes are sufficient and the streamflow is not variable, then run-of river abstractions may become plausible.

3.2.2.2 Groundwater

The geohydrological units underlying the Ugu District are classified as secondary aquifers (except for the unconsolidated sediments, where they occur) with groundwater occurrence characterised either by aquifers with fractured flow or by aquifers with inter-granular and fractured flow. Borehole yields are expected to be satisfactory apart from a limited number of low yield areas (e.g. north of Umkomaas).

Due to the variability of the geology, groundwater levels and aquifer parameters such as hydraulic conductivity and transmissivity will differ across the Ugu District, and will be locally dependent on aquifer type, geological structure, and topography.

Groundwater quality is generally good. However, groundwater quality will be heavily influenced by the depositional environment, proximity to the coast and industrial activities. Due to the variation in elevation across the Ugu District, mean annual precipitation, and therefore potential groundwater recharge, is variable.

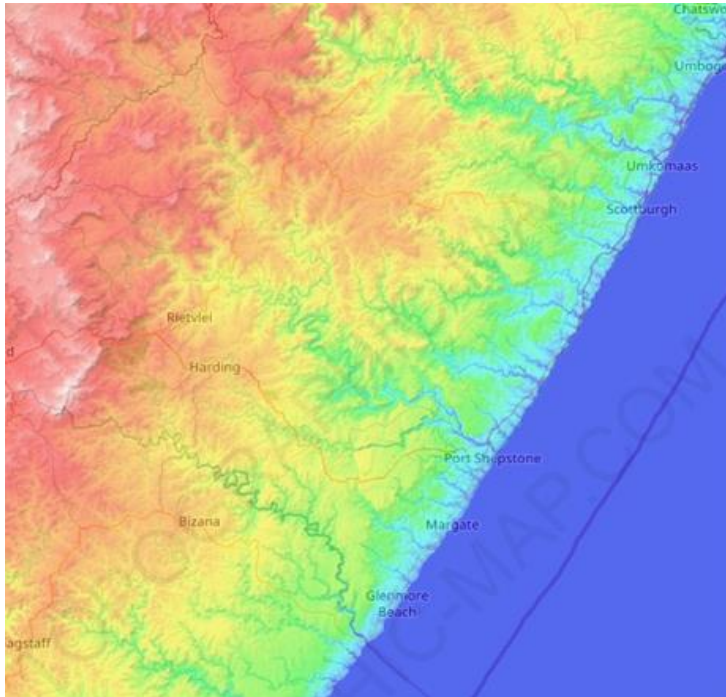


Figure 7: Ugu District River and Catchment Areas

Source: Ugu District Environmental Management

3.2.2 Protected Areas

Protected Areas (PAs) are restricted to formally proclaimed areas under the National Environmental Management: Protected Areas Act (2003) that forms the backbone of the conservation network. These areas are critical in their contribution to the achievement of conservation objectives in the province.

Protected Areas (PAs) fulfil several critical functions within the landscape, most notably they function as the cornerstones of biodiversity conservation and ecological sustainability, biodiversity retrospectivity, climate change adaptation, provision of ecosystem goods and services, and socioeconomic (particularly rural) development (DEA 2009). It is therefore not surprising that protected areas are seen as one of the most important mechanisms for protecting biodiversity.

Internationally, the Convention on Biological Diversity (CBD) committed governments to protecting a minimum of 10% of each habitat type by 2010. South Africa's current protected area network falls far short of sustaining biodiversity and ecological processes with only approximately 6% of our land surface set aside and managed as protected areas. This flat target of 10% is relatively arbitrary, with no compelling ecological rationale. In the South African context, with our globally exceptional levels of biodiversity richness, we need a higher level of protection (DEAT & SANBI, 2008).

At present, a total of seven terrestrial formally protected and two marine protected areas (Aliwal Shoal & Trafalgar) occur within the Ugu District (see Table 3.2.1.2.1). These range in extent from 17 ha

(Skyline Nature Reserve) to over 12, 000 ha (Aliwal Shoal Marine Protected Area). Terrestrial protected areas cover a meagre 8883.1 hectares, representing only a small fraction (1.76%) of the land surface within the District. This figure is clearly well below international benchmarks and is grossly inadequate to protect the diversity of species, habitats and processes within the District.

Table 7: Protected Areas

Site	Date Proclaimed	Extent (Ha)
Oribi Gorge Nature Reserve	1950	1745.7
Skyline Nature Reserve	1986	17.1
Mbumbazi Nature Reserve	1986	2022.9
Mehlomnyama Nature Reserve (Managed by DWA)	1908	160.6
Umtamvuna Nature Reserve	1971	2653.0
Vernon Crookes Nature Reserve	1973	2188.9
Mpenjati Nature Reserve	1985	94.9
Total	8883.1 (1.76%)	
Marine Protected Areas		
Aliwal Shoal Marine Protected Area	2004	12461.5
Trafalgar Marine Reserve	1979	552

Source: Ugu District Environmental Management

While several informal conservation areas also exist, these areas are not formally protected by law and therefore provide little assurance of long-term protection. These areas include community conservation areas, privately owned reserves, and game ranches. Further efforts are clearly required to expand the existing formal conservation estate with opportunities for building on existing biodiversity commitments shown by landowners through these informal conservation initiatives.

Protected area expansion planning has been undertaken at both a National and Regional level to help direct conservation programs. Unfortunately, these plans have led to little formal action on the ground apart from the conceptual development of a Big 5 Reserve associated with the Mzimkhulu priority area identified in the national plan. Priority areas are also quite different with little alignment between the existing plans. It is hoped that the outcomes of the BSP will help to provide further focus for future conservation efforts.

3.2.3 Management Effectiveness and Pressures Facing Protected Areas

An assessment of the management effectiveness of protected areas managed by EKZNW was undertaken in 2010. This assessment was based largely on the Management Effectiveness Tracking Tool (METT) developed by WWF and the World Bank (WB) in 2007. The results of the assessment are summarised in 8, below. This clearly shows that all the sites assessed fell short of the 77% minimum standard which was set by the Management Effectiveness Task Team with sites ranging in scores from 53% to 64%. This suggests that further efforts are required to improve management of existing protected areas and so ensure that the few biodiversity assets within such areas receive the protection required.

The level of pressure facing different protected areas is also worth noting (see Table 8). Of relevance, is the very high pressure associated with Umtamvuna Nature Reserve which ranked highest in the

Site	Extent	Effectiveness	Pressure
Oribi Gorge Nature Reserve	1745.7 ha	60 %	Medium
Skyline Nature Reserve	17.1 ha	63 %	Medium
Mbumbazi Nature Reserve	2022.9 ha	53 %	Medium
Mehlomnyama Nature Reserve (Managed by DWA)	160.6 ha	No Data	No Data
Umtamvuna Nature Reserve	2653.0 ha	60 %	Very High
Vernon Crookes Nature Reserve	2188.9 ha	59 %	Low
Mpenjati Nature Reserve	94.9 ha	64 %	High



3.2.4 Biodiversity

The CBA map indicates areas of terrestrial land, aquatic features as well as marine areas which must be safeguarded in their natural state if biodiversity is to persist, and ecosystems are to continue functioning. The CBA map aims to guide sustainable development in the district by providing a synthesis of biodiversity information to decision makers and serves as the common reference for all multi-sectoral

planning procedures, advising which areas can be developed in a sustainable manner, and which areas of critical biodiversity value ("Critical Biodiversity Areas" or CBAs) and their support zones ("Ecological Support Areas" or ESAs) should be protected against biodiversity threats and impacts. ESAs, whilst not necessarily required to meet conservation targets, are important in maintaining ecological processes and system functioning of their associated CBAs.

An additional category, termed "Ecological Infrastructure" or EI (also referred to as "Ecosystem Goods and Services Areas" or EGSAs) identifies areas of natural or near-natural features, habitats or landscapes that have been highlighted as being particularly important in providing high levels of ecosystem service delivery, e.g. water production areas, key flood mitigation areas, etc.

This category forms a subset of the larger matrix identified on the map as "Other Natural Areas". These are natural, near-natural vegetation and functional habitats or landscapes not yet classified as one of the above categories (i.e. CBAs, ESAs, or EI), but that should be recognized as being important in maintaining and supporting ecological processes and ecosystem service delivery, and should also be safe-guarded where possible. Whilst these Other Natural Areas are sufficiently extensive at this stage that they may withstand some loss through conversion of their natural state and undergo development, it is possible however that these areas will eventually be reclassified as Critical Biodiversity Areas in the future as development pressures increase.

The CBA map also identifies "Transformed Areas" that have been irreversibly transformed by land uses such as agriculture, forestry, and urban infrastructural development, with no significant natural vegetation remaining and therefore are attributed to having a low biodiversity value.

Source: Ugu GIS, 2022

3.2.5 Households located in hazardous areas

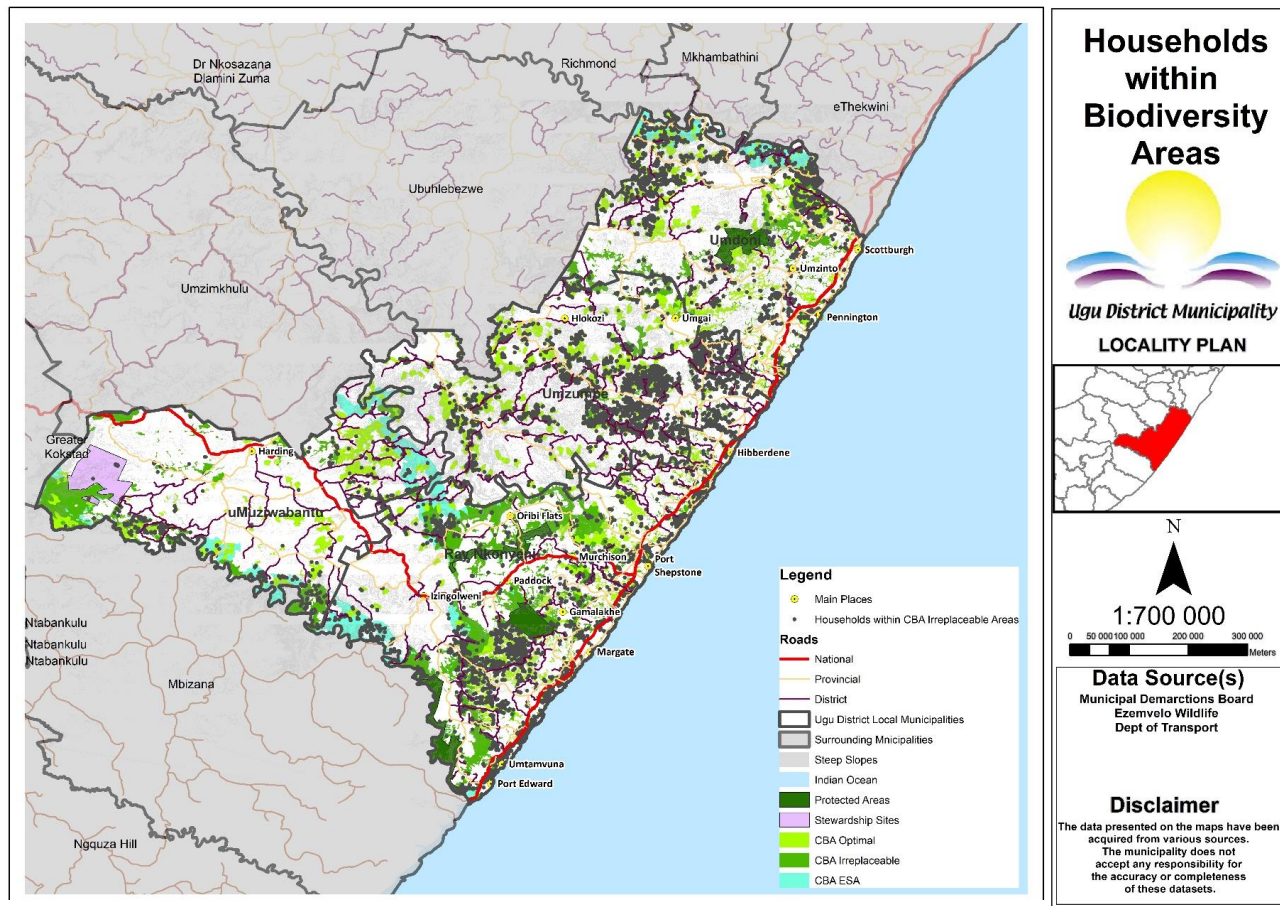
Due to the nature of a coastal area, there are a large number of catchments within the UDM, ranging from small, localised catchments spanning a few square kilometres to the Mzimkhulu and Umkomaas Catchments stretching back to their headwaters in the Drakensberg Mountains. There is a common theme throughout the UDM in that there are no major dams or impoundments, only several small local supply dams. These impoundments are quantified in terms of volume and surface area within each sub-section to follow. The majority of the area is characterised as moderately erodible, with a smaller portion characterised as highly erodible (Rooseboom, 1992). This was thought to be as a result of the moderate to high rainfall erosivity, based on the EI30 (maximum rainfall intensity values for a 30-minute period) values for the area (Rooseboom, 1992).

Furthermore, the majority of wetlands in the Ugu DM occur within higher rainfall areas, resulting in high densities of wetlands along the coastal region and fewer located inland. As a result of intensive urban development along the coast and agricultural practices (commercial and informal), an estimated 67% of wetland areas have been subject to transformation, significantly affecting the ecosystem services derived from these resources. While no critically endangered wetland types were identified in the provincial assessment, more than 50% of wetlands fall within an endangered wetland vegetation type. The national assessment paints a worse picture with many wetland vegetation groups classified as critically endangered in the study area. These are all areas which are considered as environmentally sensitive due to, inter alia, their ecosystem benefits. There are approximately 7785 households within Ugu District that are located on hydrologically sensitive areas. The wetlands and the rivers are protected by various pieces of environmental legislations. With the recent climate change events leading to excessive heavy rainfall and floods, it has become more important for these situations to be avoided.

3.2.6 Vegetation

A range of vegetation types extend across the UDM and are grouped within three biomes, namely the Indian Ocean Coastal belt, Savannah biome inland of the coastal belt, and a small section of the grassland biome west of Harding and extending north towards Kokstad. Transformation has significantly impacted in the extent of remaining natural habitat, particularly along the coast and in higher lying inland regions. High levels of transformation in the study area have contributed to five vegetation types being classified as critically endangered and a further three vegetation types of the study area while 24% of vegetation types are vulnerable, while only 17% are classified as least threatened.

A national process has also been undertaken to identify and list threatened ecosystems. Threatened Ecosystems are those ecosystems (in this case defined as a vegetation type) that are currently under threat of being transformed by other land uses. The first national list of threatened terrestrial ecosystems for South Africa was gazetted on 9 December 2011 (National Environmental Management: Biodiversity Act: National list of ecosystems that are threatened and in need of protection, G 34809, GoN 1002, 9 December 2011). The Biodiversity Act (Act 10 of 2004) provides for listing of threatened or protected ecosystems, in one of four categories: critically endangered (CR), endangered (EN), vulnerable (VU) or protected.



Map 9: Households within Biodiversity Areas

Ugu GIS, 2022

Source:

3.2.7 Climate Change

3.2.7.1 Climate Risk Profile

The Ugu District is already familiar with climate related extremes in the form of droughts and flooding, posing a significant risk to the region's economy, ecosystems, and population. However, the impact of a changing climate will stretch beyond the impact of extreme events. Considering the socioeconomic and environmental challenges currently faced by the Ugu District, increasing costs associated with the projected climate change impact will compromise growth and development goals.

Climate related extreme events and long-term impact has already and will continue to place a significant financial burden on public sector service delivery, compounded by prevailing socio-economic and environmental factors contributing to overall vulnerability. This burden will continue to increase, if climate change is not adequately addressed across district through effective response strategies.

A summary of the likely climate change impacts associated with a range of possible climate risks for the Ugu District were assessed based on the results of the climate assessment, manageability, exposure, and hazard analysis undertaken as well as in consultation with a number of key stakeholders and observations of the current socio-economic conditions.

Higher maximum temperature, more hot days and more heat waves

Increased heat stress on humans and livestock; Increased incidence of heat-related illnesses; Increased mortality and serious illness, particularly in older age groups; Increased heat stress in livestock and wildlife; Decrease crop yields and rangeland productivity; Extended range and activity of some pests and disease vectors, specifically malaria; Increased threat to infrastructure exceeding design specifications relating to temperature (e.g. road surfaces, electrical equipment, etc.); Climate Risk Likely Climate Change Impacts Increased electric cooling demand increasing pressure on already stretched energy supply reliability; and Exacerbation of urban heat island effect.

Higher minimum temperature, fewer cold days and frost days

Decreased risk of damage to some crops and increased risk to others such as deciduous fruits that rely on cooling periods; Reduced heating energy demand; Extended range and activity of some pests and disease vectors.

Increased rainfall variability and subsequent drought potential

Decreased average runoff, stream flow, ground water recharge; Decreased water security and potential increase in cost of water resources; Decreased water quality; Decrease in shoulder season length, threatening sensitive crops; Increased fire danger (drying factor); and Impact on rivers and wetland ecosystems.

Intensification of rainfall events

Increased flooding; Increased challenge to storm water systems in settlements; Increased soil erosion; Increased riverbank erosion and demands for protective structures.

Climate Risk Likely Climate Change Impacts Increased pressure on disaster management systems and response; Increased risk to human lives and health; and Negative impact on agriculture such as lower productivity levels and loss of harvest which could lead to food insecurity.

Increased mean sea level and associated storm surges

Saltwater intrusion into ground water and coastal wetlands; Increased storm surges leading to coastal flooding, coastal erosion, and damage to coastal infrastructure; and Increased impact on estuaries and associated impact on fish and other marine species.

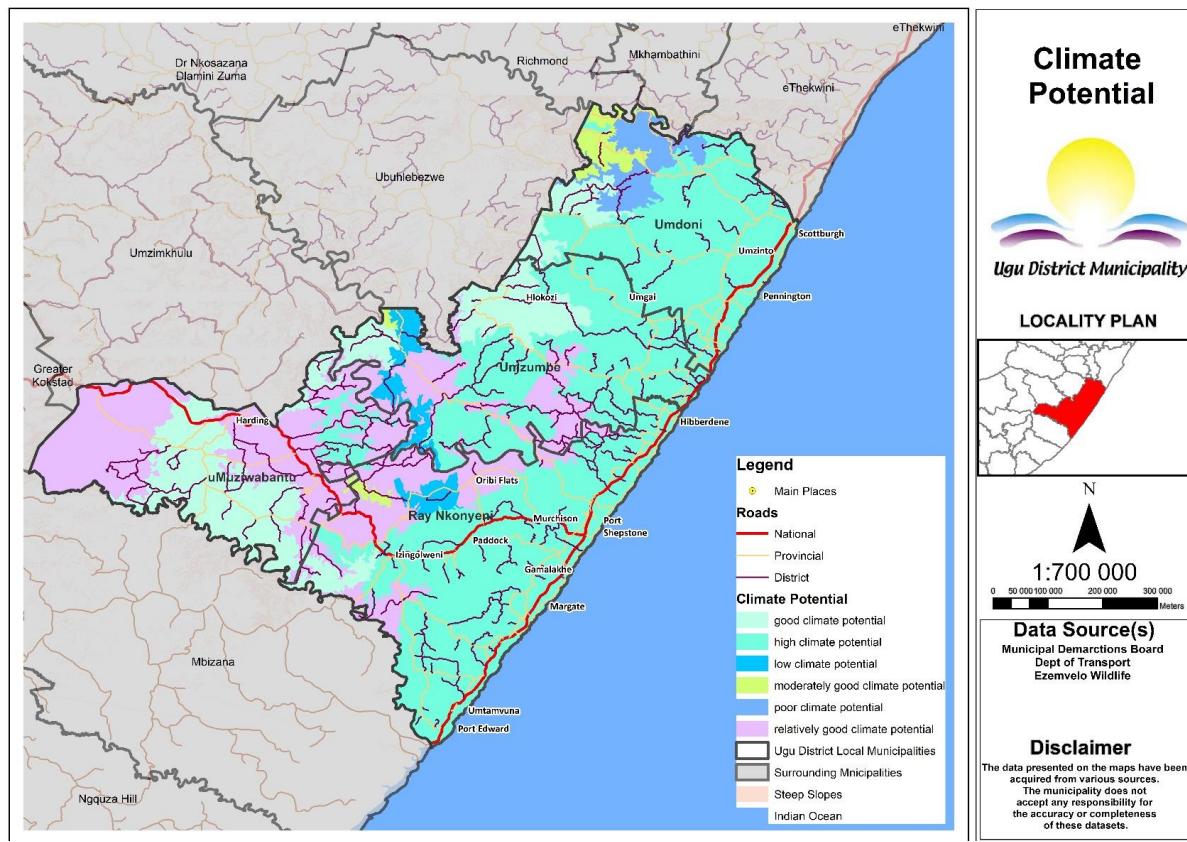
The consequences of the projected climate change impact will not be limited to their physical impact. Climate change patterns and projected impact will also have a significant impact on government's ability to perform its mandated role and responsibilities. The interactions between climate change and government functions will be complex and more comprehensive risk assessments may be required to further assist decision making processes and prioritizing adaptation activities.

The Ugu District has recognized the crucial role it has to play in responding to climate changes by building resilience and adaptive capacity, particularly with regard to human settlement and urban development planning in the short, mid and long term. In order to suitably address the challenges posed by climate change in Ugu District, the study of the likely changes to the climate to be experienced, the assessment of the risks and vulnerabilities in each sector and the development of a robust, no-regrets strategy must be undertaken. In doing so Ugu District seeks to fulfil its objectives of sustainable and equitable service provision, enabling socio-economic development and providing a safe and healthy environment for all.

In an effort to implement risk reduction measures Ugu District Municipality has developed and adopted a district climate change response strategy. The climate change response objectives have been developed as statement of what the municipality would like to achieve in the medium- to long-term to deal with the climate change risk outlined in previous sections. The Climate Change Response Strategy is strongly aligned with the Ugu DM's development priorities and strategic objectives as outlined in the IDP

Some of the objectives outlined in the climate change response strategy include water security and efficiency, climate resilient and low carbon development, energy efficiency and demand management, biodiversity and ecosystem management, food security (Agriculture), public health, disaster management, and building response capacity through improved coordination and awareness.

In strengthening the objectives of the climate change response strategy Ugu District Municipality puts emphasis in the alignment with the National Climate Change Response Policy, the Ugu DM Climate Change Response Strategy and takes a dual approach to climate change response, encompassing adaptation and mitigation.



Map 10: Climate Potential

Source: Ugu GIS, 2022

3.2.8 Strategies and plans

In collaboration with Department of Economic Development Tourism and Environmental Affairs and the local municipalities, the district had embarked on both statutory and non-statutory proactive integrated environmental planning

In line with such environmental planning initiatives Ugu District Municipality has developed a number of strategies and plans which assist in undertaking the responsibilities as encompassed in the environmental management functional areas. The following strategies and plans have been developed and adopted over a period of time:

- Ugu District Municipality: Environmental Management Framework
- Environmental Management Programme for Water and Sanitation Activities, Ugu District Municipality, Kzn
- Ugu District Municipality: Coastal Management Programme
- Ugu District Municipality: Integrated Waste Management Plan
- Ugu District Municipality: Climate Change Response Strategy
- Ugu District Municipality: Air Quality Management Plan
- Ugu District Municipality Air Quality Management By-Law
- Ugu District Municipality: Integrated Waste Management Plan

Extensive progress has been made in the development of Ugu District Municipality: Invasive Species Monitoring, Control and Eradication Plan and funds have been set aside for the completion of the plan.

The municipality will continue to prioritise review of some of these strategies as may be required in terms of the regulations as well as the development of the remaining strategies and plans.

3.2.9 Intersectoral collaboration

Other pockets of excellence include intergovernmental and inter-sectoral forums and social responsibility projects. These include the following fully functional intersectoral structures which have been established and are spearheaded by Ugu District Municipality:

- Coastal Management Committee
- Air Quality Management Forum
- Biodiversity Forum
- Environmental Education and Awareness Forum
- Estuary Management Sub-committee

3.2.9.1 Ugu DGDS Response

It is strongly argued that sustainability must underpin the entire approach to development within the Ugu region. There is already an unacceptable level of environmental destruction and disregard. Growth and development cannot simply be measured in terms of wealth creation but must consider the impact on the quality of life of all citizens and on the planet. There are several challenges in the district about environment sustainability – most notably the sheer lack of clear regulations, standards, supporting policy, incentives and appropriate research and development existing in the district currently. Further challenges relate to accessing financing capital and institutional infrastructural support. All industries

should be assessing their current activities in terms of green principles and investigating new opportunities that are presented through adopting a green approach. There is a need to have a “greening” strategy for the district that addresses both urban and rural development challenges. Municipalities need to develop green strategies for service delivery and support sustainable livelihoods that address the needs of different human settlement typologies. Three strategic objectives have been identified which are (1) to advance alternative energy generation capacity, (2) to manage the pressures of biodiversity and environmental quality, and (3) to ensure efficient environmental monitoring, regulation, and disaster management.

3.2.10 Solid Waste

Waste management services involve the waste collection, treatment, recycling and disposal. The National Environmental Management: Waste Act (Act 59 of 2008) has placed a huge responsibility on municipalities to deliver waste services. Where services are being offered, they are usually limited to the formal, urban areas of Umuziwabantu, Ray Nkonyeni and Umdoni Municipalities. Waste minimisation in the district is poorly organised and there is no integrated system which exists that private recyclers may link to. This excludes some parts of Ray Nkonyeni Municipality that have organised waste minimization activities, education, private partnership and so on. However, it must be noted that the viability of recycling relies heavily on economies of scale as there must be enough recyclables available to justify the cost of transport associated with the collection of recyclable materials. Ugu requires a great deal more work before an economically viable waste recycling system can be put in place.

There should be a designated site for recycling purposes in all LMs. The norm has always been that majority of the population buries or burns their waste in their own backyard. The recent tendency is the disposal of waste, especially disposable nappies, in water bodies (streams). This has environmental, health and safety implications for the community of Ugu especially that communities still depend on streams of water for household consumption. The interventions by the stakeholders – national departments, district and local municipalities must be strategic in nature. It needs to consider peripheral but deeply seated issues like population growth, consumption culture, products that the population is able to afford due to some improvements in livelihoods resulting to lifestyle changes and therefore changing waste streams. The next generation of strategies and waste management plans should consider these aspects.

Table 9: Households Access to Solid Waste Removal

Refuse removal	Ugu	Umdoni	Umzumb e	uMuziwabant u	Ray Nkonyeni
Removed by local authority at least once a week	34 454	7 375	21	3 007	24 053
Removed by local authority less often than once a week	1 532	475	10	102	946
Communal refuse dump	8 565	4 243	1 056	470	2 797

Communal container /central collection point	5 220	2 166	0	0	3 055
Own refuse dump	11 6354	20 432	24 765	16 460	54 697
Dump or leave rubbish anywhere (no rubbish disposal)	8 468	590	2 251	1 092	4 535
Other	550	154	28	41	327
Total	175 143	35 435	28 131	21 172	90 409

Source: Statistics SA Community Survey, 2016

Ugu District IWMP Implementation Per Local Municipality

Umzumbe Local Municipality renders its waste management services in wards 2, 4, 10, 16 and 17. However, these wards do not receive the service in totality, rather through infrastructure that is placed (skips) at strategic points. For example, in ward 16, the collection point is Dustin Farrell TB hospital which caters for that vicinity. In ward 10 the service and infrastructure are limited to the Turton Taxi rank area. Ward 4 is the St Faith's area where there is public transport and commuter activity and in the business centre of Phungashe, Ward 2. Lastly, ward 16 is an administrative centre where government buildings are located. There are informal recycling activities taking place in certain areas by few aspirant informal businesses.

Education on waste minimization is an ongoing activity although aspirant recyclers get challenged in terms of the market and end up seeking other opportunities in Ray Nkonyeni Municipality. As Umzumbe does not have its own landfill site, they have an agreement to dispose of its waste at Umdoni Municipality's Humberdale landfill site, which is a formal and legal facility. Umuziwabantu's waste management service has improved since the adoption of the IWMP and the municipality has taken advantage of the opportunity extended to it by the Department of Environmental Affairs (DEA) through funding for the Youth Jobs in Waste project. It assisted in the waste collection service and information management for 3 years through temporary employment of post matric youth.

The department is further funding the municipality for the development of its local IWMP. However, as a result of lack of improvement in the infrastructure and collection, the service is only limited to ward 3, which is the urban strip of Umuziwabantu. There is one landfill site that is not formalised yet, where all collection is disposed. As part of the IWMP development and status quo establishment, DEA conducted a survey of waste stream for categorisation purposes and found that the best managed waste in Umuziwabantu is the health care risk waste.

The health facilities fully comply with responsible disposal of HCRW. Umdoni collects waste mostly in the urban coastal strip and a few rural areas of Amandawe, Dududu and some parts of informal Umzinto. Recycling is mostly taking place in a few urban areas through municipal and community driven initiatives. Schools are a great part of waste management initiatives. Humberdale landfill site is the formal and legal site of Umdoni municipality, which has been extended to Phase through Environmental

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Protection and Infrastructure funding from the Department of Environmental Affairs. Youth Jobs in Waste was also implemented in Umdoni municipality.

While there is no local IWMP for Umdoni municipality, they rely on the high level IWMP of Ugu DM. With respect to waste management, Ray Nkonyeni municipality is the most advanced local municipality in terms of policy, strategy, information management, operations and financial allocation. Like other local municipalities, most coverage of the waste collection services is still in the urban coastal strip. Waste services is focused on the urban coastal strip with 26.6% of households receiving weekly waste collection. The majority (60.1%) utilise their own refuse dump and 5% having no facility to dispose of waste. The municipality thus conducts a level 4 service for the coastal areas and a level 3/4 in 21 other wards that are densely populated areas/townships. The combined level of service comprises both awareness campaigns, supervision and provision of refuse bags with recyclable waste collected. Upliftment frequencies range from weekly to quarterly. The coverage of service delivery is thus 69.4% of the municipality.

3.2.11 Spatial and Environmental Trend Analysis

The situational analysis undertaken above culminated in the identification of a few spatial and environment trends which the municipality needs to redress, address and mitigate. These trends are dissected below by undertaking a brief cause and effect analysis. The understanding of their causes and implications can assist in mitigating their effects or in terms of prioritisation. Table 10 below provides an indication of the typology of the trend and the nature of responses that should be employed.

Table 10: Spatial and Environmental Trends Analysis

Challenge	Cause	Effect	Response Type	Responses
Spatial Planning Challenges				
Inequitable development along the inland	Apartheid planning	Underdevelopment	Redress	Develop previously neglected areas
Settlement sprawl	Lack of effective land use management	Creation of dispersed, inefficient low-density rural settlements	Address & Mitigate	Introduction of settlement edges
Lack of effective land use management system	Lack of enforcement	Settlement sprawl and loss of valuable land	Address	Implementation of land use scheme within the entire district municipality

Derelict small towns-built form (UMzinto and Ezingolweni)	Declining economy	Unattractiveness	Address	Introduction of urban renewal / small town rehabilitation
Cross border rural settlement conurbation	Settlement sprawl	Consolidation of cross-border settlements	Address	Introduction of urban renewal / small town rehabilitation
Spatial inefficiency	Dispersed settlements and disjuncture between settlements and economic opportunities	Lack of access to economic opportunities	Address & Mitigate	Cross-border planning to ensure uniformity and continuity
Rural Population Outmigration	Lack of rural opportunities	Poverty/ Indigent Pockets	Address	Creation of self-sufficient settlements
Environment				
Climate change impacts	Greenhouse gas emissions	Natural catastrophes	Mitigate and adapt	Implementation of mitigation and adaptation measures as per climate change strategy
Environmental degradation	Settlement sprawl	Loss of natural assets	Address & Mitigate Apply environmental management zoning (EMZs) as per EMF	Institution of environmental rehabilitation programmes Implementation of EMF and SDF

3.2.12 Spatial and Environmental SWOT Analysis

The SWOT Analysis exercise was undertaken to highlight the key challenges pertaining to spatial and environment situational analysis as captured in Table 11 below.

Table 11: Spatial and Environment SWOT Analysis

Strengths	Weaknesses
☐ Strategically located – gateway to Eastern Cape ☐ Wall – Wall Schemes ☐ Geographic Information's Systems ☐ Well-developed strategic development documents ☐ Air Quality By-laws in place ☐ Inter-sectoral collaboration ☐ Public awareness ☐ Climate Change Vulnerability Assessment and Response Strategy ☐ Climate Change Adaptation Plan	☐ Topography ☐ Limited land for development ☐ Limited rural development ☐ Settlement sprawl ☐ Implementation of strategic documents ☐ Lack of land use management mechanisms ☐ Biodiversity and Protected Areas ☐ Environmental degradation ☐ IDP credibility declining ☐ Lack of cooperation towards development (internally and externally) ☐ Non-completion of environmental management strategic tools ☐ Policy environment ☐ Human and financial resources capacity
Opportunities	Threats
☐ Densification ☐ Access to an accredited laboratory ☐ Sector planning and policy development ☐ Creation of a healthy and safe environment will lead to healthy people and therefore healthy economy ☐ Empowerment of people to be self-sufficient in order to live in a better environment and therefore have better health, therefore better economy ☐ Projects that focus on environmental problem areas	☐ Tenure security ☐ Rural Population Outmigration ☐ Climate Change effects on economic and societal sectors (biodiversity, health, economy, food security, water resources, disaster management) ☐ Compromised community health as regular inspections cannot be conducted ☐ Coordination of environmental projects to address environmental degradation as well poverty alleviation/short-term employment

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☐ Growth in environmental conservancies in the country and Ugu area that assist the government in addressing environmental threats and improving the environmental status ☐ Coastal environment as a tourism draw card ☐ Policy environment is improving (by-laws, licensing of listed activities that pose a serious threat to the environment, human health and the economy) ☐ Waste management services and some level of human resource capacity at LMs (where service is being provided) ☐ Climate change – opportunity for green growth, green economy ☐ Blue flag beaches as an international accreditation boosting tourist confidence ☐ Local legislation on bathing waters ☐ Integrated waste management plan and implementation ☐ Policy environment for waste management (model by-law)	☐ Pollution threatening the coastal environment thereby compromising beach tourism and human health ☐ Water resources - quality and quantity (pollution, invasion of water bodies by water intensive alien plants) ☐ Monitoring of environmental compliance of projects ☐ Need to improve cooperation between Mineral Resources department and other departments regarding environmental and socio-economic impacts of sand mining ☐ Infrastructure for waste management at LMs that do provide the service ☐ Lack of waste management service provision in some LMs ☐ Sand mining – not compliant to the permits and unmonitored ☐ Lack of suitable space for the disposal of the dead (burial) ☐ Illegal solid waste disposal ☐ Airspace in landfill sites soon to reach capacity ☐ Illegal landfill sites in some local municipalities
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3.3 ENVIRONMENTAL HEALTH SERVICES (EHS)

Environmental Health (EH) is a fundamental public health approach affecting the whole population and services provided by the EH unit are essential in building a healthy population. The environment in which people live has the potential to be promotive of health or to impact negatively on health due to the presence of various environmental health risks.

The Environmental Health Services (EHS) section of the Economic Development and Environmental Services unit is tasked to mitigate against such risks and ensure promotion of a healthy environment. EHS cannot achieve this in isolation but works with various internal and external role players to impact on the nine (9) core functional areas of the Municipal Health Services as defined in the National Health Act.

EHS include performance on the following functions:

3.3.1 Food Control

It is mandatory, as per the national norms, for all food outlets to be inspected regularly. The vigilant monitoring, and inspection of food outlets, ensures that food is prepared under sound and hygienic conditions.

All food outlets are inspected regularly, to ensure that they comply with health requirements and, that food is prepared under sound and hygienic conditions, to prevent foodborne illnesses. In those instances where contraventions are found, the necessary statutory notice is served, to ensure compliance.

This includes:

- ✓ Food safety in respect of acceptable microbiological and chemical standards and quality of all food for human consumption and optimal hygiene control throughout the food supply chain from point of origin, all primary ground, or raw products production up to the point of consumption.
- ✓ Food inspection at production, distribution and consumption area
- ✓ Informal Street Trading Monitoring.
- ✓ Food premises inspection and control of stationary nuisances.
- ✓ Enforcement of food legislation and Codex Alimentarius.
- ✓ Food quality monitoring programmes and principles through various techniques e.g. HACCP.
- ✓ Promote the safe transportation, handling, storage and preparation of food stuffs used in the Primary School Nutrition programme (PSNP), Prisons, Health Establishments, Airports and etc..
- ✓ Promote safe handling of meat and meat products including Abattoir inspections.
- ✓ Promote the safe handling of milk and milk products.

3.3.2 Water Quality Monitoring

It is our objective, to ensure that water consumed by the residents of Ugu District, is safe and wholesome and water utilized for recreational purposes is in compliance to regulations thereby preventing water borne diseases. To this end, water samples are taken monthly, from various sources, viz. tankers, standpipes, rivers, lagoons, and boreholes, for testing.

- ✓ Monitoring water quality and availability, including mapping of water source. Enforcement of laws and regulations related to water quality management.

- ✓ Ensuring water safety in respect of safe quality (microbiological and chemical), and accessibility to an adequate quantity for domestic use as well as in respect of the quality of water for recreational, industrial, food production and any other human and animal use.
- ✓ Ensuring that water supplies that are readily accessible to Communities and to the planning, design, management, and health surveillance of community water supplies that are readily accessible to Communities.
- ✓ Ensuring monitoring and effective wastewater treatment and water pollution control
- ✓ Advocacy on proper and safe water and wastewater usage.
- ✓ Water sampling and testing

3.3.3 Communicable Diseases Control

Communicable disease is an illness caused by an infectious agent or its toxins that occur through the direct and indirect transmission of the infectious agent or its products from infected individual or via an animal, vector or the inanimate environment to a susceptible animal or human host. If these diseases were not detected early or controlled and managed, they can spread to an outbreak then become an endemic, epidemic and lastly pandemic. The poor management of communicable disease will increase morbidity and mortality rate. Prompt response in the management of communicable disease is crucial.

Environmental Health Services is responsible for preventing the spread of communicable disease through

- ✓ Health and hygiene promotion in prevention of communicable diseases.
- ✓ Complaint investigation and follow ups of bacterial, viral and parasitic infections.
- ✓ Case investigations and reporting
- ✓ Determination of sources of infection, contacts and carriers of diseases.
- ✓ Provision of consultation on prevention and control of diseases.
- ✓ Collection of appropriate epidemiological information on communicable diseases.
- ✓ Collaboration with other stakeholders and Departments regarding outbreaks.
- ✓ taking of samples and specimens for analysis and further action if deemed necessary.
- ✓ Instituting remedial and preventative measures including health education.

3.3.4 Vector Control

Vector control is a District Municipal function and is any method used to limit or eradicate the arthropods, molluscs, rodents, insects, disease carriers or pests and other alternative hosts of diseases. It also aims to limit the transmission of pathogens by reducing or eliminating human contact with the vector.

Environmental Health Services (EHS) is currently

- ✓ Investigating complaints relating to environmental health conditions.
- ✓ Identification of vectors, their habitats and breeding places and instituting remedial and preventative measures.
- ✓ Carrying out of routine surveillance actions and surveys to determine the prevalence of vectors.
- ✓ Community awareness campaigns on zoonotic diseases and control thereof by education and training.

- ✓ monitoring of high-risk areas such as wastewater treatment works, health facilities, food premises and non-food premises during inspection.
- ✓ Law enforcement by issuing notices/summons.

Where there is non-compliance, the EHS ensures the safe disposal of used water and waste, removal of stagnant water or any material that habitat the growth of vectors, the residual spraying of premises using safe chemicals/ insecticides, implementing household protection.

To achieve this function as the municipality a re-alignment of vector control programmes is required, supported by increased technical capacity, improved infrastructure, strengthened monitoring and surveillance systems, and greater community mobilization across the district. Eventually, this will support implementation of a comprehensive approach to vector control that will enable the achievement of Environmental Health National Norms and Standards. Vector control diseases and complaints will be minimized and controlled in Ugu District.

3.3.5 Hazardous Chemical Substances

As part of the STOP (Safety Towards Our People) initiative, premises are also inspected for hazardous chemical substances. It is necessary for those premises, responsible for the handling, storage and sale of hazardous chemical, substances, to ensure that such premises are registered with the Provincial Department of Health.

In terms of control and monitoring the following is undertaken:

- ✓ Ensuring that substances are correctly labelled.
- ✓ Ensuring that all active ingredients are indicated.
- ✓ Ensuring that warning signs are indicated.
- ✓ Ensuring that precautions are taken during storage and transportation and all protective gear is utilized during handling.
- ✓ To control the importation, manufacture, sale, operation, application, modification or dumping of such substances.

Ensure that empty containers are disposed of according to requirements

3.3.6 Disposal of the Dead

Disposal of the dead involves the monitoring of funeral undertakers, mortuaries, embalmers, crematoriums, graves and cemeteries for compliance, and managing, controlling and monitoring exhumations and the reburial or disposal of human remains. EHPs are responsible for issuing a certificate of competence to compliant operators.

In order to prevent the occurrence of nuisances at such premises, regulations for governing the establishment and operation of mortuaries are also explained to undertakers.

EHS include the:

- ✓ Control, restrict or prohibit:
 - The business of a funeral undertaker or embalmer.

- Mortuaries and other places or facilities for the storage of dead bodies.
- Treatment, removal or transport of dead bodies.
- ✓ Regulating, control and prohibition of graves, cemeteries, crematoria and other facilities for the disposal of dead bodies.
- ✓ Manage and control exhumation and reburial or disposal of human remains.
- ✓ Ensure compliance with health, hygiene and structural requirements and standards for such premises.
- ✓ Enforcement of laws and regulations relating to these premises via. notices/summons.

3.3.7 Surveillance of Premises

Surveillance of premises include the inspection of non-food premises, such as funeral undertakers, schools, creches, prisons, offices, and government institutions. The inspection entails among others, checking for adequate lighting and ventilation, the provision of suitable toilet facilities, and adequate floor space to avoid overcrowding, especially in creches and schools. Residential, business and public premises are regularly monitored to ensure that there are no health nuisances.

Prevention and abatement of any condition on any premises which is likely to constitute a danger to health includes :

- ✓ Assessment of any overcrowded, dirty or unsatisfactory condition in any residential, commercial, industrial or other occupied premises.
- ✓ Monitoring all buildings and all other temporary or permanent physical structure for residential, public or institutional use (including health care and other care, detainment, work and recreation including travel, tourism, holiday resorts and camping sites) as well as the facilities in connection therewith and the immediate precincts thereof.
- ✓ Complaint investigations relating to environmental health conditions.
- ✓ Giving advise on legal requirements for the establishments of premises as and when required.
- ✓ Compliance monitoring in terms of legislative requirements and provisions and instituting remedial and preventative measures.
- ✓ Identification of health risks, nuisances and hazards and instituting remedial and preventative measures.
- ✓ Identification, monitoring and control of overcrowding where applicable.
- ✓ Monitoring indoor air quality, ventilation, lighting and dampness and instituting remedial and preventative measures.
- ✓ Monitoring and control of sanitary and ablution facilities.
- ✓ Monitoring and control of pests.
- ✓ Enforcements of Tobacco control legislation.
- ✓ Scrutinizing of building plans from a health point of view.

3.3.8 Environmental Health Education

Health education is not only concerned with the communication of information, but also with fostering the motivation, skills and confidence (self-efficacy) necessary to take action to improve health.

Health education includes the communication of information concerning the underlying social, economic and environmental conditions impacting on health, as well as individual risk factors and risk behaviours, and use of the health care system.

Environmental health education becomes an imperative tool to resolve environmental health problems across all functions such as environmental pollution and the spread of communicable diseases due to human activities in the environment that do not bring benefits to the environment and communities. Thus, health education may involve the communication of information, and development of skills which demonstrates the political feasibility and organizational possibilities of various forms of action to address social, economic and environmental determinants of health.

Health education attempts to increase knowledge on the subject. An increase in knowledge on the subject leads to a change in attitudes about healthy and unhealthy behaviours. This change in attitude ideally leads to a change in behaviours from unhealthy to healthy, leading to an improvement in health, which is the ultimate goal of health education.

It is also aiming to help the communities to understand how their decisions and actions affect the environment, to build knowledge and skills necessary to address complex environmental health issues, as well as ways we can take positive action to keep our environment healthy and sustainable for the future.

3.3.9 Environmental Pollution

Environmental pollutants have various adverse health effects from early life. Some of the most important harmful effects are perinatal disorders, infant mortality, respiratory disorders, allergy, malignancies, cardiovascular disorders, increase in stress oxidative, mental disorders, and various other harmful effects

Environmental Health Officials have a vital role to play in terms of

- ✓ Ensuring hygienic working, living and recreational environments
- ✓ Identifying the polluting agents and sources of water, air and soil pollution.
- ✓ Taking the required preventative measures to ensure that the general environment is free from health risks
- ✓ Complaint investigation relating to environmental health conditions.
- ✓ Instituting remedial or preventative measures
- ✓ Monitoring and auditing of all industries, activities, trade etc which involves controlling the internal effects of pollution on the worker and the external effects of pollution on the community and the environment.

3.3.10 Waste Management Control

Waste management is an important discipline of Environmental Health as everyone has a right to an environment that is not harmful to their health and well-being. The local municipality is responsible for waste collection however, Environmental Health Services must ensure that waste generated from business and residential premises, is properly accumulated, stored, and disposed of. The indiscriminate dumping of waste is most unsightly, and causes fly and rodent attraction, among others.

Environmental Health Officials exercise continuous efforts to educate and prevent individuals from affecting the environment in such a way that it becomes detrimental to their well-being and development. This is ensured by:

- ✓ Ensuring the proper refuse storage, collection, transportation, transfer and processing, materials recovery and final disposal.
- ✓ Ensuring proper management of liquid waste including sewage and industrial effluents.
- ✓ Ensuring the proper storage, collection, transportation, handling and disposal of Health care risk waste and hazardous waste
- ✓ Advocating proper sanitation and waste disposal
- ✓ Ensuring waste management and adherence to the cradle to grave approach.
- ✓ Complaint investigations and inspections on any activities relating to waste or any product resulting thereof.
- ✓ Improve and control the handling and disposal of animal tissue.
- ✓ Ensuring that waste is stored, collected, removed and disposed off effectively and efficiently and that proper facilities and containers are provided.
- ✓ Compliance monitoring of garden refuse sites, refuse transfer sites, landfill sites, incinerators, recycling sites, sewerage and water works and the processes associated with such premises and instituting remedial and preventative measures.
- ✓ Law enforcement by issuing of notices/summons.

Over and above the monitoring of general waste, Environmental Health Services is also responsible for the disposal of health care risk (medical) waste, from cradle – to grave, which includes the proper handling, storage, transportation, and disposal of such waste. All health care risk waste generated from health facilities, poses a serious health risk, and is therefore removed by a private service provider, and not stored with general waste.

3.3.11 Environmental Health SWOT Analysis

Table 12: Environmental Health SWOT Analysis

STRENGTHS	WEAKNESSES
✓ Training and skills development ✓ Affiliation to the Institution of Environmental Health to address skills development ✓ Human resource retention ✓ Inter-sectoral collaboration ✓ Public awareness	✓ Lack of policies and Standard Operating procedures ✓ Human and financial resources capacity ✓ Disjuncture in the service ✓ Inadequate physical infrastructure to deliver EHS

✓ Improved working relations between Internal and External Sector Departments and Environmental Services	✓ Public confusion and lack of understanding of primary and environmental health ✓ Lack of or limited understanding of inter-linkages between environmental health, primary health and the economy
OPPORTUNITIES	THREATS
✓ Sector planning and policy development ✓ Education on differences between and benefits of primary health and environmental health ✓ Creation of a healthy and safe environment will lead to healthy people and therefore healthy economy ✓ Empowerment of people to be self-sufficient in order to live in a better environment and therefore have better health, therefore better economy	✓ Conflict between political and traditional leadership compromising the delivery of the EHS awareness ✓ Water quality and quantity posing health risk ✓ Disposal of dead animals and lack of responsibility towards them ✓ Fraudulent inspectors ✓ Community attitudes and ignorance to legislative requirements

3.3.12 Challenges

- Delays in the rehabilitation process and the provision of permanent structures.
- Poor road maintenance & drainage system / lack of excess roads
- No house numbers / no road names
- Poor network reception / no signal in rural areas
- Manual capturing due to non-availability / limited gadgets
- Old vehicles / excessive petrol usage/ breakdowns
- Covid -19 Restrictions
- Poor service delivery in terms of water supply, which make it difficult for DM teams to conduct their program.
- No Standardize /uniform approach in terms of relief distribution by different role players

3.4 Disaster Management

In line with Section 43 of the Disaster Management Act 57 of 2002 and the amendment Act of 2015 which specifies the legislative mandate and regulates the establishment of Disaster Management Centres in the district together with the Fire Brigade Act 90 of 1987 which focuses on the establishment of the fire units.

Ugu District Municipal Council informed by the above legislative frameworks took a decision to establish both disaster management, fire and rescue services centre.

The District Disaster Management & Fire Services Section ensures a standardised approach towards prevention, mitigation and response. The district plays an active role in planning and coordination of Disaster Risk Management and Fire Services in the district. the planning and coordination are a joint effort between the district, family of (4) four municipalities and sector departments.

The District as well as local municipalities control centre operates on a 24/7 hour bases. The Centre Control Room Number are as follows.

Table 13: Control Centre Contact Details

NO.	MUNICIPALITY	CONTACT NUMBER
1.	Ugu District	- Land Line (039 682 2414) - Ugu Call Centre Toll Free No: 0800 092 837 - SMS System: 33131
2.	Ray Nkonyeni	- Land Line (039 688 2000) - Call Centre Toll Free No: 039 682 5555
3.	Umdoni	- Land Line: (039 974 6200) - Call Centre Toll Free No: (039 974 1061)
4.	Umzumbe	- Land Line (039 972 0005) - Standby/ Afterhours Contact No.:
5.	Umuziwabantu	- Land Line (039 433 2055) - Standby/Afterhours Contact No.:

The District Call Centre is equipped with a control centre system (Citi Call). The system allows activation of all primary responders in seconds upon logging of an emergency call. The system enables the generation summarised statics on all reported incidents, status of the incident and available emergency relief stock as well as the GIS mapping of fire hydrants in the district.

The Ugu District has become prone to various types of incidents/disasters over the years, because of climate change. The change in weather patterns has resulted in the following being the main causes of major incidents leading to disasters namely; strong winds, heavy rains resulting in flash floods, lightning, drought and veld fires which makes it imperative for the district to ensure that risk reduction strategies are in place.

DISASTER MANAGEMENT & FIRE SERVICES VISION

Disaster Management & Fire services to work towards building resilient communities.

MISSION

To provide world class Disaster Management and Fire Service within reasonable turnaround time, minimising the impact of disasters while eliminating harm.

3.4.1 DRM: Integrated Institutional Capacity

It is crucial that each municipality and sector departments within the district assign a person within the departments to be of the nodal point for disaster management activities in that department / local municipality. The same applies to national and provincial departments operating within the municipality. The disaster management activities to be performed within departments and local municipalities include participation in the **following areas**:

- Planning
- Mitigation
- Prevention
- Response
- Reconstruction & Rehabilitation

It is important to note that disaster management has a different structure which needs to operate in. Disaster Management in the Ugu District interfaces the local municipal and provincial spheres through the various forums. This communication is coupled with decision making ability and ultimate responsibility and accountability present on three different and all very important levels which are:

- Strategic level.
- Tactical Level; and
- Operational Level.

3.4.2 Risk Assessment

The Disaster Management policy framework requires the implementation of disaster risk assessment and monitoring for all spheres of government. The outcomes of disaster risk assessments directly inform the development of disaster risk management plans. The Disaster risk assessment is the first step in planning an effective disaster risk reduction programme. It also examines the likelihood and outcomes of expected disaster events this includes investigating related hazards and conditions of vulnerability that increase the chances of loss.

Ugu DM is primarily responsible for the implementation of the Disaster Management Amendment Act 16 of 2015 within its area of jurisdiction, with a specific focus on ensuring effective and focused integration and standardised district wide risk reduction planning. The district is exposed to a wide range of weather hazards, including drought, fires and severe thunderstorms that can trigger widespread hardship and devastation.

With the new approach to Disaster Risk Management in South Africa and world-wide, the emphasis changed from response to disaster pre-disaster risk. The process of disaster risk reduction should therefore commence with a process of risk identification and assessment.

Risk assessment is “work in progress”, it is a continual and interactive process which requires regular review as well as adjustment to the prevailing circumstances. Cooperatively with Local Municipalities the Ward – Based Risk Assessment within the municipal area of jurisdiction was conducted. The study was undertaken with the aim of providing relevant information to the district and local municipal role players with a user-friendly working document focusing on pertinent risks.

DISTRICT RISK PROFILE

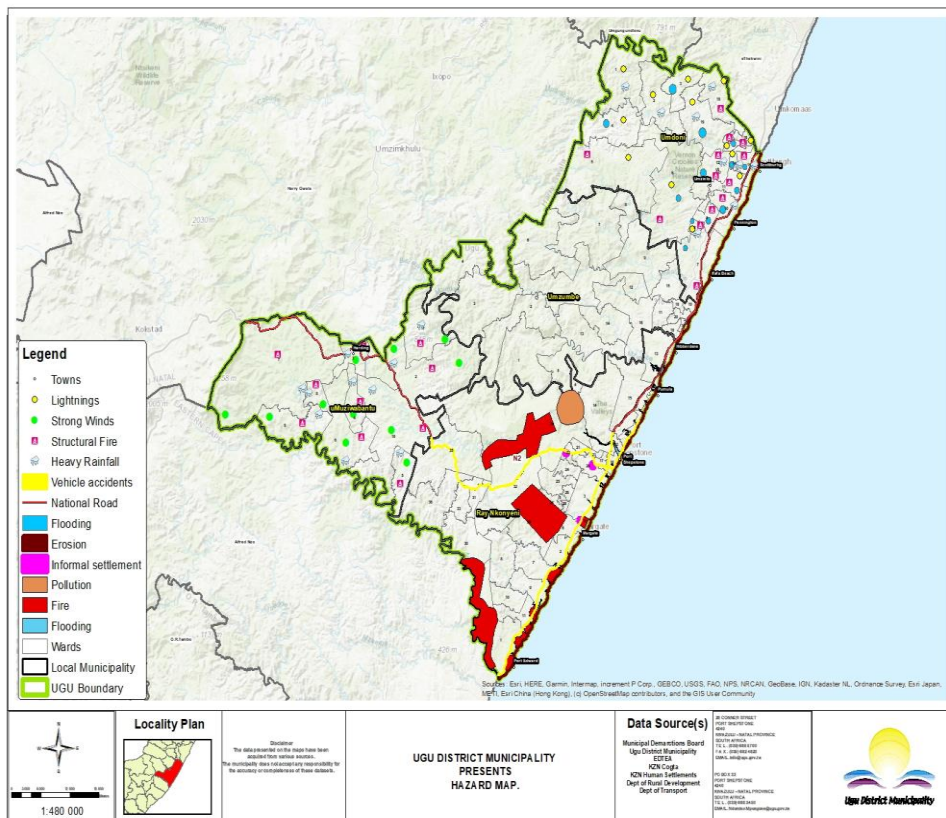
TOP 10 PRIORITIZED HAZARDS

Table 14: Top 10 Prioritised Hazards

No	Hazards	Municipalities Affected
1.	Heavy Rains	All 4 Lm's
2.	Veld and Structural Fires	All 4 Lm's
3.	Flash Floods	All 4 Lm's
4.	Lightning & Thunderstorms	All 4 Lm's
5.	Motor Vehicle Accidents	All 4 LM's
6.	Strong winds	All 4 Lm's
7.	Hailstorm	Part of Umuziwabantu, Umzambe
8.	Service Delivery Protests	All 4 Lm's
9.	Drought	Umuziwabantu
10.	Drowning	All 4 Lm's

3.4.3 District Vulnerability to Disaster Risk 2020/2021 Information

During the 2020/2021 financial year, the district experienced a high level of fire related incidents followed by heavy rains and lightning. Majority of the fire incidents reported were structural fires within rural areas and informal settlements, reported incidents occurred in all 4 local municipalities namely: - Ray Nkonyeni, Umdoni, Umuziwabantu and Umzambe.



Map 11: Hazards

Source: Ugu GIS 2022

In the 2022/23 financial year the District Disaster Management Team will be ensuring the enforcement of bylaws with the aim of reducing fatalities relating to disasters. The prioritisation and implementation of the district Risk Reduction programs.

The summary of the Ugu District Municipality vulnerability to disaster risk in the 2020/ 2021 financial year are summarised in table 5 below.

Source: Annual Report: Distribution of Incidents.

Table 15: Distribution of Incidents

MUNICIPALITY	NO. OF INCIDENTS	INCIDENTS
Ray Nkonyeni	146	Structural Fire, Strong wind, Drowning, Heavy Rainfall, Lightning.
Umdoni	49	Structural Fire, Strong wind, Lightning.
Umuziwabantu	38	Structural Fire, Strong wind, Heavy Rainfall, Lightning.
Umzumbe	49	Structural Fire, Heavy Rainfall, Lightning.
TOTAL	282	

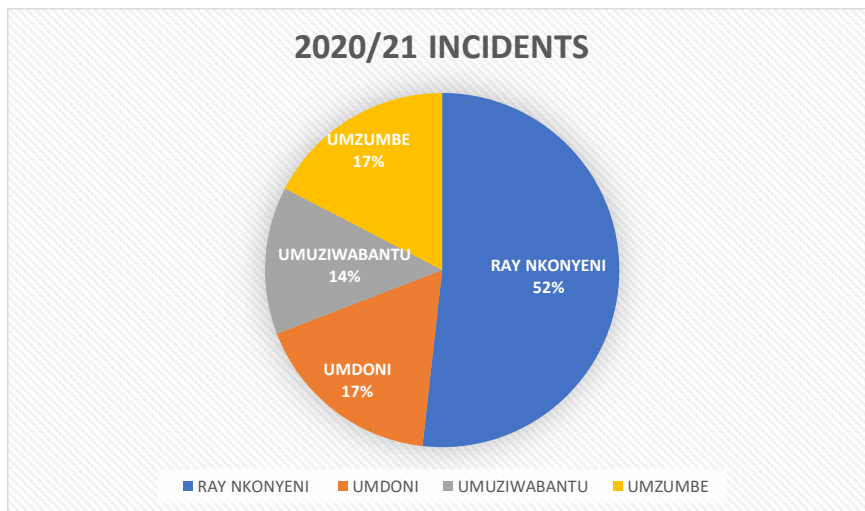


Figure 9: Incidents by LM

RISK REDUCTION INITIATIVES

The district together with Local Municipalities has ensured that plans and strategies to mitigate disaster risks that have been identified above are in place also to assist in minimising the impact of Disasters and Reduction of fatalities. The immediate actions taken by the municipalities are:

- I. Risk Reduction initiatives includes Installation of Lightning Conductors and Fire/Heat Detectors
- II. Training and education:
- III. Community Awareness Campaigns & Road shows
- IV. Emergency Relief Programs which include provision of Wendy Houses, Blankets and Food parcels supported by Sector department.
- V. Ward Committee Members, Amakhosi & Izinduna, Volunteers and Officials were trained on Disaster Risk Management and Basic Fire Fighting.

Table 16: Community Workshops

Date	Local Municipality	Town/Venue
18 August 2020	Ray Nkonyeni Municipality	Disaster Management Boardroom
19 August 2020	Ray Nkonyeni	Louisiana Informal Settlement
25 August 2020	Ray Nkonyeni Municipality	Disaster Management Boardroom
07 October 2020	Ray Nkonyeni Municipality	Umtamvuna plant

12 November 2020	Ray Nkonyeni Municipality	Esidumile Primary School
20 November 2020	Ray Nkonyeni Municipality	Disaster Management Centre
03 February 2021	Ray Nkonyeni Municipality	Sitholimpilo Alcohol and Drug
12 February 2021	Ray Nkonyeni Municipality	Siphakamile Primary School
26 April 2021	Ray Nkonyeni Municipality	Ugu District Municipality
05 May 2021	Umuziwabantu Municipality	Bashaweni Creche
10 May 2021	Umdoni Municipality	Dumisa Traditional Council

Source: Ugu District DMC

Figure 10: Shoba Mdlazi and Ngcwawusheni Workshops



Vukuzithathe T/C (Shoba-Mdlazi)



Vukuzithathe (Ngcwawusheni)

DRM WORKSHOPS

DISASTER MANAGEMENT TRAINING AND AWARENESS CAMPAIGNS

The Disaster Management Act states that the following concepts should form the basis of disaster management awareness and training:

- culture of risk avoidance.
- Promotion of education and training.
- Promotion of research into all aspects of disaster risk management.

This is aimed at achieving the following requirements:

- Addresses the requirements for the implementation of education, training, and research needs.
- The development of an integrated public awareness strategy
- Effective use of the media.
- The development of education and training for disaster risk management and associated professions.
- The inclusion of disaster risk management in school curricula. As part of community-based risk reduction measures the district further embarked on the following awareness campaigns:

- a. Community Awareness Campaigns
- b. School Awareness Campaigns
- c. Road Shows
- d. Door to Door Awareness

Figure 11: Basic Fire Training



3.4.4 Risk Reduction & Prevention

The institutional arrangements for risk reduction within the municipality includes Ugu Disaster Management, the Disaster Management Advisory Forum, the Extended Management Committee, the nodal points for disaster risk management within municipal departments and local municipalities within the district, departmental and local municipal planning groups, risk reduction project teams and preparedness planning groups. The total structure of the municipality starts with every member of personnel and every resource should also be committed to disaster risk reduction.

Ongoing capacity building programmes will be required to ensure the availability of adequate capacity for risk reduction. The district together with Local Municipalities established **Ward Based Committee** that actively participate in Disaster Risk Management programs at a ward level. Its participation assists by increasing the level of awareness within the communities and improve response times on reported incidents. The district embarked on the installation of Lighting Conductors to reduce the impact of lighting incidents and further reduce fatalities.

COVID- 19 RISK REDUCTION PROGRAMME

Following the outbreak of Covid-19 Pandemic and the declaration of the National State of Disaster thereafter, all organs of state joined forces in the fight against the pandemic and in support of Department of Health. The Disaster Management teams also participated in the programs as highlighted below.

Table 17: Disaster Management Action Plan Per LM

MUNICIPALITY	RNM	UMUZIWABANTU	UMZUMBE	UMDONI
Education and Community Awareness	All Wards	All Wards	All Wards	All Wards
Sanitizing of Informal settlements	All	All	N/A	All
Cleaning and Sanitizing of Public facilities & Taxi Ranks	All	All	All	All
Sanitizing of Shopping centre/Malls	All	All	All	All
Contact training	All Wards	All Wards	All Wards	All Wards



Figure 12: Sanitizing Municipal Property



Status of the Disaster Management Plan

The District Disaster Management plan is in place and was adopted by Council is currently in process of reviewing its District Sector Plan, upon completion the Council will adopt the plan. The programmes identified as per reviewed Disaster Management Sector Plan will be aligned with the IDP and will further be approved by the District Forum.

Status of the Disaster Management Capacity

Approved Organisational Structure for District Disaster Management Centre is as follows for the 2021/22 financial year:

- Manager: Disaster Management & Fire Services
- 1 x Disaster Management & Fire Services Officer
- 3 x Disaster Management Practitioners
- 1 x Administrative Assistant
- 2 x Fire fighters
- 1x Fire Engine operator
- 1x General Assistant

Status of District Disaster Management Advisory Forum

In terms of Section 51 of the Disaster Management Act, it states that all the district municipalities must establish a municipal Disaster Management Advisory Forum. Ugu District Disaster Risk Management Advisory Forum was established.

It is a legislative mandate for a municipality to establish such a forum to coordinate strategic issues related to disaster management. The Forum assist in approving and/or review the disaster management plans for the municipality before it is submitted to Council. The District Disaster Management Advisory forum was established and is functioning with meetings scheduled every 3 months or as required. All disaster management role players and leadership from local municipalities within the district forms part of the forum. The main purpose of the Municipal Disaster Management Advisory Forum (MDMAF) is to ensure that the principles of co-operative governance, integrated and co-ordinated disaster risk management and external stakeholder participation at local level are applied.

Schedule of Meetings as per the Approved Council Roster Disaster Management Advisory Forum:

Table 18: Disaster Management Advisory Forum

No	Type of Meeting & Venue	Date
1.	District DMAF – Disaster Management Centre	09 September 2020
2		03 December 2020
3		12 March 2021
4.		17 June 2021
Total		4

Source: Ugu District DMC

DISTRICT PRACTITIONERS' FORUM MEETINGS

The district together with Local Municipalities convenes the District Disaster Management Practitioners Meeting bi-monthly. The aim of these meetings is to deliberate, on issues concerning disaster management and planning of disaster management to have a well-co-ordinated, standardise approach on disaster management.

The District Disaster Management Practitioners meetings convened as follows:

Table 19: Disaster Management Practitioners Meetings

No.	Type of Meeting and Venue	Date
1.	District Disaster Management Practitioners Meeting -Disaster Management Centre	19 August 2020
2		03 November 2020
3		05 February 2021
4.		28 May 2021
Total		4

Source: Ugu District DMC

3.4.5 Response & Recovery

The organisational structure for preparedness within the municipality includes Ugu Disaster Management, the Disaster Management Advisory Forum, Management Committee, the nodal points for disaster management within municipal departments and local municipalities within the district, departmental and local municipal planning groups, preparedness planning groups, Joint Response & Relief Management Teams, Recovery & Rehabilitation Project Teams, and the Ugu Emergency Control

Centre. During response and recovery operations the relevant disaster preparedness plans of the municipality will be executed by the disaster management structures.

The district has established a Post Disaster Committee which considers implementation of relief efforts and Rehabilitation Projects. The committee is made of District Disaster Management Practitioners, PDMC, Sector Departments also including other relevant role-players such as NGO's and Private Businesses.

The district also has formed a panel of Service Providers who keep stock of Emergency Relief and ensures availability upon request. Emergency Relief stock includes the following: -

- ❖ Wendy Houses
- ❖ Blankets
- ❖ Food Parcels
- ❖ Mattresses
- ❖ Emergency Box B
- ❖ Tents
- ❖ Plastic Sheet.

DISASTER MANAGEMENT AND FIRE RESPONSE VEHICLES

The District Disaster Management & Fire Services Section has the following Emergency Response Vehicles.

- 1 X DM Rapid Response bakkie
- 2 X Disaster Management Bakkies
- 1x Fire Truck
- 1x Spillage/ Jetter Truck
- 1x Skid Unit (Heavy duty)
- 1xSkid Unit (Light duty)

3.4.6 Funding Arrangements

The Ugu District Municipality budgets for all Disaster Risk Management Programs. Budget is separated for Operations and Capital items. National/Provincial Disaster Management also provides conditional grants for Reconstruction & Rehabilitation Projects as well as the Construction of Disaster Management Centres.

Table 20: Funding Arrangements

PROGRAM	BUDGET ALLOCATION
Disaster Management operational costs	R 100 000.00
Disaster Risk Reduction	R 80 000.00

Response and recovery	R 900.000.00
Fire and Rescue Operations	R 600 000.00
Education and Training	R 350 000.00
Fire Support to LM's	R 400 000.00
Protective Clothing	R 400 000.00
Total	R 2 830 000.00

Source: Ugu District DMC

3.4.7 Ugu District Municipal Fire Services Equipment

Ugu District has a total of 3 vehicles for fire and rescue services which is mainly for secondary response to all incidents reported within locals.

- Fire Truck 6000 Lt
- Land Cruiser - Skid Unit with Light Duty Jaws of Life
- Land Cruiser - Skid Unit with Heavy Duty Jaws of Life

3.4.8 Enhancement of Fire Services Capacity in the District & Local Level

In support the district has trained 8 fire fighters on Fire Fighting 1 & 2, Hazmat awareness, Hazmat Operations and First Aid Level 1. These Fire Fighters are from the 4 Local Municipalities and will be working within their jurisdictions on completion of training as they are permanently employed by municipalities.

The amendment Act 16 of 2015 encourages involvement and incorporation of Traditional Leaders in Disaster Management programs. The district in-collaboration with Local Municipalities have complied with the Act. Continuous engagements with Traditional Council are in place, meetings are used as a platform that discusses Disaster Risk Reduction Programs and capacity building.

3.4.9 Disaster Management Emerging Key Issues

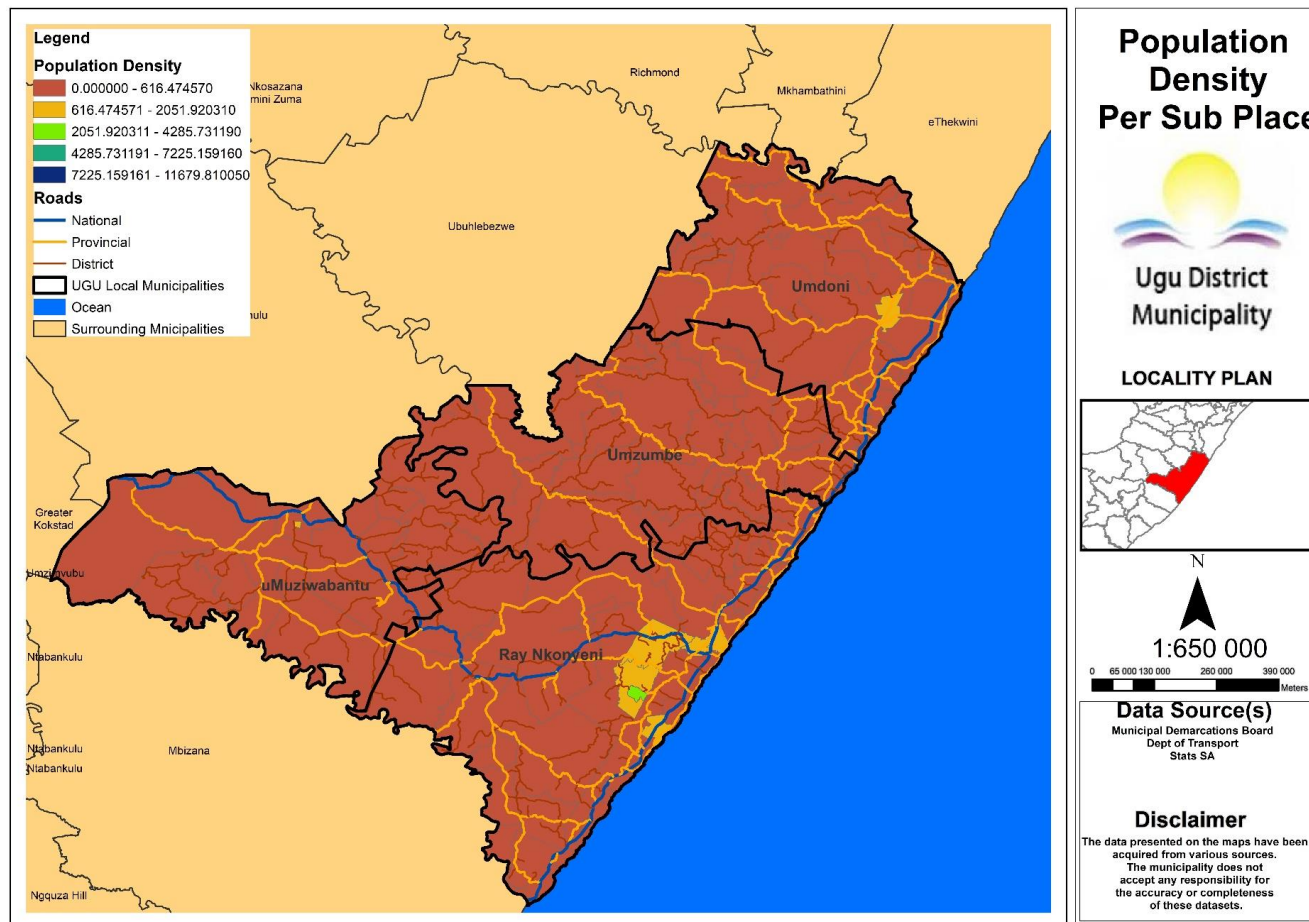
From the analysis of the state of Disaster Management in the Ugu District Municipality area of jurisdiction the key emerging issues can be summarised as follows:

- The Provincial Disaster Management Centre – CoGTA funded the Municipality with an additional R5m which was used for building Phase 2 of the New Disaster Management Centre. Phase 2 of the Centre Caters for Fire Tenders and Storage Facility.
- There is a lack of capacity for disaster management at a local municipal level which creates constraints in the implementation of disaster management programs.
- Appointment of Fire Services Personnel for both the District and Local Municipalities

KEY PERFORMANCE AREAS FOR DISASTER MANAGEMENT AND FIRE SERVICES

- Institutional Capacity
- Disaster Risk Assessment
- Response and Recovery
- Education and Training

e. Fire and Rescue Service



Map 12: Population Density
Ugu GIS, 2022

Source:

3.4.10 Households

The Ugu District municipal area of jurisdiction is comprised of 175 146 households, average household size of 5 persons per household. The different types of household dwellings are formal, traditional, informal and caravan or tent. As per the Stats SA 2016 community survey almost two thirds of the types of dwellings in the district are formal (59%), with 31% being traditional and about 9% being informal (see Figure 13.). The growth of formal dwelling types is positive as they are more resistant to different pressures which may mitigate some disasters in the district. In terms of heads of households, the bulk percentage of heads of households is between the age groups 25 – 34 and 35 – 74 years. There is a concern however with the 15 063 (8.6%) households that are headed by age group 15 – 24 years as the majority of these households are headed by teenagers. Furthermore, there is still evidence of child headed households as reflected in Figure 14.

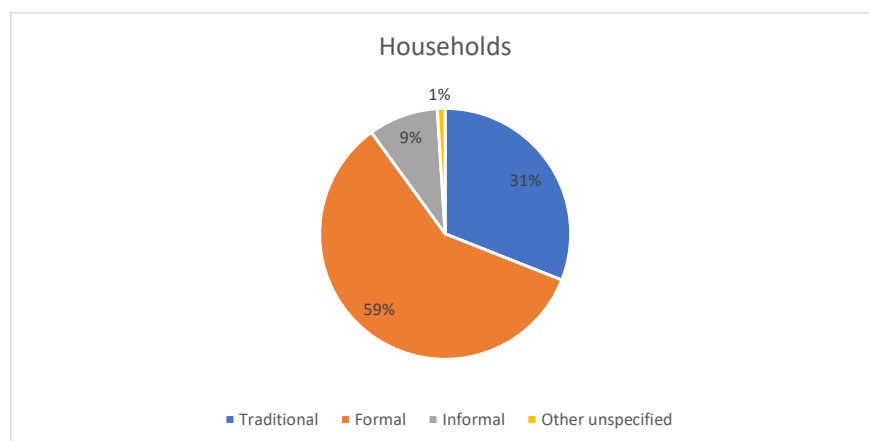


Figure 13: Main Dwelling that Households live in

Source: Statics SA Community Survey, 2016

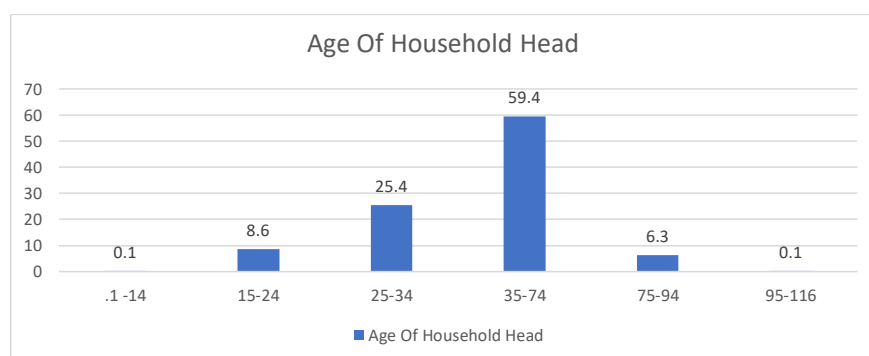


Figure 14: Age of Household Head

Source: Statics SA Community Survey, 2016

3.4.11 Demographic Analysis Emerging Key Issues

Although this section does not address all the demographics as some of the demographics are spread throughout the document, there are emerging key issues that can be identified as follows:

- There is a strong perception that young people in Ugu aspire to moving into metro areas given the limited opportunities for both youth development and entertainment within the district. There is concern that land pressures in rural areas are pushing young people off the land as parcels being allocated are getting smaller and smaller and outsiders move into areas. This trend could have long term implications for the district as the young productive population leaves the area.
- The majority population of Ugu District municipality falls within the youth bracket. Furthermore, the predominant population group is African and more than 50% of the population are females. This has far reaching implications for the district as would further be analysed under the LED and Social Development section in terms of service provision and the households' affordability of the services provided. This therefore speaks directly to the municipality's revenue enhancement strategies.
- The majority of the population resides in the traditional areas where the densities are low. In terms of service provision, it costs more to provide services to scattered household settlements and so is the maintenance of infrastructure provided. Furthermore, the demographics advocate for a comprehensive rural development strategy.
- The population is agglomerating in the Ray Nkonyeni Municipality as it is the economic hub of the district. There is thus continuously increasing pressure on the infrastructure capacity in the Ray Nkonyeni Municipality especially the coastal belt. There is an urgent need to deal with the ageing infrastructure and increasing its capacity.
- Many strides have been made to combat HIV / AIDS and TB however, TB remains a leading cause of death in the district. This requires further investigations and more resources to ensure the negative impact of HIV / AIDS and TB is reduced in the district.

3.5 MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT ANALYSIS

3.5.1 Powers and Functions

The Municipal Structures Act of 1998 (as amended) makes provision for the division of powers and functions between the district and local municipalities. It assigns the region wide functions to the district municipalities and most day to day service delivery functions to the local municipalities. The provincial MECs are empowered to adjust these powers and functions according to the capacity of the municipalities to deliver services. With regard to the above statement for instance, the function of Water and Sanitation as well as the maintenance of water infrastructure is still the function of the district. Whilst the Local Municipality is responsible for Planning, it is also reliant on the District for advice and support. Amongst other things the powers and functions of the municipalities are as detailed in table 21:

Table 21: Powers and Functions

Government Sphere Function	
Local	Storm Water Management; Trading Regulations; Billboards and Public advertising; Cleansing and maintenance; Control of Public Nuisances; Street Lighting; Traffic and Parking; Beaches and amusement parks; Local Amenities; Noise Pollution; Pounds; Public Places; Street Trading; Harbours and Ferries; Local Sports; Street Lighting; Municipal Parks and Recreation; Municipal roads; and Control of Liquor licenses.
District	Municipal Health Services; Environmental Services; Potable Water and Sanitation.
Shared Function	Fire prevention and control Local Tourism; Municipal Airports; Municipal Public Transport; Cemeteries, and Crematoria; Markets; Municipal Abattoirs; Municipal Roads; Refuse Removal and Solid Waste; Municipal Planning; and Air pollution.

Source: Municipal Structures Act, 1998

3.5.2 Institutional Arrangement

The Municipal Structures Act provides for different types of Municipal Systems. The Ugu District Municipality is using a Collective Executive System. The establishment of ward committees has been finalised in all Local Municipalities. The Municipality has customised the generic ward committee policy that was developed by CoGTA. There were a few challenges that have been identified with regards to the functioning of ward committees such as the lack of capacity among ward committee members, administrative support, reimbursements for out-of-pocket expenses and the general dissatisfaction around the election of committees and the selection criteria thereof. These challenges are currently being addressed and the ward committees are now functioning and have the administrative support and the ward committee members are being reimbursed for the out-of-pocket expenses.

There are 42 Traditional Councils within Ugu Municipality. The new legislative developments encourage Traditional Councils and Municipal Councils to work in partnership on issues of development even though the former is not vested with legislative authority on Municipal Council matters. There are seven (7) elected Amakhosi who form part of the Ugu District Municipal Council and all 7 Amakhosi serve in the respective Portfolio Committees. Clearly in all instances responsibility for decision making lies with

the Council and the responsibility for implementation of Council Resolutions lies with the Municipal Manager and the officials.

3.5.2.1 Council

The executive and legislative authority of a municipality is vested in its Municipal Council. The pre-eminent roles of the Council, amongst others, are the approval of by-laws, budgets, policies, IDP, tariffs for rates and service charges. The Council consists of thirty-five (35) members, eight (8) of whom are full-time. Furthermore, seven (7) Traditional Leaders are participants in the Ugu District Municipal Council.

3.5.2.2 Executive Committee Structure

The Executive Committee has delegated plenary powers to exercise the powers, duties and functions of Council, excluding those plenary powers expressly delegated to other standing committees and those powers which are wholly resolved to the Ugu District Council. Notwithstanding the above, the Executive Committee is authorised to exercise any of those plenary powers delegated to other Standing Committees in circumstances where any matters from these committees are referred to the Executive Committee. In line with Section 80 of the Municipal Structures Act, the Municipality currently has five multi-party Portfolio Committees, which are, Portfolio Committees on Finance; Water and Sanitation; Local Economic Development; Special Programmes; and Sound Governance and Human Resource. These Portfolio Committees continue to assist the Executive Committee in policy development and monitoring to accelerate service delivery, as well as the oversight of strategic programmes and projects.

3.5.2.3 Municipal Departments and their functions

The Municipal Manager heads the administration of the Municipality. The Municipality has five administrative departments. The departments are:

- Office of the Municipal Manager - The Office of the Municipal Manager is responsible for the following functions: Corporate Strategy and Shared Services; Internal Audit; Mayoralty and Communication; Legal Services; Youth Development; Special Programmes; and Customer Relations Management.
- Corporate Services Department - Corporate Services includes: Human Resources, Registry, Auxiliary Services and Secretariat, Information, and Communication Technology (ICT), Disaster Management and Fleet Management Services.
- Budget and Treasury Office Department - The Budget and Treasury Office includes: Equity and Accounts, Grants and Expenditure, Budget Control and Supply Chain Management.
- Economic Development and Environmental Services Department - The Economic Development and Environmental Services Department headed by the General Manager EDES is made up of the following sections: Environmental Services, EDES Finance and LED.
- Water Services Department - The following are the sections which make up the Water Services Department headed by the General Manager Water Services: Water Services Operations and Water Services Authority (WSA), Administration and Project Management Unit.

3.5.3 Municipal Entity

The Ugu District Municipality previously had two entities which are namely: Ugu South Coast Tourism and Ugu South Coast Development Agency. The two entities have since merged and are currently engaged in various change committee processes, finalisation of the newly formed entity is anticipated to occur in June in preparation for the new financial year. Challenges range from lack of skills, lack of well packaged tourism products, lack of well packaged black economic empowerment transactions in the industry and failure to unlock public sector owned land for the tourism industry. Key factors impacting on the development of tourism in underdeveloped areas of Ugu are poor road access, ownership of land, and environmental degradation across the district. municipality's area of jurisdiction based on the parent municipality's integrated development plan and policies pertaining to this objective thereby unlocking the economic potential of the Ray Nkonyeni area. With focus being on the economic, social and environmental development.

3.5.4 Organisational Analysis

The Municipality has a finalised and adopted revised organogram, that was approved in June 2021, with one thousand and twenty-three (1027) positions. The Human Resource Section is responsible for ensuring a thorough analysis of the new organogram. The current number of employees in the Ugu District Municipality is seven hundred and eighty-three (783). The organisation currently has a vacancy rate of about 6.81% and the total amount spent on the salaries averages from 19 – 20 million per month and R3 million goes to overtime.

The Organogram currently has 783 filled positions inclusive of contract and permanent placements. The position of the Municipal Manager is currently vacant and filled on acting capacity and out of the four (04) Senior Managers positions inclusive of the Chief Financial Officer (CFO) being one of the Senior Managers, all are filled on long term contracts.

Table 22: Ugu District Employees per Department

DEPARTMENT	NUMBER OF EMPLOYEES
BUDGET AND TREASURY	111
COPORATE SERVICES	87
ENVIROMENTAL HEALTH	28
OFFICE OF THE MM	83
WATER SERVICES	474
TOTAL	783

Source: Ugu District Municipality Corporate Services, 2021

The age analysis of the Ugu District Municipality's Employees is broken down as per table 23

Table 23: Ugu District Employees by Age Group

Age Group	Number
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22 - 35	151
36 - 45	262
46 - 55	253
56 - 60	88
61 - 65	29

3.5.5 Human Resources

The Human Resources policies and strategies are that are implemented within the Municipality are reflected below:

Table 24: HR strategies and Plans

Human Resources Strategy and Plan: 2020 - 2024	The Strategy and Plan was adopted on the 31st of March 2021. The following are the pillars of the strategy are: - Talent Management - Employee Wellness - Capacity Building - Employee Relations - Exit Management - Sourcing and Placement - Organizational Culture Management - Performance Management - Strategic Human Resource Planning The plan's implementation is measured through the implementation of the SDBIP and monitored through the OPMS. The targets are set out in Chapter 4 (5 year scorecard) of the document
Human Resources Development Strategy and Plan: 2020 - 2024	The Strategy and Plan was adopted on the 31 st of March 2021.
Employment Equity Plan: 2019 - 2022	The Plan was adopted on the 26th of September 2019 - Recruitment of a female candidate in the unskilled occupational level to balance the ratio in year 1 - Recruitment of a female candidate in the unskilled occupational level to balance the ratio in year 2 - Recruitment of a female candidate in the Semi - skilled occupational level to balance the ratio in year 1 - Recruitment of a white male candidate in the Semi - skilled occupational level to balance the ratio in terms of race

Skills Audit	The skills audit was conducted in November 2020, and the results are used to implement the 2021 WSP
Workplace Skills Plan	The Workplace Skills Plan is in place and was adopted on the 21st of April 2021. The plan's implementation is measured through the SDBIP.

3.5.6 Skills Analysis

The Capacity Building Unit creates and promotes individual and organizational effectiveness for employees by developing and offering a range of advanced and different programs in support of the district's commitment to employee development.

The Unit is responsible for the:

- Coordination of Training and Development Programs as well ensuring implementation of same.

ACHIEVEMENTS

In year 2020/2021, the Municipality has provided the Municipal employees in the following key critical programmes:

Table 25: Training Programmes Implemented

No.	Training Programme	Number of Beneficiaries
1.	Plumbing: Trade Test	25
2.	Municipal Finance Management Programme	15
3.	ICDL	26
4.	AET (ABET)	10

It should be note that the COVID-19 Pandemic has had a serious effect on the implementation of some of the programmes that were aimed to be implemented on year 2020/21 as there were times where physical gatherings could not be conducted, hence preventing the programmes to be implemented.

GOALS

The Capacity Building Unit aim the following goals:

- Provide a range of quality, cost-effective training, and development designed to increase employee and organizational productivity and improvement.
- Create, encourage, and adopt a culture that values development, diversity, and growth opportunities for all employees.
- Support and enhance strategic training and development partnerships with other stakeholders and or training providers.

3.5.6.1 Skills Levels

The skills audit that has been conducted by the Section for the Municipality, together with the Workplace Skills Plan have produced the results that determine the priority training interventions required. The summary of training interventions targeted is:

Table 26: Training Programmes to be Implemented

NO	TRAINING PROGRAMME	TARGETED NO. OF BENEFICIARIES	TARGETED IMPLEMENTATION YEAR
1.	Municipal Finance Management Programme	15 in year 1 and 10 in other years	2021/22 2021/22 2022/23 2023/24 2024/25 2025/26 2026/27
2.	Electrical: Trade Test	03	2021/22
3.	Plumbing: Trade Test	25 per year	2021/22 2022/23 2023/24 2024/25 2025/26 2026/27
4.	Medium Voltage Switching	05	2022/23
5.	SCM: Training	04	2022/23
6.	Information Technology Training	05	2021/22
7.	Internal Audit Training	05	2021/22
8.	Hazchem Training	06	2022/23
9.	Safe Handling of Chlorine Training	20	2022/23
10.	First aid Training	20	2021/22
11.	Councillor Induction	37	2021/22
12.	Mechanics Refresher Course	05	2022/23

13.	Emotional Intelligence & Consequence Management	10	2021/22
14.	Occupational Health & Safety (Rules & Responsibilities)	20	2021/22
15.	Adult Basic Training	10	2022/23
16.	Asset Management	05	2021/22
17.	Fleet Management	08	2021/22
18.	Mechanical Training on Bernard Valve and Pressure Reducing Valves	15	2022/23
19.	Leak Detection Training	15	2022/23
20.	VIP Protection and Basic Training	06	2022/23
21.	Records Management Training	10	2021/22

Table 27: HR Priorities

PRIORITIES	YR1	YR2	YR3	YR4	YR5
Conduct trainings in implementing the workplace skills plan.	05	05	05	05	05
Conduct Workshops/ Programmes on Talent Management	04	04	04	04	04

3.5.7 Health and Safety in the Workplace

Employee Health, Wellness and Safety Unit provides the Municipality with comprehensive benefits and wellness programs, including communication, customer service and education to employees; optimize health and productivity as well as promoting a healthy and supportive work environment.

A safe and healthy workplace not only protects workers from injury and illness; it can also lower injury/illness related costs, reduce absenteeism and stabilise turnover, increase productivity and quality, and raise employee morale. It is on these bases that it is important to ensure a safe working environment for employees.

The Unit ensures that frequent Risk Assessments and Audits are conducted, and the findings that have been identified over the years are of the similar nature being the following:

- Building Maintenance Requirements in several Municipal Buildings
- The manholes that are missing covers
- Non - compliance to chlorine handling form certain workstations
- Aged Municipal Vehicles
- Overgrown vegetation in different Workstations
- Sub - standard electrical installations in some workstations
- Non-adherence to COVID-19 Protocols

The world has been hit by the COVID-19 pandemic and the Municipality as one of the organisations that employees a large of employees has had a number of reported COVID-19 positive cases; out of the one hundred and fifty - three (153) cases that have been reported in the Municipality, only one death due to COVID-19 was confirmed and all others would recover and return to work after mild to severe illnesses. The past two years have not been good due to this pandemic and the Municipal operations had to continue but ensuring adherence to COVID-19 protocols, and this Unit had to ensure that all the Personal Protective Equipment is provided to employees timeously; and that education on use of same is provided. Under the circumstances the Municipality has been able to provide all the necessary PPEs to employees, ensure that guidelines for return to work in each Lockdown Alert Level is issued to

employees. The Unit has also successfully assisted employees to get vaccinated within the Municipal premises on dates that are arranged with the Department of Health.

In year 2020/21 the Unit has established the Health and Safety Committee and has appointed Safety Representatives in different Workshops, who are tasked with the responsibility of ensuring that safety matters are attended to and reported before severe injuries and/or illnesses could occur.

The component of the Employee Assistant Programme within the Employee Health, Wellness and Safety Unit; is responsible employee for ensuring that the emotional well-being of the employee that may affect his/her productivity is attended to through programmes ranging from the following areas:

Table 28: Health and Safety Focus Areas

FOCUS AREAS	ROLE OF HUMAN RESOURCES SECTION
• Management of Chronic Diseases • HIV/AIDS Management • Stress/Mental Health • Incapacity due to ill health • Medical awareness and check-ups • Promotion of Health, Good nutrition • Financial Wellness • Spiritual Wellness Management • Impact of Alcohol Abuse	• Provision of Counseling to Employees • Creating Awareness/Education on the importance of medication • Provision of educational and organization support programmes • Provision of critical incident response programmes • Referrals for professional counselling and /or treatment

ACHIEVEMENTS

- Enhanced personnel within the Unit to ensure it reaches an increased number of employees
- Attended to EAP Clients with different matters
- Provided financial management to retiring employees
- Coordinated the COVID-19 Vaccination Programme

Table 29: EAP Priorities

PRIORITIES	YR1	YR2	YR3	YR4	YR5
Provide Effective Well Being Services e.g., Wellness Screening, Lifestyle Education Workshops, financial management education, improve overall employee engagement, and/or assist employees in effectively managing work-life demands and responsibilities.	4	4	4	4	4
Ensuring Compliance with OHS Act as per developed checklist	50%	50%	50%	50%	50%

3.5.7.1 The OHS Compliance Checklist is a tool used to monitor compliance

The employer's common law duty to provide safe working conditions. The employer is required to take reasonable care for the health and safety of the employees by conducting periodic Risk Assessments (HIRA).

The employer must provide safe premises; the entrances and exits to and from the place of work must be safe and secure.

The employer must provide safe machinery and tools and to be maintained properly.

The employer must provide a safe way of conducting work. Methods and safe work procedures to ensure that employees are not necessarily exposed to unreasonably high risks. Supervision by competent persons is also relevant here. Furthermore, the employer should ensure that the employees are thoroughly trained and competent in their level of duties.

N.B. The above three facets of the common law duty overlaps and complements each other and are I fact part of the general duty.

3.5.7.2 Legislation

Legislation is law made by a legislative body, such as Parliament and gazetted. Parliament passes pieces of legislation, called Acts, which contain legal rules and regulations and procedures.

N.B. It is very important to note that legislation always supersedes the common law. Therefore, the employer must comply with the provisions of the legislation or regulations as stipulated in the Act. In South Africa, safety legislation is governed by the Occupational Health and Safety Act 85 of 1993 (Government Gazette No. 14918 of 1993) as amended by the Occupational Health and Safety Amendment act 181 of 1993.

N.B Both these Act came to operation on 1 January 1994.

The Occupational Health and Safety Act applies wherever an employment relationship exists and it binds the Municipality as an employer. This means that the definitions of employer and employee contained in the Act determines the Act's basic scope of application.

N.B. The basic principle of the Act is the recognition that safety in the workplace is not only the responsibility of employer and employees. The Act also recognizes that a healthy and safe place of work also depends on employer-employee co-operation.

Table 30: Human Resource Requirements

REF	REQUIREMENTS	STATUS 2021/2022	POE	MATRIC VALUE 2021/22	PERIOD FOR ACHIEVEMENT	COMPLIANCE FRAME	TIME
A	POLICY						
1.1	Has it been communicated to employees through workshops, emails, newsletters, and noticeboards	Ongoing	Ongoing Road shows	Attendance Registers and programmes of events	40	30 June 2022	
1.2	Is it clearly visible to employees?	In progress	Visual	10	Q1, Q2 Q3, Q4	30 June 2022	
B	RISKS ASSESSMENTS						
1.1	Has an integrated assessment been completed?	Ongoing	Risk Assessments Reports	40	Q1, Q2 Q3, Q4	30 June 2022	
C	EHSW COMMITTEE MEETINGS						
1.1	Has the committee sat quarterly?	Ongoing	Attendance Registers & Agendas	40	Q1, Q2 Q3, Q4	30 June 2022	
D	INCIDENTS						
1.2	All incidents reported and recorded	Ongoing	IOD Schedule	40	Q1 -10 Q2 -10 Q3 -10 Q4 -10	30 June 2022	
1.3	Incidents investigated by appointed and trained person	Ongoing	Incident Report	40	Q1 -10 Q2 -10 Q3 -10 Q4 -10	30 June 2022	
E	HEALTH & SAFETY REPRESENTATIVES						
1.1	Have the H&A Representatives been elected & trained	Q1	Attendance Register & copies of Certificates	50	Q1	30 September 2021	
F	MANAGEMENT COMMITMENT						

1.1	Are all inspections and incident findings tabled at the relevant committee's agenda	Ongoing	Agendas	40	Q1 -10 Q2 -10 Q3 -10 Q4 -10	30 June 2022
1.2	Does management set annual targets and objectives?	Ongoing	SDBIP	40	Q1, Q2 Q3, Q4	30 June 2022
G	TRAINING					
1.1	Has Safety Training been Conducted	Achieved Q1	Attendance Register & Copies of certificates	40	Q1, Q2 Q3, Q4	30 June 2022
H	FIRE EQUIPMENT & DETECTION SYSTEMS					
1.1	Have the equipment and detection systems been serviced?	Achieved	Report from Service Provider	100	Q1	30 September 2021
1.2	Have service provider issued a report?	Mini Tender-been advertised	Report from Service Provider	50	Q1	30 September 2021
1.3	Have deviations been identified and rectified?	Ongoing	Report from Service Provider	40	Q1, Q2 Q3, Q4	30 June 2022

The following legislation applies to Employee Health, Safety & Wellness:

- Constitution of the Republic of South Africa Act, No 108 of 1996
- Occupational Health & Safety Act, No 85 of 1993
- Compensation for Occupational Injuries and Diseases Act, No 150 of 1993 (COIDA)
- General Safety Regulation
- General Machinery Regulation
- Vessels Under Pressure Regulation
- Environmental Regulation for Workplaces
- Facility Regulation
- Hazardous Chemicals Substances Regulation
- Driven Machinery Regulation
- Lift, Escalator and Passenger Conveyor Regulation
- Disaster Management Act
- National Water Act
- Environmental Conservation Act
- National Building Regulations
- Certificate of Competency Regulation
- Labour Relations Act, No. 14 of 2014 as amended
- Basic Conditions of Employment Act, No 75 of 1997
- Employment Equity Act, No 55 of 1998
- Code of Good Practice
- Skills Development, 1998
- Prevention and Treatment of Drug Dependency Act, 1992

The component of the Employee Assistant Programme within the Employee Health, Wellness and Safety Unit; is responsible employee for ensuring that the emotional well-being of the employee that may affect his/her productivity is attended to through programmes ranging from the following areas:

Table 31: EAP Focus Areas

FOCUS AREAS	ROLE OF HUMAN RESOURCES SECTION
• Management of Chronic Diseases • HIV/AIDS Management • Stress/Mental Health • Incapacity due to ill health • Medical awareness and check-ups • Promotion of Health, Good nutrition	• Provision of Counseling to Employees • Creating Awareness/Education on the importance of medication • Provision of educational and organization support programmes • Provision of critical incident response programmes • Referrals for professional counselling and /or treatment

- Financial Wellness - Spiritual Wellness Management - Impact of Alcohol Abuse	
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Table 32: Ugu district Employees Participating in EAP

DEPARTMENT	NUMBER	PERCENTAGE
MM's Office	02	0.26
Corp Services	12	1.53
Treasury	11	1.4
IED Environmental Health	05	0.63
Water Service	55	7.02

The total number of employees participating in EAP Programme is 85 out of the total of employees 783 which is 10.8% of the total workforce.

Table 33: Nature Ailments

Nature of ailments	Numbers
HIV/AIDS/TB	42 (49.4%)
Diabetes	4 (4.7%)
Alcohol and drug abuse	6 (7.05%)
Financial stress	5 (5.9%)
Work related stress	13 (15.29)
Arthritis	6 (7.05)
Hypertension	9 (10.58%)

ACHIEVEMENTS

- Enhanced personnel within the Unit to ensure it reaches an increased number of employees
- Attended to EAP Clients with different matters
- Provided financial management to retiring employees
- Coordinated the COVID-19 Vaccination Programme

Table 34: EAP Priorities

PRIORITIES	YR1	YR2	YR3	YR4	YR5
Provide Effective Well Being Services e.g., Wellness	4	4	4	4	4

Screening, Lifestyle Education Workshops, financial management education, improve overall employee engagement, and/or assist employees in effectively managing work-life demands and responsibilities.					
Ensuring Compliance with OHS Act as per developed checklist	50%	50%	50%	50%	50%

3.5.7.3 Analysis of Employee Assistant Programme Provision

Employee Health and Wellness is the promotion and maintenance of the highest degree of physical, mental, spiritual and social well-being in all occupations; prevention of illness caused by working conditions; protection of employees in their employment from risks resulting from factors adverse to health; placement and maintenance of employees in an occupational environment adapted to optimal physiological and psychological capabilities; and the adaptation of work to employees and of each employee to his/her job. The explicit aim of the EHWP is to improve the quality of life of all employees by providing support and helping to alleviate the impact of everyday work, personal and family problems. The focus the programme and role of Human Resource department is summarised in the table below.

3.5.7.4 Role of HR in Employee Health and Wellness

Table 35: role of HR in Employee Health and Wellness

Focus Areas	Role of Human Resource
☐ HIV/AIDS Management ☐ Chronic Diseases Management ☐ Stress / Mental Health ☐ Incapacity due to ill health ☐ Medical Awareness and Check-ups ☐ Promotion of Health, Good Nutrition	☐ Creating awareness ☐ Provision of counselling to employees ☐ Provision of organizational support services and education programmes ☐ Provision of critical Incident Response Programs (i.e. assist all employees to deal with incidents overwhelming their ability to cope like robbery,

☐ Impact of Alcohol Abuse ☐ Financial Wellness ☐ Spiritual Wellness Management	natural disasters, accidents sudden deaths or violent incidents at work.) through referrals to professional bodies ☐ Referral for professional counselling, treatment
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3.5.7.5 Employment Equity Plan

The Employment Equity fosters and promotes an inclusive and equal employment work environment for employees and the diverse community we serve, promotes a harassment and discrimination-free workplace, provides guidance, training, and resources.

GOALS

The Employment Equity Plan aim to:

- Promote a workforce that reflects the diversity of the Municipality's population throughout all job categories and job levels.
- Promote awareness and understanding of the municipality's commitment to equal employment opportunities and the prevention of harassment and discrimination in the workplace.

Table 36: Employment Equity Priorities

PRIORITIES	YR1	YR2	YR3	YR4	YR5
Ensuring compliance to the employment equity targets at a Management Level 0-6	45%	45%	45%	45%	45%
Review the Employment Equity Plan	30 June 2022				

3.5.8 Employer / Employee relations

The role of the Employer/Employee Relations is to promote a high-quality workforce and collaborative relationships between employees, management, and employee organizations, the Employee and Labour Relations unit serves as a strategic partner while providing guidance, training, and recommendations on managing employee performance and conduct issues, assist in ensuring investigations on reported matter are conducted, resolves complaints, and negotiates timely.

In year 2020 and 2021, the Municipality has several employees being disciplined due to different transgressions, resulting into some being dismissed, and then referring their matter to the South African

Local Government Bargaining Council (SALGBC) for Conciliation and Arbitration. There have been no work stoppages that have been experienced by the Municipality in 2020/21.

ACHIEVEMENTS

- Successfully maintained discipline in the Municipality through attending to reported cases and scheduled hearings
- Enhance employee capacity through conducting Workshops on Labour Relations topics

GOALS

The employer / employee relations aim to achieve the following goals:

- Promote a work environment which values cooperation and collaboration where issues are resolved at the lowest possible level
- Ensure that all employees are treated equitably and consistently.
- Develop and strengthen interactions with departments through training, communication, information, and support on employee relations issues allowing for prevention, early discovery, and/or prompt resolution.
- Expect and meet the changing needs of the workforce.

Table 37: Labour Relations Priorities

PRIORITIES	YR1	YR2	YR3	YR4	YR5
Conduct Workshops on Labour Relations and Code of Conduct with employees	04	04	04	04	04
Conduct Labour Relations Indaba (Working with Union/s)	01	01	01	01	01

3.5.9 Strategic Human Resources Planning

Human Resources Strategic Planning Unit provides receptive and advanced leadership, organizational development, employee communication, employee benefits services, and support services for employees, departments, and external stakeholders to promote individual and organizational excellence. The Unit is responsible for the following functions:

- Policy Development/Strategic Planning
- Budget Development/Monitoring
- Office Management/Support Services
- Performance Management

- Employee Engagement
- Organizational Development
- Employee Communications
- Time and Attendance Management
- Employee Exit Management
- Human Resource Information System (HRIS) Administration
- Human Resource Information System (HRIS) Administration
- Classification Specification Creation and Maintenance
- Staffing and Organizational Structure Guidance
- Position Management

ACHIEVEMENTS

Enhanced The Employee Experience through:

- Filling of Critical Positions
- Employee Orientation/ Induction
- Workshops on Organizational Culture and Professionalism
- Reviewed Policies and Strategies

GOALS

The **Strategic Human Resources Planning Unit** endeavors the following goals:

- Provide accurate and timely workforce communication on matters affecting employees
- Meet and anticipate Employees needs by providing responsive and innovative services.

Table 38: Strategic Human Resources Planning Priorities

PRIORITIES	YR1	YR2	YR3	YR4	YR5
Introduce the use of e-Recruitment	31 March 2022				
Introduce Time & Attendance System			30 June 2023		
Conduct Employee Satisfaction Survey	31 May 2022				
Review of Policies	05	05	05	05	05
Conduct Workshops on Organisational Culture	04	04	04	04	04
Conduct Employee Orientation and induction	02	02	02	02	02
Conduct workplan assessments/reviews conducted	04	04	04	04	04
Ensure Compliance on Departmental Overtime Management	100%	100%	100%	100%	100%

Ensure Compliance with and sick leave management	Dept leave leave	70%	70%	70%	70%	70%

3.5.10 Secretariat, Registry, and Auxiliary Services

3.5.10.1 Secretariat

The institutional arrangement positions the Secretariat Unit under the Administration and Auxiliary Section which is one of the five (5) Sections within the Corporate Services Department. The unit is strictly an administrative wing of the Municipality through which the secretariat functions for Committees of the District Municipal Council such as Council, Exco, Portfolio Committees, Sub-Committees, and Forums take place namely coordination of meetings, taking of minutes and meeting resolutions for implementation.

The Secretariat unit further serves as both the catalyst and the hub of information or engine room that suitably co-ordinates and records all the proceedings of the decision-making bodies for implementation, organisational memory, and future referencing. The unit's primary focus areas are:

- Scheduling of meetings (physically and virtually);
- Collation of agenda items or reports;
- Compilation of agendas;
- Maintenance of a Resolutions Register for Council, the Executive Committee, Portfolio Committees, Management Meetings, Sub-Committees and Forums
- Dispatching of agendas;
- Attending and taking minutes in municipal meetings and;
- All other logistics associated with the administration of council committees

In embracing technology and moving the municipality to the world driven by innovation, the Secretariat Unit embarked on a Paperless Management Office System and Virtual meetings. The above resulted in the municipality embracing paperless means in running its committees.

3.5.10.2 Registry

Ugu District Municipality's Records Management Unit is located within the Administration and Auxiliary Section which is one of the five (5) Sections within the Corporate Services department

Section 13(2)(a) of National Archives and Records Service Act of 1996 states that no public record shall be transferred, destroyed, or otherwise disposed of without prior authorization of the National Archivist. The municipality established a registry unit and implements various methods to improve its records management as well as implementing an electronic document management system, which enables easy access to authorised persons to access municipal information and ensure safe record keeping of municipal records.

In line with the above, the purpose of a registry unit is to provide a support function to the municipality in terms of records and records management. The unit is further responsible for the long term and short-term preservation of records of the operations and decision making of the municipality in terms of legislative compliance.

Main Registry Functions:

- File Plan Compliance
- Electronic Document Management System (EDMS)
- Manual Records Management
- Coordinate and manages related work in respect of the Promotion of Access to Information Act (PAIA)
- Coordinate and manages related work in respect of the Protection of Personal Information Act (POPIA)
- Training and Awareness associated with Records Management
- Archiving
- Monitoring and Compliance
- Offsite document storage
- Messengering Services
- Tender Room Management

3.5.10.3 Auxiliary Services

Ugu District Municipality's Auxiliary Services is located within the Administration and Auxiliary Section which is one of the five (5) Sections within the Corporate Services department.



The administration of a municipality is governed by the democratic values and principles of ethics, efficiency, effectiveness and accountability (Section 195 of the Constitution of the Republic of South Africa, 1996). The task of any section within a municipality demands adherence to these requirements irrespective of its size, legislation, importance or insignificance.

Organisations have essential administrative and other pivotal support functions that are not necessarily statutory prescribed but that are necessary in order for organisations to function. In municipalities these functions are referred to as Auxiliary Services.

The primary focus areas of the Auxiliary Services Unit are:

- Building Maintenance
- Security Services
- Office Accommodation & Office Furniture
- Telephony
- Office Automation
- Contracted Services

The Building Maintenance Plan is updated and approved on a yearly basis by the Management Committee for implementation thereof. Based on budgets, maintenance at the various sites of the UGU District Municipality is undertaken after interactions with the relevant staff who utilise these premises.

The Harding Standby Quarters has been refurbished and once furniture and other items have been purchased will be ready for occupation.



The project for the development and upgrade of fixed property is underway where the accommodation needs of the UGU District Municipality is being addressed in terms of construction of the Oslo Beach

Figure 17: Ugu Phase 3 Building Construction

Phase 3 Building which will house the Budget & Treasury and the Human Resources staff.

3.5.11 Fleet Management



Fleet Management plays a very integral part in the execution of daily activities in the Municipality and is one of the biggest spenders of the operational budget thus its proper management is of utmost importance. Fleet Management involves the following functions:

- Identification of vehicles for replacement and disposal.
- Repair and maintenance of vehicles.
- Licensing of vehicles.
- Monitoring fuel usage and vehicle abuse.
- Annual verification of vehicles and driver's licenses; and
- Accident management.

Ugu District municipality has about 246 vehicles within its Fleet, used primarily for water services provision. Please find below the number of vehicles purchased from 2020/2021 financial year and 2021/2022 financial year.

Vehicles purchased in 2020/2021 financial year.

Table 39: 2020/2021 Vehicle Purchases

VEHICLE TYPE	CAPACITY	ALLOCATION
6 X Isuzu water tanker trucks	12 000 litres	Water services
5 x Isuzu light delivery vehicles	2.5 litres single cabs	Water services
2 x VW Polo sedans vehicles	1.6 litres	Treasury – Meter reading

BUDGET: R10 million internal funding.

Vehicles purchased in 2021/2022 financial year.

Table 40: 2021/2022 Vehicle Purchases

VEHICLE TYPE	CAPACITY	ALLOCATION
--------------	----------	------------

4 X Isuzu water tanker trucks	15 500 litres	Water services
5 x Isuzu light delivery vehicles	2.5 litres double cabs	Water services
1 x Isuzu light delivery vehicle	2.5 litres single cab	Treasury – Meter reading
1 x Isuzu light delivery vehicle	2.5 litres single cab	Corporate services – Fleet management section.

BUDGET: R10 Million internal funding.

The in-house mechanics currently does some minor repairs due to non-availability of the workshop structure. The coordination of vehicle licenses renewals at relevant intervals is also of importance to ensure all vehicles are always roadworthy. The municipality spends approximately R1.8 million per month on fuel which includes vehicles, generators, grass cutters and all the service plant operations. A challenge still exists on the monitoring of fuel usage and the Fleet Management Section reports quarterly to the Management Committee on the statistics per department to create awareness of use. In addition, a cross cutting SDBIP target was implemented in the 2016/17 financial year whereby all Departments were expected to save at least 20 % on fuel usage, which is measured in litres. Many departments have struggled with achieving this target and it is an ongoing area of focus.

The municipality encounters several accidents per annum, many of which are due to negligence and such cases are investigated and where necessary, officials disciplined.

KEY PERFORMANCE INDICATORS

- % Implementation of fleet maintenance plan
- % Implementation of fleet licensing plan
- Number of fleet management committee meetings
- % Verification of driver's licenses and PDP's.
- % Availability of service delivery vehicles.

3.5.12 Internal Information and Communication Technology (ICT)

The ICT Section, placed within the Corporate Services Department of the Municipality is an enabler within the Municipality. ICT provides technology solutions that enable the municipality to deliver on its objectives.

ICT STRATEGY VISION 2022-2027

The ICT vision is to sustain the stable and secure ICT environment and ensure alignment to the ICT Governance Framework. ICT must continue to provide ICT systems users with an efficient experience, cybersecurity resilience and integrity of information whilst fostering innovation in the time of the 4IR. There must be a focus on enabling Departments to use Smart Technologies to change operations and digitisation should be promoted.

ICT STRATEGY 2022-2027

To ensure effective governance and business goals alignment to ICT priorities, after the annual review of the IDP the ICT Strategy is reviewed and aligned with the IDP goals. Therefore, key to ICT Management is the alignment relationship to the IDP and the ICT Strategy.

An ICT Strategy was formulated in accordance with the objectives contained in the 2017/18 – 2021/22 adopted Municipal IDP, wherein all Stakeholders, Departments and sub sections of the Municipality played an active role in its creation and the goals set forth in this strategy were annually measured for implementation.

The new 5-year ICT strategy will be developed for the period 2022/23 to 2026/27. The Manager ICT forms part of the membership of the IDP Representative Forum to ensure there is synergy between ICT and the strategic goals of the Municipality. The ICT Strategy's purpose is to give a focus and framework for future ICT investments and projects, linking these into the priorities of the IDP.

The 2022/23-2026/27 ICT Strategy will prioritise the following key areas, based on the recent SALGA ICT Capability Maturity assessment outcomes:

1. Plan and organise the Municipality's ICT requirements by providing direction to solution delivery and service delivery
 - a. Develop and communicate ICT strategic direction
2. Acquire and implement ICT solutions making them to be turned into services
 - a. Establish and build Information Management function per approval of Data Architecture and ICT Strategy
 - b. Standardise hardware / software vendors / technology and systems
3. Deliver and support ICT solutions making them usable for end users
 - a. Establish Cloud Computing Service (P/SAAS)
 - b. Establish IMST Service Delivery Management
 - c. Establish ICT Security Management
 - d. Provide Information systems for Strategic Planning and Management
4. Monitor and Evaluate ICT processes to ensure that the direction provided is followed and efficient ICT services are rendered
 - a. Monitor and evaluate ICT performance, internal control, external compliance requirements and IT governance
 - b. ICT Departmental Customer Satisfaction Survey (CSS)
5. To promote inter-Governmental relations
 - a. Establish Shared Services with district & local municipalities
 - b. To advise co-ordinate and align all strategic aspects of IMST through the Local Government Information Technology Officers Council (DGITOC) informing PGITOC and GITOC

To deliver what are challenging change programmes and maintain its excellent status, it is paramount that the Municipality maximises the use of its resources. Information & Communication Technology (ICT) is one of these key resources.

In this age of the 4IR technology, citizens, partners, internal customers and councillors have increasing demands for more responsive, flexible and timely service delivery.

The ICT Service itself has been generally viewed as an operational service which itself has progressed strongly over the last few years. However, the development of technology is so integral to the

organisation it is now time to ensure that a more robust strategic approach to ICT is utilised to drive through and deliver the changes required.

ICT SERVICES

ICT is primarily responsible for the implementation, monitoring and reporting for the following ICT services supplied to the Municipality:

- Infrastructure planning, maintenance, and support;
- Production, Test and Disaster Recovery environment establishment and protection;
- Information and Communication Technology Strategy;
- Information and Communication Technology Governance;
- Business relationship management;
- Change control management
- Systems Configuration management
- Continuous Improvement
- Incident management and request fulfilment
- Information security management.
- Quarterly ICT Steering Committee Management reviews and trend analysis with strategic focus
- Continuous Measurement of ICT Services
- Systems Release and deployment management
- Service continuity and availability management
- Service design
- Service level management and quarterly reviews of service levels
- Service reporting
- SCADA Systems Support and systems maintenance

Key to ICT Management is the alignment relationship to the IDP and the ICT Strategy.

FINANCIAL SYSTEMS SUPPORT

The Financial Systems support unit is in the Budget and Treasury Office and is primarily responsible for the implementation, monitoring and reporting for the following services;

- mSCOA project implementation and management
- Financial ERP Systems maintenance, management and support
 - Sage 300 People
 - Sage 200 Evolution
 - RouteMaster
 - CaseWare
- Reporting and trend analysis on the ERP systems in use

ICT STRATEGIC OBJECTIVES

The strategic development process identified the potential benefits offered by ICT. These include:

- To enable a mobile and flexible workforce that rapidly responds to service delivery needs and services requests according to demand, made possible through new technologies.
- To improve and ensure real-time access to information for the municipality's employees, its customers, and the public.
- To improve data security and integrity.
- To restructure business applications by implementing a service-oriented architecture (SOA) for software integration and scalability that maximizes return on investment.
- To improve data management by creating dashboard reports that enable optimised analysis of information and improved decision-making.
- To improve ICT asset management.
- To demonstrate improvement and potential to external bodies such as the Auditor General.
- Enhanced ability to work with strategic partners external to the municipality.
- To be an attractive employer able to recruit and retain staff.
- Implementation of SLAs and ensuring adequate contract management.
- Formulation and documentation of Disaster Recovery procedures.
- To keep abreast of ICT trends and technologies in the market and industry.
- To promote and sustain teamwork in all aspects of ICT.
- To develop and review ICT policies in line with the ICT strategy.
- To standardise all hardware and software solutions.
- To reduce costs by implementing a centralised printing solution.
- To increase an ICT presence at all Municipal sites including offices, water treatment work, waste water treatment works and other operational plants through email, telephony and systems access.
- To reduce telephony costs by leveraging on the wide area network technology for voice using VOIP
- To reduce costs by lessening the dependency on consultants where possible.
- To participate in awareness and initiatives in respect of Broadband in the District
- Alignment to the State of the Nation Address (SONA) and State of the District Address (SODA)
- To deliver the strategy, a sustainable programme needs to be introduced for new areas and a monitoring programme for those areas already implemented to ensure sustainable ICT. The ongoing oversight of the ICT Steering Committee is imperative to the success of the ICT Strategy implementation.
- ICT Infrastructure and Service Standardization, Integration, and Consolidation
- ICT Service Restructure
- ICT Governance
- ICT Technology Investment
- All four areas are intrinsically linked, and all are required for the strategy to succeed and require investment into ICT from the Municipality. Historically budgets allocated on ICT infrastructure have been minimal, in favour of specifically service delivery infrastructure budgets. However,

with the dawn of the 4IR and for the Municipality to stay ahead, investment into ICT today will futureproof the Municipality's ability to remain technologically agile.

AUDITOR GENERAL AUDIT OPINION OF ICT

Ugu District Municipality is classified as a Level 2 Capacity Municipality, the ICT audit is intensive and growing in intensity and aggression due to the reliance by the Municipality on the various systems it uses to perform financial transactions and tasks. The 2020/21 Auditor General RFI included 141 areas of audit excluding the CAATs extracts, and introduced 73 additional areas of control testing, compared to the 2017/18 audit RFI of 68. Therefore in 4 years, the RFI requirements on the ICT audit have more than doubled, showing the growing aggressive auditing in the ICT environments. ICT operations are in line with good ICT governance practices. All evidence was submitted within the timeframes, as requested and no limitations of scope in respect of information were received.

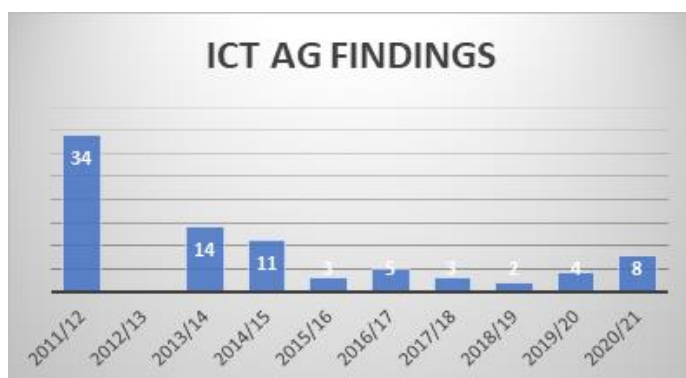


Figure 18: ICT AG Findings

Table 41: Audit Categories:

Audit Category	No of findings 2020/21	Areas Audited in 2020/21	No findings of in 2019/20	Areas audited in 2019/20	Areas Audited in 2018/19	Areas Audited in 2017/18
ICT Governance - ITEC		34	1	27	37	19
ICT Service Continuity	1	9		11	7	9
Program Change Management	1	9	1	4	4	5

ICT Security Management	3	39		25	23	21
User Account Management	3	47	2	27	17	9
Physical and Environmental Controls				0	0	5
Migration Follow Up					2	
Inventory Weighted average					1	
Incident Management		3				
TOTAL	8	141	4	94	91	68

SALGA MATURITY ASSESSMENT OF ICT

The Municipality accepted an invitation by the South African Local Government Association, SALGA, on 25 October 2021 for an ICT Capability Maturity assessment and process improvement initiative to be conducted on its ICT operations. The Department of Cooperative Governance and Traditional Affairs (COGTA) on 12 March 2015, initiated a Municipal Corporate Governance of ICT Policy, which was to be implemented by Municipalities to improve the governance of ICT related investments and the enablement of operational functions and efficiencies.

SALGA thereafter developed a process improvement model which targeted the Municipal Corporate Governance of ICT Policy, ICT Governance, and the AG of SA IT Audit focus areas.

The IT Service and Governance process improvement model developed by SALGA identifies as an assessment and maturity framework that uses the ICT industry's best practices framework to define the ICT Capabilities necessary for a municipality to achieve compliance and alignment of ICT Services with Municipal strategies and plans.

The model provides the following focus areas;

- A reference to the boundaries in which ICT can operate
- A reference to understand what should drive ICT planning and operations
- Provides measurable objectives to enable ICT to better manage the information systems and technologies of a municipality
- Provides overall guiding principles and practices to the management dimensions of an optimally functioning ICT department of a municipality

31 Municipalities were selected in South Africa (excluding Metros) for participation in the assessment from 2018 to 2021. For Ugu, the assessment was done in the month of November 2021 and the final outcome assessment was presented to the ICT Steering committee on 6 December 2021.

This assessment scored Ugu District Municipality ICT at an overall score of 3.80, making it the highest scoring Municipality. The 2nd highest scoring Municipality was Mossel Bay Municipality at 3.31

The 4 areas of assessment and Ugu ICT scores were;

ICT Process Maturity	3.08
ICT Governance	3.27
ICT Artefacts	4.21
End-User Satisfaction survey	4.64
Ugu Municipal Maturity Level Score	3.80

This is a wonderful outcome, celebrated by the Ugu leadership and management, and attests to the interventions placed within Ugu ICT in 2015 which have borne fruits as seen in these assessment outcome scores. The Municipality will continue to strive to improve the ICT processes and ICT operations, and the intrinsic role it plays to the service delivery functions, being the provision of water and Sanitation to the Municipality's citizens. The value of this ICT Assessment during the time of The Fourth Industrial Revolution cannot be understated as it allows the Municipality to revise its ICT Strategy for the 2022 to 2027 period, coinciding with the new leadership of the Municipality, and aiming for greater achievements in this space.

ICT DISTRICT FORUM

The already established ICT District Forum comprising of the District Municipality and the Local Municipalities within the District as a strategic objective aims to accomplish.

- Mainstreaming ICT Services and ICT infrastructure in the District
- Explore opportunities for the sharing of ICT services
- Drive ICT development in the District both socially and economically
- Ensuring efficient and effective employment of ICT resources in the District
- Monitor and evaluate legislative compliance of ICT infrastructure and services in the district
- Harmonization of ICT and associated policies in the District
- Ensuring digital inclusiveness in the District
- Enhance service delivery through ICT tools in the District
- Collaboration
- Knowledge Management opportunities
- State of the Nation / Province / District issues
- AG Audit and Risk issues in the ICT Environment
- Areas of Support

- Share information in the developments within the ICT Environment such as legislation, white papers, bills, etc
- Invitation of key stakeholders that can assist with ICT efficiencies

This forum meets at least once per quarter and is fully functional. The Forum reports to the Governance Cluster IGR Forum and is an integral part of a mutual support for ICT professionals working in the Municipalities in the District.

ICT COMMUNITY PROJECTS

Since 2015, after the Municipality did a desktop and laptop refresh for the staff of the Municipality through a leasing system, a decision was made to allocate the old usable ICT equipment to schools in need. ICT methodically assesses all these old devices to ensure they are in an acceptable working condition and prepares them with an operating system and Microsoft office application software.

Together with the Special Programmes unit of the Municipality, ICT implements this project once beneficiaries are finalised, as determined by the Office of the Mayor, a report is submitted to Council through the Asset Management unit to formally donate the assets to the schools in line with the provisions in the MFMA and the Ugu District Municipality Asset Management Policy.

The donations and programmes are facilitated by the Office of Special Programmes in the Office of the Municipal Manager and the Manager Assets facilitated the Council resolution for the donation of same. ICT is present on the handover dates to allocate the devices, set them up, provide any required technical support and keep the handover documentation as evidence to track the donated assets. 21 schools have benefitted from this program to date and the next 5 year strategy will ensure this program continues over the period.



Figure 19: Community Initiatives

Sihle High School Donation in May 2021



Harding Special School Donation in October 2020

ICT INTERSHIPS AND LEARNER OPEN DAYS

ICT will continue to promote and welcome any opportunities for learners from the Local High Schools to do ICT Open days and share with them the live ICT environment for their future working careers.

ICT Internships within the ICT Section of the Corporate Services Department will continue to be promoted with 2 ICT interns being recruited at a time, exposing young ICT Graduates with no work experience to the live practical ICT working environment.



Figure 20: Learner Open days and Internships

Table 42: ICT SWOT Analysis

Strengths:	Weaknesses:
• Systems in place • Environmental controls adequate • Controls for processes / procedures in place • Documentation repository • ICT Steering Committee • ICT Strategy, Governance & policies, Plans & SOP's • Functional Organisational Performance Management System • Implementation of IPMS in the Section • Start of digitization, successful uptake – MS Teams video conferencing, Paperless office	• Limited ICT personnel training and certifications / qualifications • Succession planning • Security Budget availability • IT Tender process timeframes – too long • IT Security dedicated presence / employee

• Salga Assessment score	
Opportunities:	Threats:
• Training conferences and courses virtually • Consultant training programme for graduates through the Financial management systems support • ICT District Forum • Social Responsibility – Schools • ICT Steering Committee • MS EA for training / Webinars/E-learning • Bursary allocation alignment to critical skill (internally and externally) • Covid 19 buy in for new innovations by the Ugu user community (virtualisation, mobility) • MIG Top slice for ICT projects	• SCM Processes timeframes • Security vulnerabilities – hacking, malicious or data protection • Critical skills shortages in ICT • Ability to secure budgets or funding for new technology and innovations • Fear of new technology and changes (users) • Higher cost of IT products

3.5.13 Municipal Transformation and Institutional Development SWOT Analysis

Table 43: MTID SWOT Analysis

Strengths	Weaknesses
Training and Development	Ageing vehicle fleet assets
Functional Employee Assistance Programme	Fleet management system

Highly qualified and committed staff complement Regular Driver training and testing Sound municipal systems in place (policies, fleet, auxiliary etc.) Functional Organisational Performance Management System Individual Performance Management System in place All Section and 54 posts are filled Staff retention	Employer – Employee Relations (Labour Unrest) Misplacement of Skills Understanding of Organisational Culture Understanding of Individual Performance Management System Enforcement of disciplinary and consequent management Document and records management Printing cost Disciplinary processes taking too long Unclear delegation of authority / power Succession planning
Opportunities	Threats
Bursary allocation alignment to critical skill (internally and externally) Satellite university / tertiary institutions	Critical skills shortages High staff turnover Staff exodus

3.6 BASIC SERVICE DELIVERY

3.6.1 Water Service Provision

It is important to state from the onset that the gaps in the levels of services include a rural/urban national design standard, which affects the rural area increasingly because the level of service required in the rural area increases annually and the actual level of service cannot keep up with the demand. This trend will continue until service levels are equalised. Furthermore, aged water and sanitation

infrastructure, lack of capacity of key treatment plants continues to be challenges and result in many interruptions and service delivery challenges. A turnaround strategy has been adopted by Council to turn the water and sanitation services around. This will require approximately R 2 billion and will take between 3 and six years to accomplish.

3.6.2 Existing Water Infrastructure

As indicated in the Water Service Development Plan the existing water infrastructure suggests that the formal urban coastal areas have well developed bulk infrastructure and networks and historically was the focus for infrastructure development in the District. The coastal areas remain the highest concentration of the population and are also the main economic centres for the District. Infrastructure development in the rural areas was historically done in a haphazard manner and this resulted in several standalone rural water schemes that many times are supplied from unsustainable water sources. The Regional master planning initiatives that were completed in 2006 corrected the lack of planning in the rural areas and shifted the focus towards the implementation of more sustainable Regional Water schemes. The recently adopted Water Services Master Plan addresses the bulk water supply to ensure long term sustainability.

Furthermore, a number of bulk supply sources (water treatment works or external bulk supply sources) that form the basis of the current and future water supply systems in the District were identified. Each one of the bulk supply sources supplies a specific zone that could be ring fenced and used as the basis for further analysis. These supply zones were not always clearly definable, especially in the urban areas where several interconnections exist to allow certain areas to be supplied from more than one bulk supply source. Nonetheless an attempt was made to ring fence back-to-back supply zones that cover the entire District. The supply zones also formed the building blocks for the development of the water demand model and the water demands were ring fenced within the supply zones and linked back to the respective bulk supply sources. The water demands could then be compared with the ability of the bulk infrastructure and water sources to meet the current and future water demands.

3.6.3 Water Delivery Standards

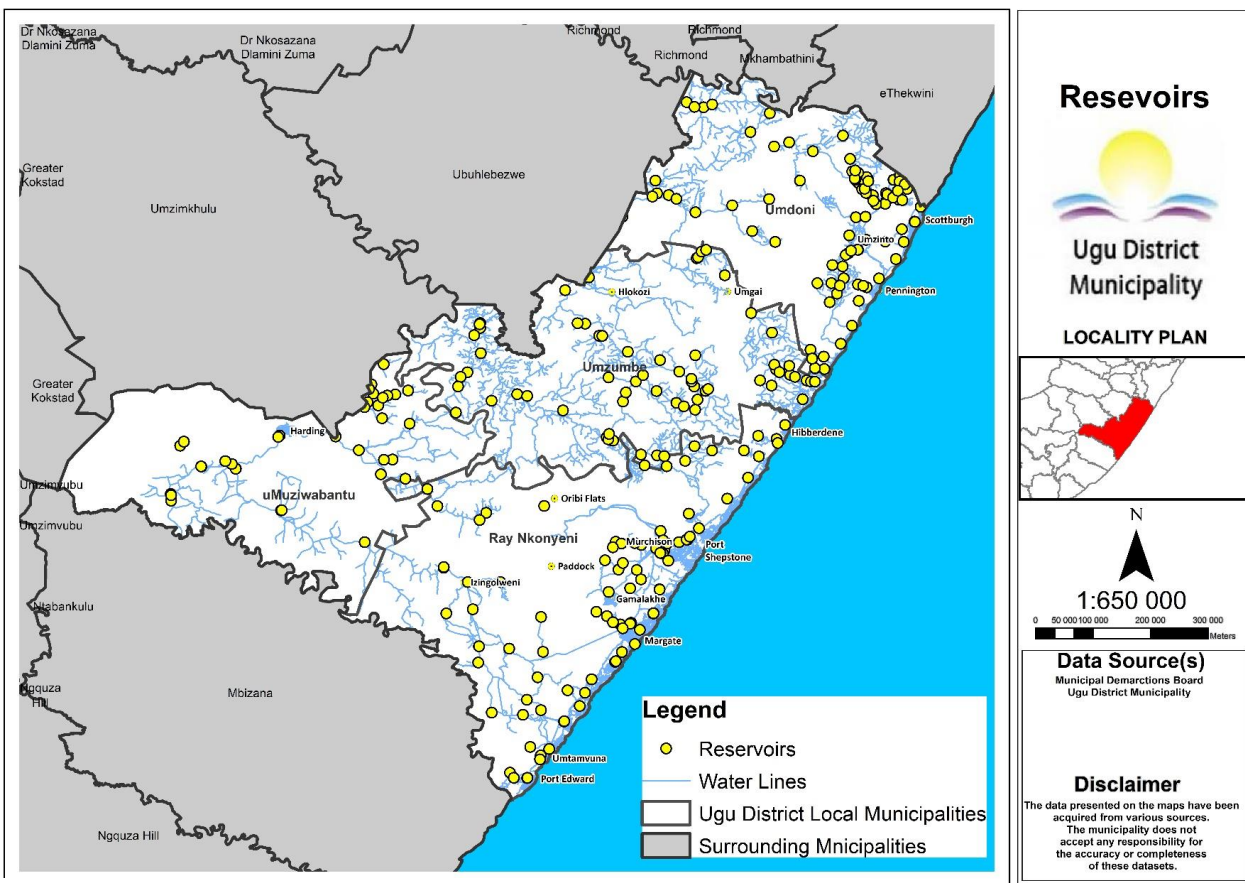
The water supply to the District is derived from dams, rivers, ground water and bulk purchases from eThekweni and Umgeni Water. The water is then treated at several treatment plants, owned by Ugu before being distributed to households. Distribution of water is done via more than 42 000 private household connections and over 5 000 communal stand taps which mainly service the inland rural areas.

The demographics of the Ugu district vary from dense formal urban settlements to scattered rural settlements and must be dealt with differently when planning for the provision of water services. Different levels of service are appropriate for each settlement category and the new Norms and Standards has been used to determine the water demands for each area. Different levels of service are appropriate for each settlement category and the "CSIR Guidelines for Human Settlement Planning and Design" was used as a guideline to determine the water delivery standards per settlement category as indicated in table All systems require upgrade to be able to supply the future demands.

The water delivery standards were used to develop a water demand model for the district and to calculate current and future water demands per supply zone. The current level of basic service within Ugu comprises predominantly of community standpipes at 200m.

3.6.4 Current and Future Water Demands

The current and future water demands for each supply zone were calculated and compared with previous studies in this regard, as well as with actual water usage figures where they were available. The actual usage figures assisted in calibrating the water demand model as best as possible. The future or “ultimate” water demands represent a scenario where backlogs have been eradicated and all households have access to at least a basic RDP level of service. Future developments that are known and “development drivers” that have been identified in the Ugu SDF have also been considered with the calculation of the future water demands. The population growth rate was assumed to be 2,3% per year for Rural Municipalities and 0,5% for urban Municipalities. Certain peak factors were also included in the calculations to determine the “Peak Week Daily Demands”, which represent the average daily consumptions that can be expected during the week of highest consumption.



Map 13: Reservoirs

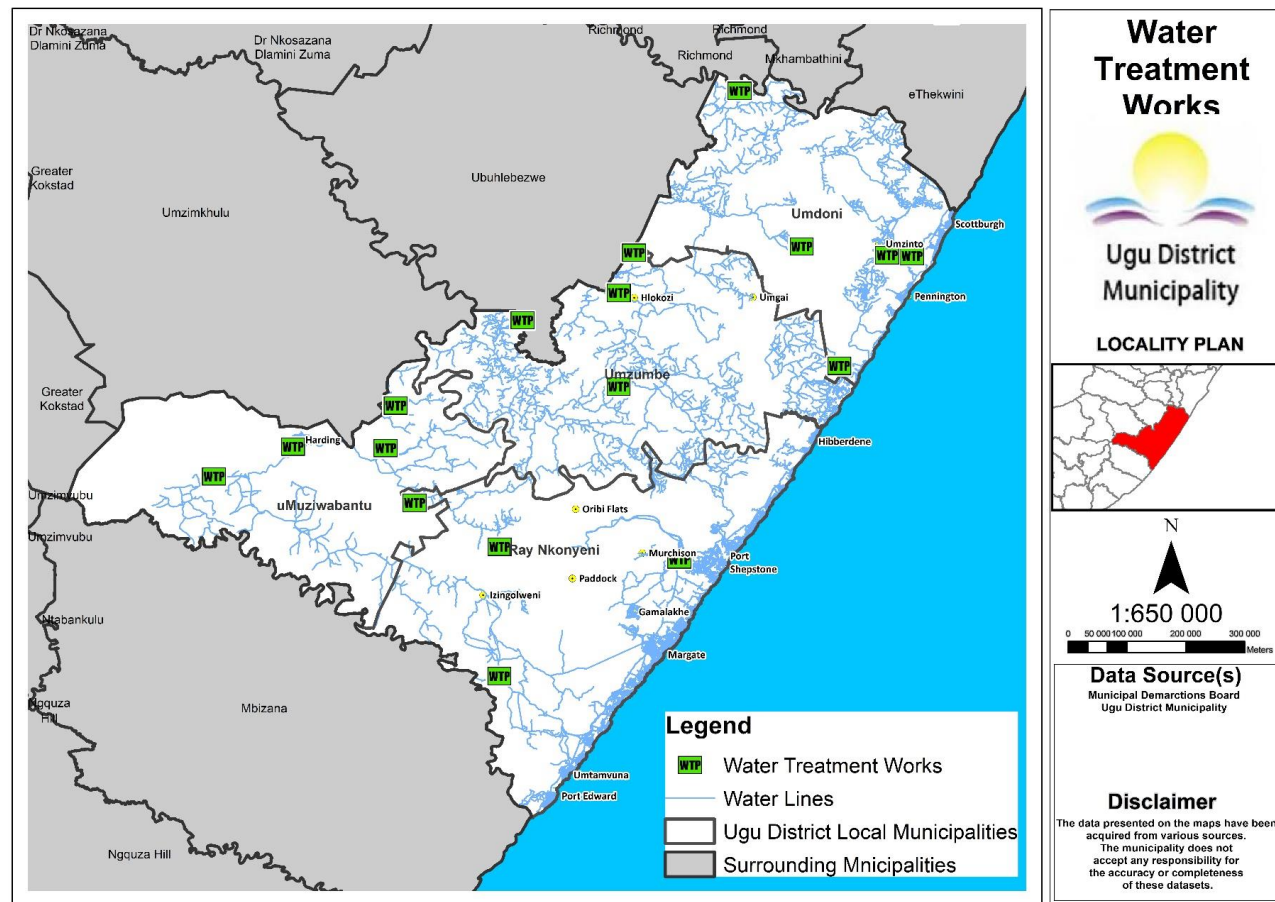
Ugu GIS, 2022

Source:

Table 44: Current and Future Water Demands

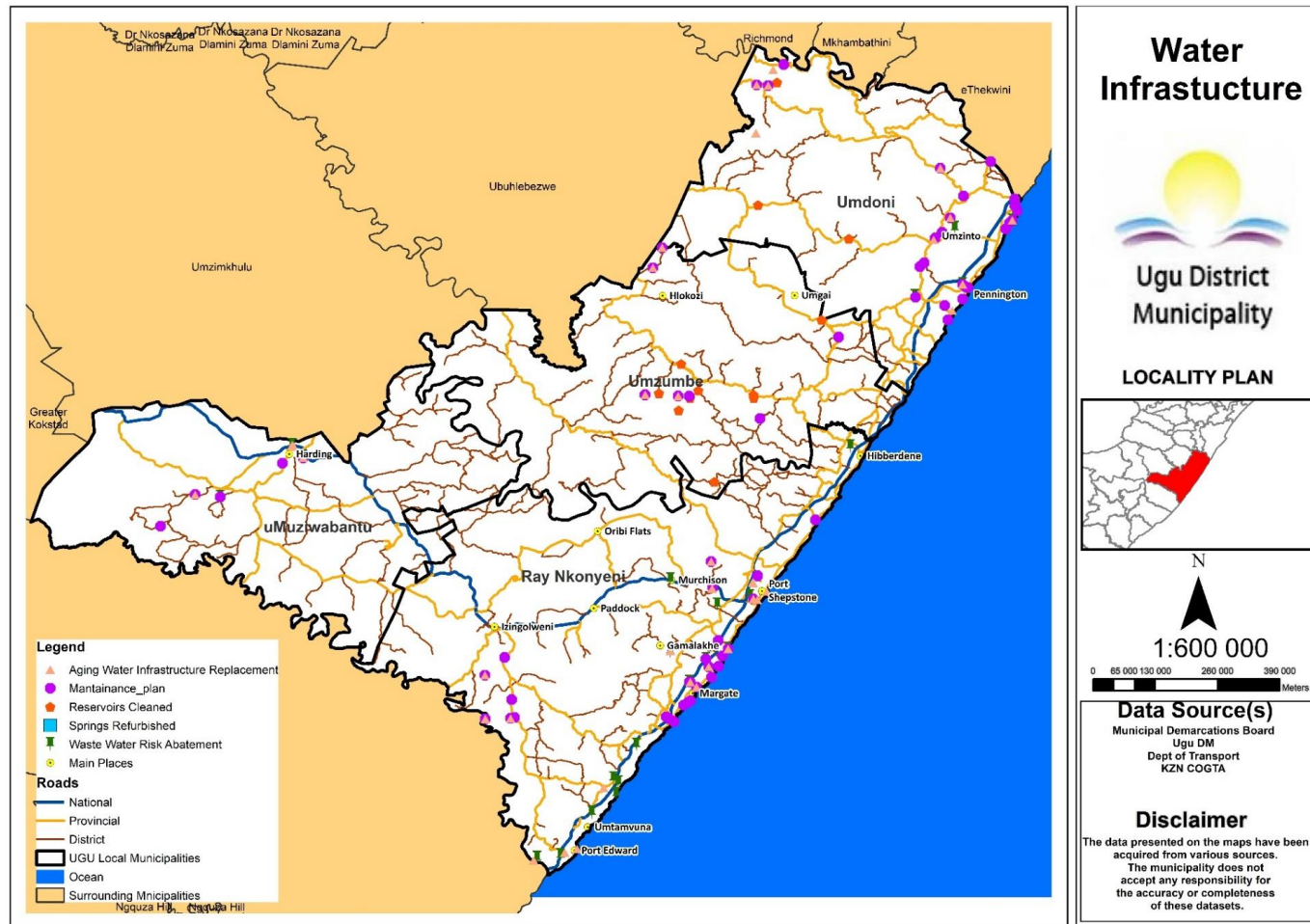
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Water Supply System	kl/year	kl/year	kl/year	kl/year	kl/year	kl/year	kl/year	kl/year	kl/year	kl/year	kl/year	kl/year	kl/year
Bobhoyi	19,062,533	19,378,281	19,520,693	19,715,406	19,912,117	20,091,576	20,285,571	20,471,706	20,660,276	20,848,741	21,037,030	21,225,529	21,413,633
Assisi	-32,690	-42,649	-52,535	-62,773	-72,716	-82,818	-92,885	102,942	113,008	123,061	133,142	143,202	153,258
Kwa-Hlongwa	81,540	81,361	81,024	80,801	80,530	80,269	80,009	79,742	79,479	79,214	78,949	78,685	78,421
Vulamehlo	1,206,573	1,300,355	1,398,633	1,494,629	1,591,237	1,687,843	1,784,478	1,881,099	1,977,590	2,074,113	2,170,854	2,267,409	2,363,922
Ndelu	196,619	153,208	115,997	75,913	36,596	-2,494	-42,113	-81,357	120,725	160,061	199,474	238,836	278,166
KwaLembe	97,788	77,453	60,497	41,687	23,500	5,336	-13,087	-31,304	-49,602	-67,873	-86,188	-104,474	-122,746
Umtwalume	4,371,681	4,331,881	4,291,356	4,254,431	4,214,615	4,176,421	4,137,535	4,098,769	4,060,144	4,021,396	3,982,630	3,943,908	3,905,210
Willow Glen	874,325	840,359	804,143	769,464	733,833	698,679	663,333	628,001	592,763	557,471	522,119	486,829	451,551
Umzinto	4,233,335	4,048,971	3,877,361	3,702,507	3,527,445	3,353,588	3,178,429	3,004,081	2,829,644	2,655,221	2,480,434	2,305,931	2,131,528
Mshabashane	3,602,486	4,025,741	4,463,581	4,896,239	5,328,354	5,762,020	6,195,409	6,628,627	7,061,464	7,494,287	7,928,158	8,361,192	8,794,049
Harding	5,344	-122,416	-258,946	-389,588	-523,074	-655,561	-788,433	-921,304	-1,053,883	-1,186,594	-1,319,555	-1,452,282	-1,584,953
KwaNyuswa 1	91,647	102,259	112,101	122,159	132,226	142,200	152,274	162,291	172,314	182,341	192,385	202,417	212,441
KwaNyuswa 2	290,103	345,020	399,252	453,223	507,590	561,620	615,947	670,123	724,273	778,442	832,717	886,903	941,061
KwaMbotho	-89,016	-122,121	-155,428	-189,523	-222,732	-256,433	-290,018	-323,560	-357,121	-390,647	-424,269	-457,823	-491,363
KwaFodo	28,589	31,997	34,897	37,716	40,751	43,616	46,574	49,499	52,420	55,351	58,284	61,214	64,142

Weza	2,057,301	2,171,103	2,296,635	2,422,166	2,544,003	2,668,981	2,792,473	2,916,377	3,040,161	3,163,812	3,287,876	3,411,637	3,535,367
Umtamvuna	7,074,699	6,896,616	6,714,084	6,533,042	6,352,048	6,170,705	5,989,257	5,807,959	5,626,806	5,445,645	5,264,062	5,082,822	4,901,662
South Coast Pipeline	3,067,203	3,058,948	3,079,463	3,085,414	3,095,644	3,106,426	3,115,548	3,125,925	3,135,665	3,145,596	3,155,563	3,165,445	3,175,375
District Total	46,220,060	46,556,367	46,782,808	47,042,913	47,301,967	47,551,974	47,810,301	48,063,732	48,318,660	48,573,394	48,828,433	49,083,304	49,337,876



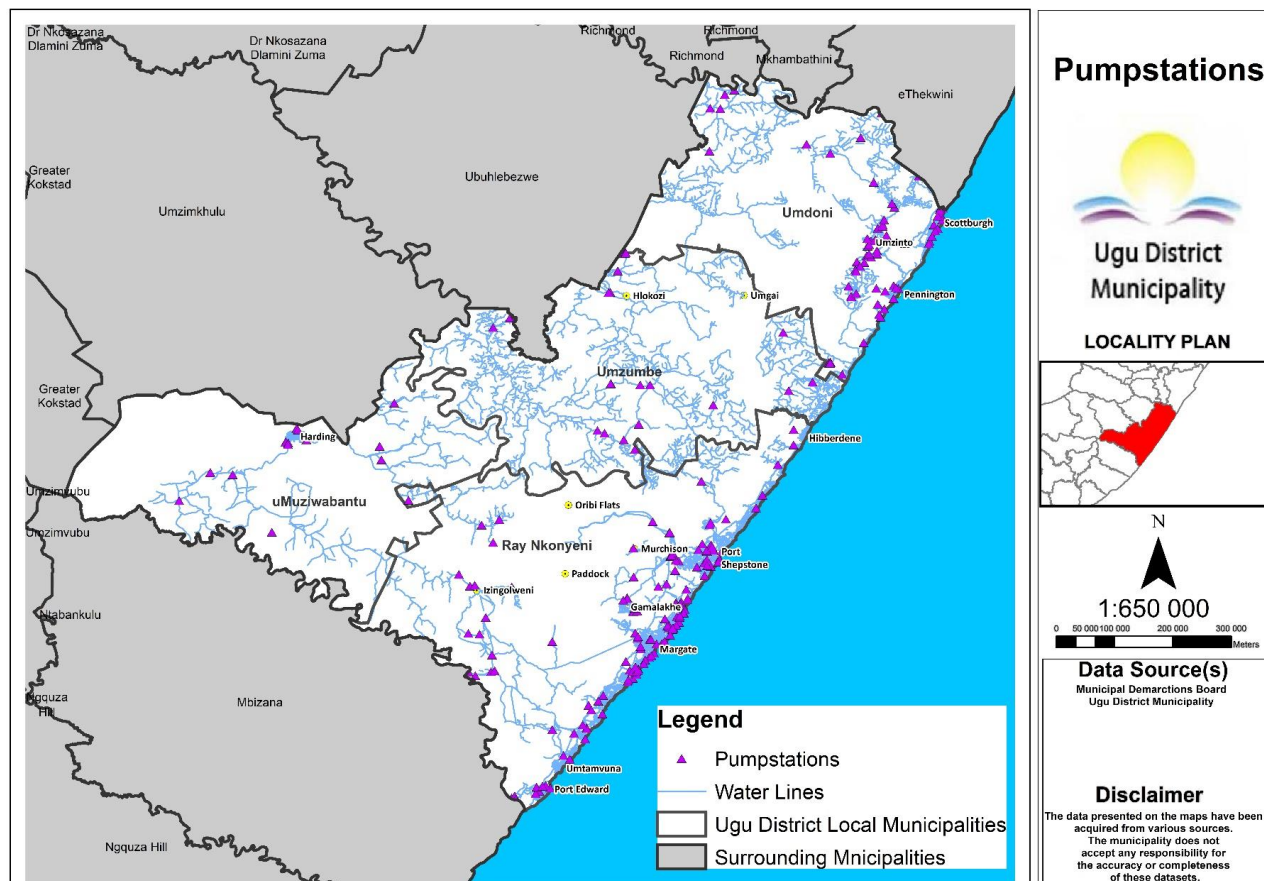
Map 14: Water Treatment Works

Source: Ugu GIS, 2022



Source: Ugu GIS, 2022

Map 15: Water Infrastructure



Map 16: Pumpstation

Source: Ugu GIS, 2022

3.6.5 SCADA and Telemetry

SCADA is an acronym which stands for Supervisory Control and Data Acquisition, which is the software that come in various brands. Ugu Districts Municipality chose Adroit as a brand of choice to create mimic and trends. Pumps calls are created on the SCADA and historical information is also kept on the software side.

Telemetry is different components that are put together to monitor the level of reservoirs onsite and send that data back to SCADA for the operators to view.

Telemetry consists of:

- Antenna
- RTU
- Ultrasonic
- Surge arrestors

The SCADA and Telemetry tool is key in identifying problems with water supply to any of the reservoirs in the system. Control room operators are able alert plumbers on the ground should any given reservoir be experiencing critically low water levels, this assists in curbing substantial water losses should there be a break/leak in the system. Figure 21 below depicts a screen shot of the system.

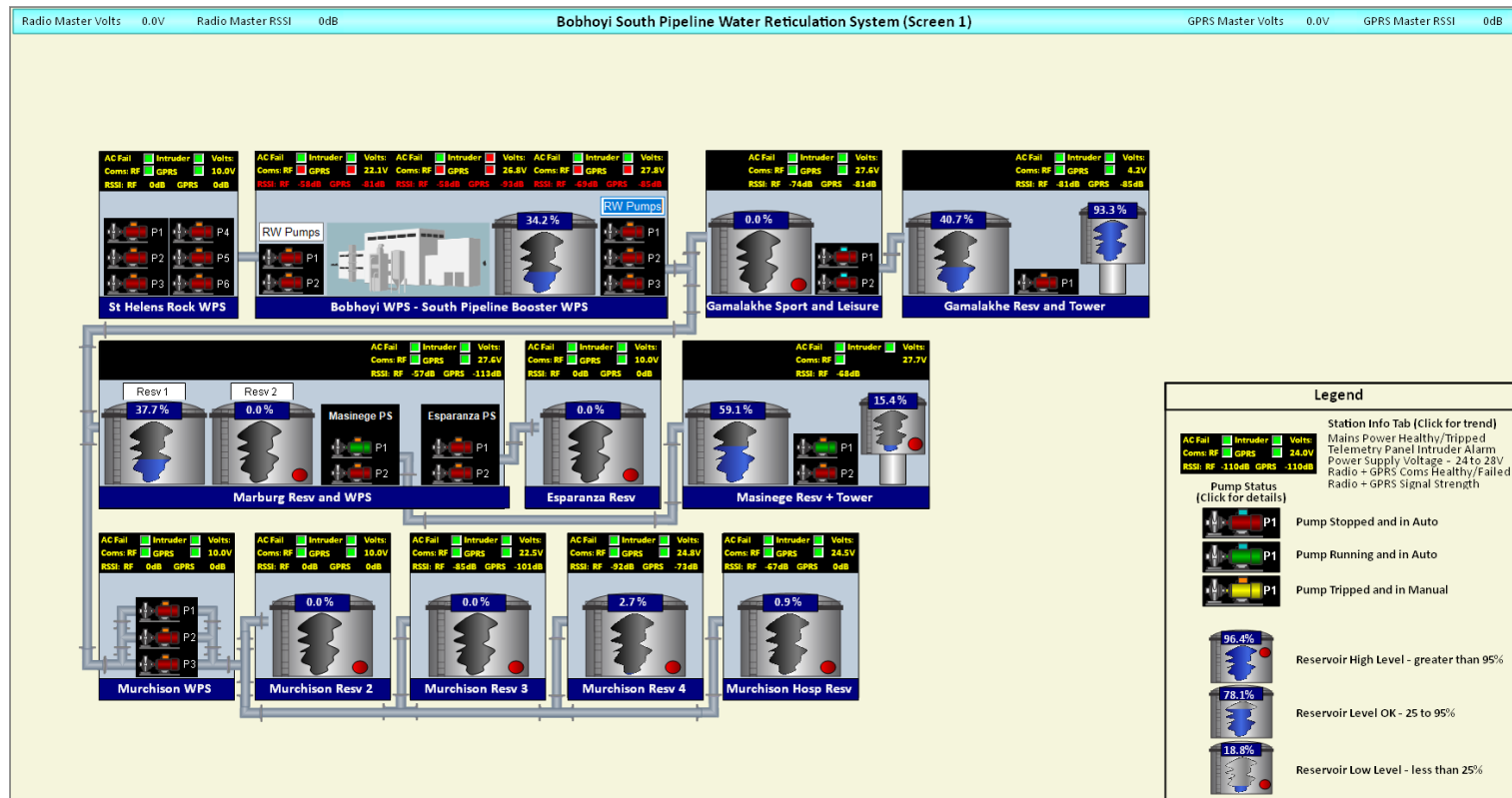


Figure 21: SCADA and Telemetry Screen Shot

Source: Ugu District Water Resource Management

3.6.6 Access to Water Services

The Census 2016 Community Survey with regards to access to piped water released data in the following categories:

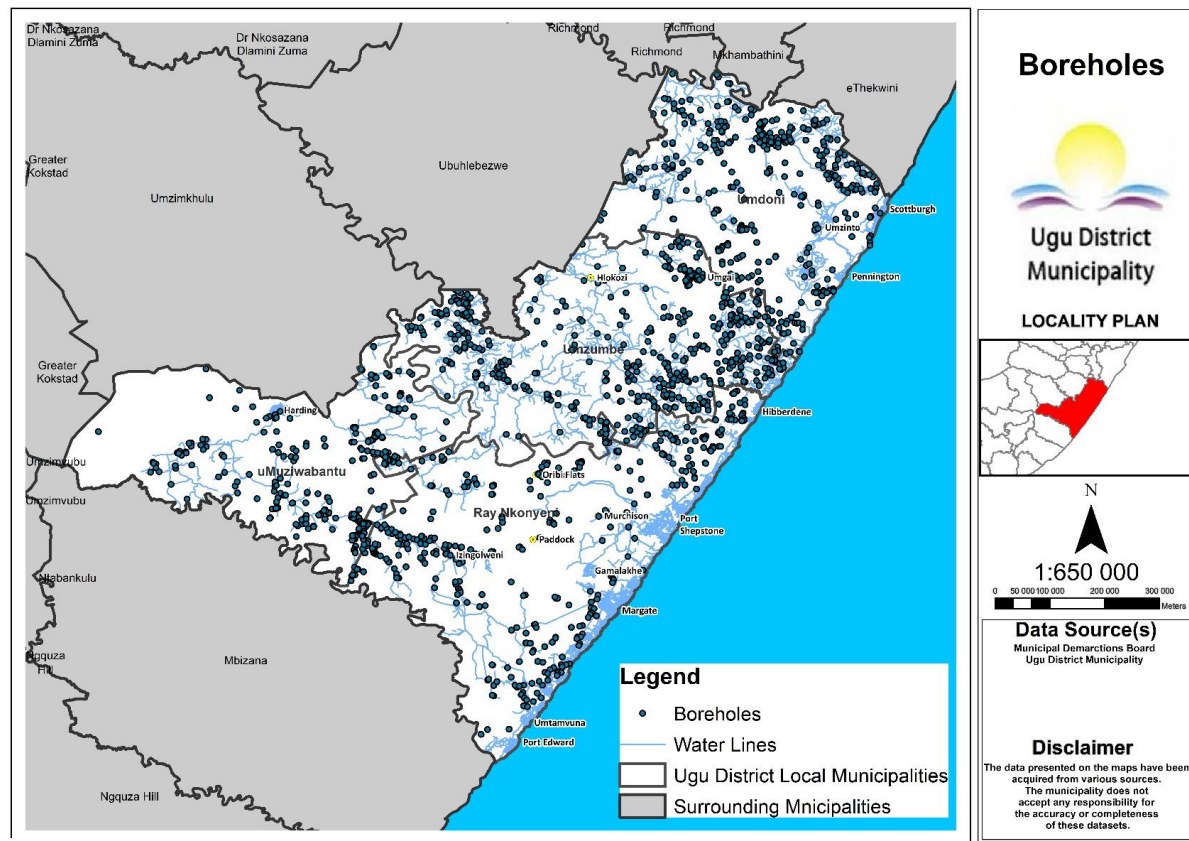
- Piped (tap) water inside the dwelling /house;
- Piped (tap) water inside yard;
- Piped water on community stand;
- Borehole in the yard;
- Rain-water tank in yard;
- Neighbours tap;
- Public/ communal tap;
- Water-carrier /tanker;
- Borehole outside the yard;
- Flowing water/ stream /river;
- Well; and
- Spring.

Table 45: Access to Water Services

Main source of water for drinking	Umdoni	Umzumbe	uMuziwabantu	Ray Nkonyeni	Ugu
Piped (tap) water inside the dwelling \	8 311	440	1 367	27 001	37 119
Piped (tap) water inside yard	4 792	4874	1 182	10 930	21 777
Piped water on community stand	15 335	7 853	7 345	35 880	66 412
Borehole in the yard	138	151	275	362	926
Rain-water tank in yard	381	776	573	351	2079
Neighbours tap	301	314	60	301	975
Public/ communal tap	2 680		7 122	12 448	27 844
Water-carrier /tanker	675	1 070	1 100	1 130	3 975
Borehole outside the yard	319	684	363	229	1 593
Flowing water/ stream /river	2 403	6 146	1 732	1 381	11 662

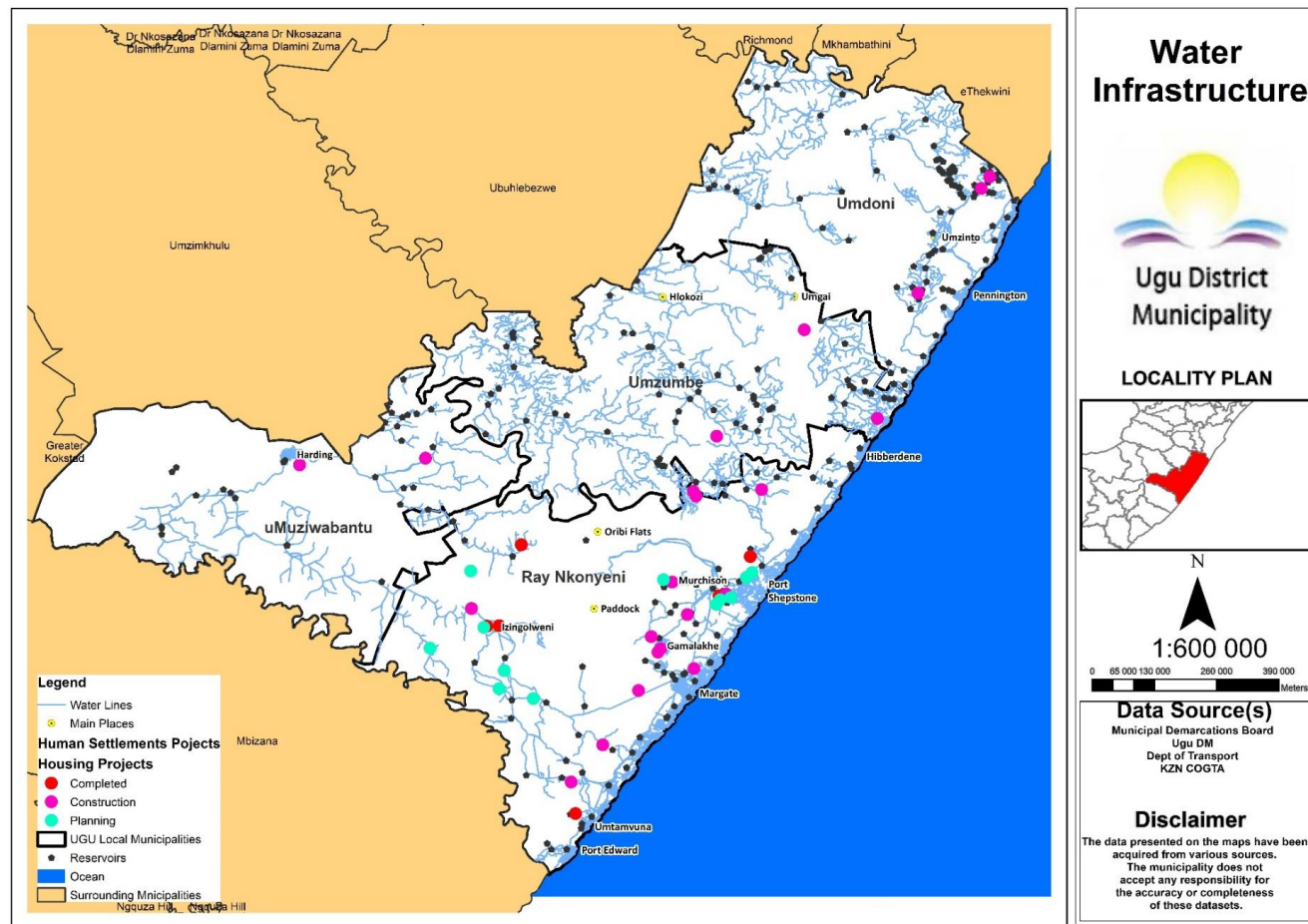
Well	0	71	0	136	206
Spring	62	76	0	23	160
Other	38	82	54	237	411
Total	35 433	28 132	21 172	90 409	175 146
% Access to Piped Water	88	67	80	95	87
% Backlog	12	33	20	5	13

Source: Stats SA CS 2016



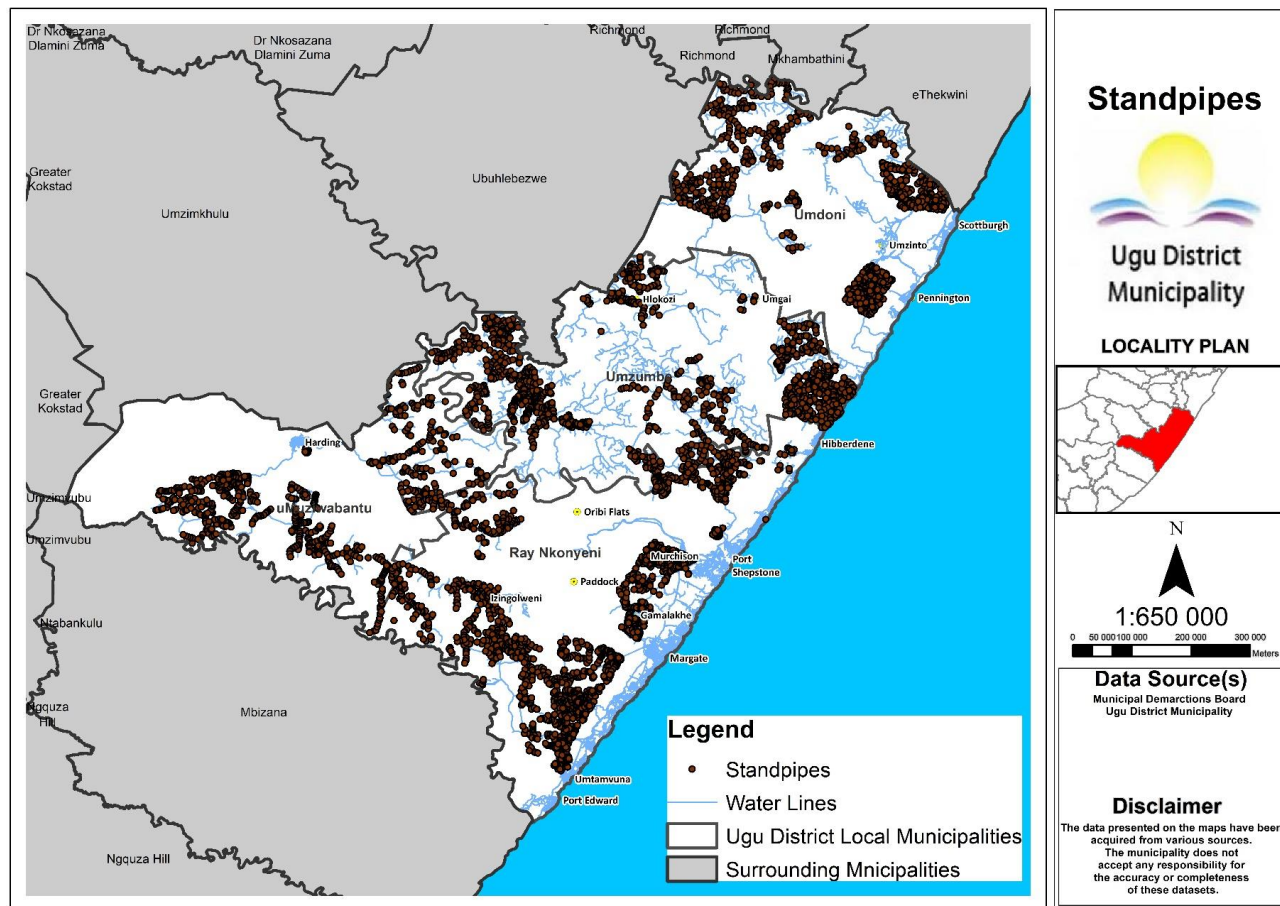
Map 17: Boreholes

Source: Ugu GIS, 2022



Map 18: Water Infrastructure Vs Housing Projects

Source: Ugu GIS, 2022



Map 19: Standpipes

Source: Ugu GIS, 2022

3.6.7 Current Strategies / Programmes for Water Provision

The following are the programmes and strategies that Ugu District uses to ensure efficient water services delivery to the community and that the backlog is eradicated.

Free basic water and indigent support

A free basic water policy makes provision for the supply of 6kl of water for indigent households. An Indigent Support Policy is in place which applies to residential and non-profit organizations entitling the beneficiaries to 6kl of free water per household per month and 100% rebate on water and sanitation basic charges.

Ground Water programme

Ugu has a rudimentary water supply programme incorporating the use of boreholes and spring water. There is a spring protection and borehole maintenance programme to support supply to communities. However, the ground water potential is not very good in most areas, resulting in the failure of such schemes. Regional Water Resources Planning Strategy Ugu has developed a water master plan that seeks to integrate the 16 individual water schemes into sustainable systems, i.e. Harding Weza water; Umtamvuna; UMzimkhulu; Umtwale; Vulamehlo; KwaLembe; and Mhlabatshane water schemes.

Ugu District Municipality, as the Water Services Authority (WSA) provides potable water and sanitation services to the Umdoni, uMzumbe, Ray Nkonyeni and uMuziwabantu Local Municipalities. The Ugu WSA via the provisions of the Water Services Act, 1997 has appointed Umgeni Water as its Bulk Water Service Provider (BWSP) for certain areas within the Umdoni and uMzumbe Local Municipalities. The details of the contractual relationship between the Ugu WSA and Umgeni Water is captured in the Ugu-Umgeni Water Bulk Water Supply Agreement.

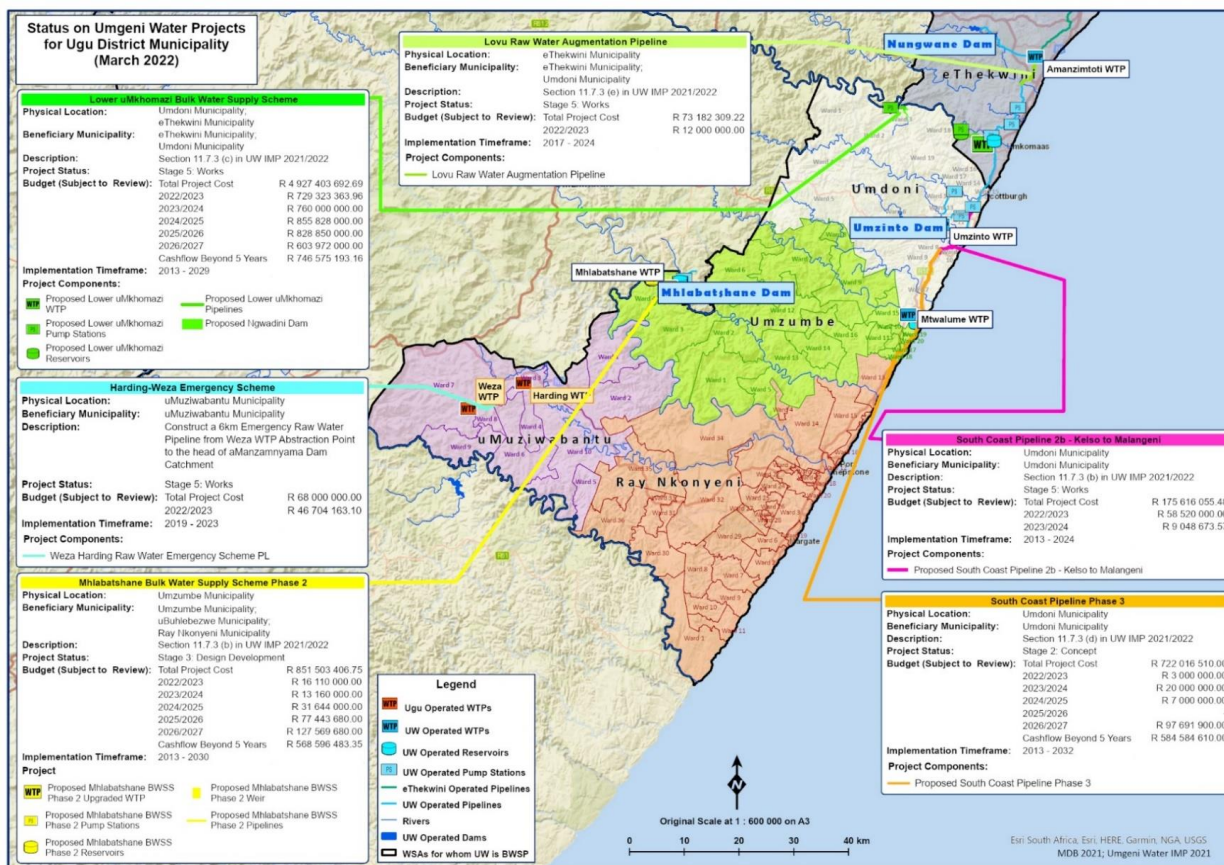
Umgeni Water is a regional water board that reports to the Minister of Water and Sanitation (i.e. Umgeni Water is a state-owned enterprise). Umgeni Water, as the BWSP to the Ugu WSA, is responsible for the operation of the dams supplying certain areas with the Umdoni and uMzumbe Local Municipalities, to treat the raw water abstracted from the Umgeni Water-operated dams to safe drinking water standards and to distribute this treated water via a series of pipelines, reservoirs and pump stations to the Ugu WSA water infrastructure. The Ugu WSA then reticulates the treated water via its infrastructure to the Umdoni and uMzumbe Local Municipal consumers.

The Umgeni Water operated infrastructure in Ugu District Municipality is shown in Error! Reference source not found.. It is illustrated in Error! Reference source not found. that the northern areas of uMzumbe Municipality obtain water from the Mhlabatshane Water Treatment Plant (WTP) which treats the raw water i.e. untreated water abstracted from the Mhlabatshane Dam. The southern areas of the uMzumbe and Umdoni Municipalities obtain water from the Mtwale WTP, which treats the raw water abstracted from the Mtwale River (Error! Reference source not found.). The northern and central

areas of Umdoni Municipality obtain water from the Umzinto WTP which treats the raw water obtained from the Umzinto and E.J. Smith Dams (Error! Reference source not found.).

Due to the small yields from the Umzinto and E.J. Smith Dams and increasing demand for potable drinking water, Umdoni Municipality further obtains treated water from the Amanzimtoti WTP, located in the eThekweni Municipality via the Umgeni Water operated “South Coast Pipeline” (Error! Reference source not found.). The Amanzimtoti WTP treats the raw water from the Nungwane Dam, also located in eThekweni Municipality which is transferred to the WTP via the recently upgraded Nungwane Pipeline (Error! Reference source not found.). Not shown on Error! Reference source not found., the water at the Amanzimtoti WTP is further augmented with treated water obtained from the Wiggins WTP located in eThekweni Municipality. The Wiggins WTP treats the raw water abstracted from the Inanda Dam on the uMgeni River. The daily levels for the Umgeni Water operated dams supplying the Ugu District Municipality are available at <http://umgeni.centralus.cloudapp.azure.com/umgeni/storage>.

Due to the increasing demands for potable drinking water within Ugu District Municipality, Umgeni Water is currently implementing six projects for the benefit of the Ugu family of municipalities to meet these increasing demands and to increase the assurance of supply. The location and status of these projects is illustrated in Error! Reference source not found.. These projects are aligned with the planning of the Ugu family of municipalities as identified in the respective Integrated Developments Plans (IDPs) and Spatial Development Frameworks (SDFs). Further details on these projects and the bulk water supply system providing water to Ugu District Municipality is described in [Volume 4 of the Umgeni Water Infrastructure Master Plan](#) (see <https://www.umgeni.co.za/infrastructure-master-plans/> for the most recent version). Funding for these projects is obtained from Umgeni Water. However, Umgeni Water is reliant on the Ugu District Municipality paying for the services provided.



Map 20: Umgeni Water Projects

3.6.8 Regional Water Resources Planning Strategy

Ugu has developed a water master plan that seeks to integrate the 16 individual water schemes into sustainable systems, i.e. Harding Weza water; Umtamvuna; UMzimkhulu; Umtwalume; Vulamehlo; KwaLembe; and Mhlabatshane water schemes. The strategy seeks to integrate the isolated individual water schemes and provide for investment in more reliable water sources that will be more cost effective in addressing backlogs, meeting the demand due to urban development growth, and mitigating the effect of drought.

3.6.9 Sanitation Provision

The Water and Sanitation Master Plan has been completed with a projection for 2030. The Water Services Development Plan which was last reviewed in 2015 encompasses amongst others, water, sanitation and infrastructure backlog studies, wastewater treatment studies, bulk infrastructure development studies. The WSDP is reviewed every year. Additional funding is required to eradicate the water and sanitation backlog etc.

Table 46: Access to Sanitation

Sanitation Service Level	Ugu	Umdoni	Umzumbe	Ray Nkonyeni	Umuziwabantu
Flush toilet (connected to sewerage system)	36 356	8 312	351	25 965	1 728
Flush toilet (with septic tank)	6 044	1636	428	3 774	206
Chemical toilet	14 590	5 615	4 309	2 328	2 338
Pit toilet with ventilation (VIP)	63 201	6 940	13 643	31 212	11 406
Pit toilet without ventilation	28 637	4 602	3 868	18 564	1 603
Bucket toilet (Collected by Municipality)	3 613	2 737	850	26	0
Bucket Toilet (Emptied by Household)	2 147	504	471	736	436
None	7 565	1 771	689	4 787	318
Ecological toilet	3 853	10	1 046	1 825	972
Other	9 141	3 305	2 478	1 193	2 165
Total	175 146	35 433	28 132	90 409	21 172
Backlog %	31	36	33	28	21

Source: Statistics SA, Community Survey 2016

As per the Statistics South Africa Community Survey 2016, the major sanitation backlog in the Ugu District Municipality area of jurisdiction is in Umdoni (36%), followed by Umzumbe (33%). These are predominantly rural municipalities that are inland and the predominantly urban municipalities that are along the coast have sanitation backlog that is below 50%. The overall sanitation backlog for the Ugu District Municipality is sitting at 31% which dropped by 19% from the 2011 census (48%). The urban areas within Ugu are located predominantly within a narrow coastal strip comprising of a combination of permanent residents and local tourists who descend on the area during holiday periods. The Sanitation Service Master Plan suggests that the water demand (and hence wastewater flows) in the peak December/January period is typically 33% higher than the annual average values.

Although largely “residential”, most urban areas include some “commercial” activity and there are also some “light and/or service industrial” nodes particularly in Port Shepstone (Marburg) and Park Rynie to a lesser extent. The urban sanitation comprises a combination of waterborne sewerage linked to Wastewater Treatment Works (WWTW) as well as a system of septic tanks and conservancy tanks in the less densely populated areas. Most of the treatment facilities are owned and managed by Ugu although there are also a number of privately owned and managed, small sewage treatment plants – mostly “package” plants. Except for Gamalakhe, the sewerage coverage of formal, urban areas which have a Municipal water connection is approximately 30%. Being a coastal strip, the topography generally falls towards the coast and is segmented by many water courses (streams/rivers) resulting in numerous hills and valleys as well as very flat areas along the coast. Thus, there are numerous pump stations in the reticulated areas whilst the WWTWs are generally located inland of the coastal strip such that many of the pump stations deal with pumping heads which exceed those readily achievable with open impeller pumps operating at low speeds. The SMMP notes further that “the geology of the coastal strip may be described in general terms as having rock outcrops all along the coast overlain by one to two metres of sand and with some of these areas being characterised by a high, perched water table” – clearly not ideal for the use of septic tanks with sub-soil percolation drains and as a result there are numerous conservancy tanks within the urban strip.

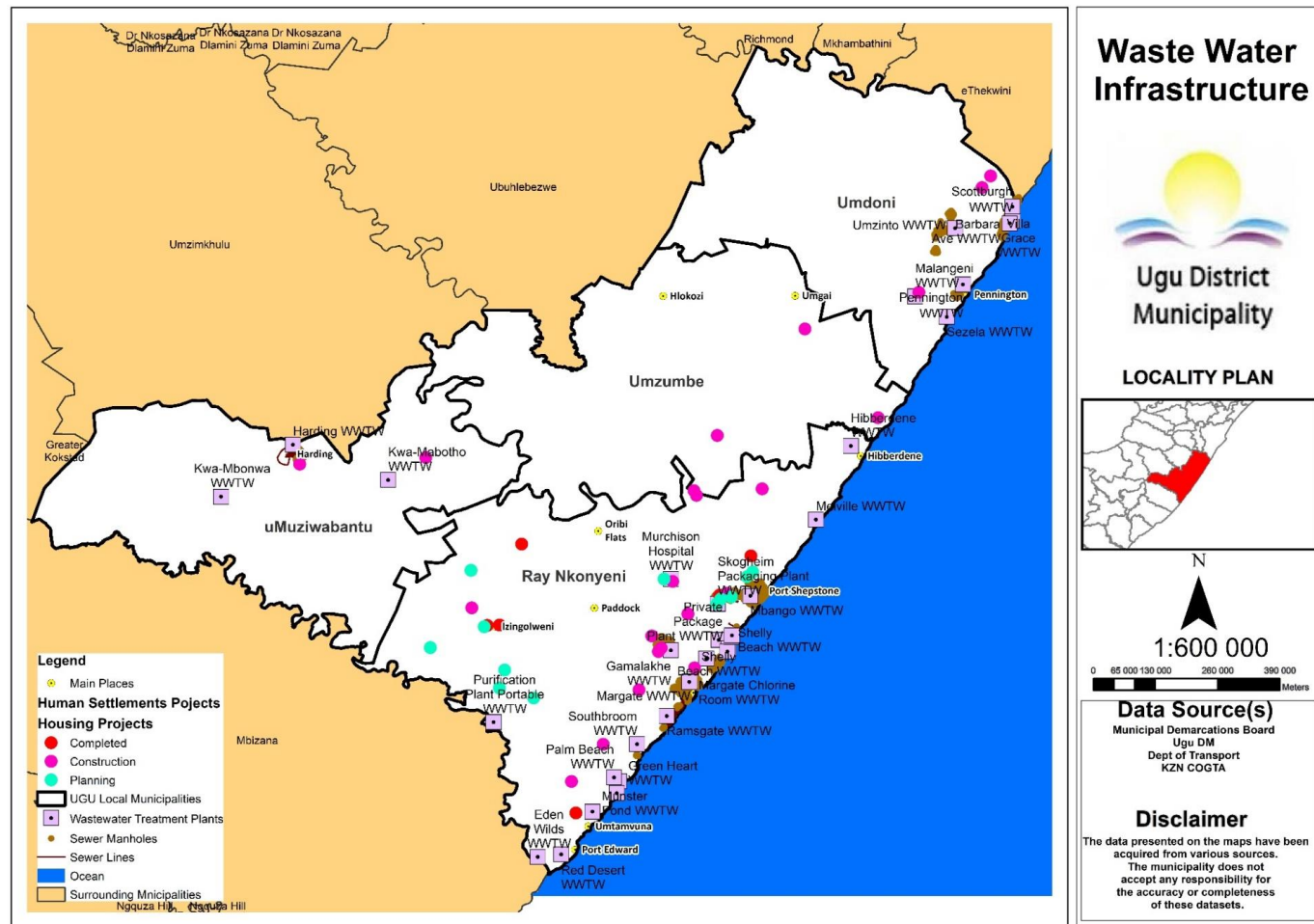
Urban sanitation delivery standards

The SSMP deals with sewage demands and individual scheme options/preliminary designs in greater detail. For the purposes of this audit and a broad assessment of the status quo, the following standards were adopted:

Table 47: Urban Sanitation Standards

Settlement Categories	Sub-Category	Flow	Unit
Formal Urban	Formal Urban	600	l/d/100m ²
	Industrial/Commercial	NA	NA
Informal Residential Upgrade		120	l/c/d

Source: Ugu District Municipality WSDP, 2020



Map 21: Wastewater Treatment Works

Source: Ugu GIS, 2022

3.6.10 Solid Waste and Cemeteries

Waste management services involve the waste collection, treatment, recycling and disposal. The National Environmental Management: Waste Act (Act 59 of 2008) has placed a huge responsibility on municipalities to deliver waste services. Where services are being offered, they are usually limited to the formal, urban areas of Umuziwabantu, Ray Nkonyeni and Umdoni Municipalities. Waste minimisation in the district is poorly organised and there is no integrated system which exists private recyclers may link to. The viability of recycling relies heavily on economies of scale as there must be enough recyclables available to justify the cost of transport associated with the collection of recyclable materials. Ugu requires a great deal more work before an economically viable waste recycling system can be put in place.

There should be a designated site for recycling purposes. Ray Nkonyeni Municipality is also expected to develop a Waste Management Plan which will guide the municipality in terms of the management of waste in accordance with waste related legislations. These legislations include NEMA, Department of Water Affairs: Minimum Requirements for Waste Management, DEAT: National Waste Management Strategy 1999, White Paper on Integrated Pollution and Waste Management, Waste Management No 59 of 2008, KwaZulu-Natal Waste Management Policy and other relevant policies. The majority of the population buries or burns their waste in their own backyard. This has environmental, health and safety implications for of the community of Ugu.

Table 48: Access to Solid Waste Removal

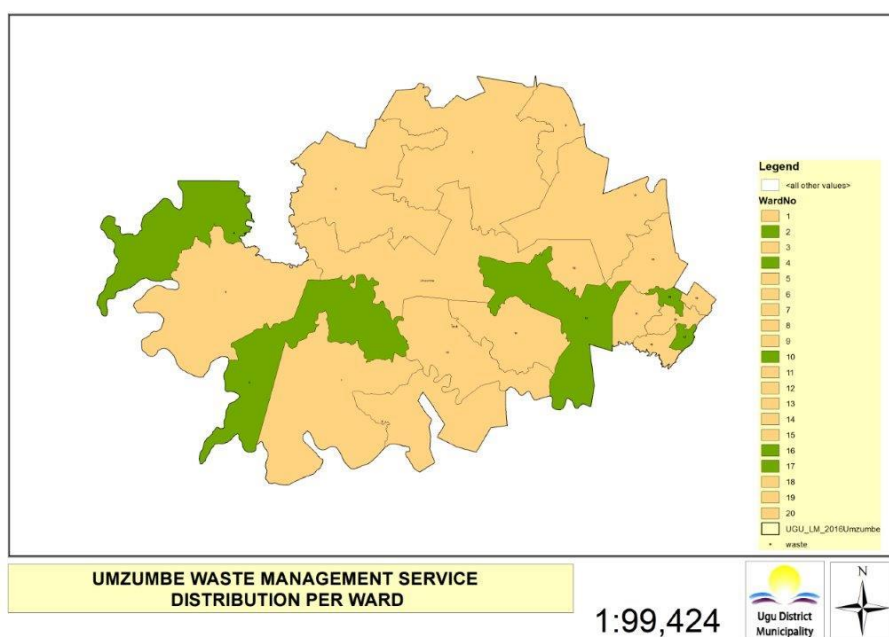
Refuse removal	Ugu	Umdoni	Umzumbe	uMuziwabantu	Ray Nkonyeni
Removed by local authority at least once a week	34 454	7 375	21	3 007	24 053
Removed by local authority less often than once a week	1 532	475	10	102	946
Communal refuse dump	8 565	4 243	1 056	470	2 797
Communal container /central collection point	5 220	2 166	0	0	3 055
Own refuse dump	11 6354	20 432	24 765	16 460	54 697
Dump or leave rubbish anywhere (no rubbish disposal)	8 468	590	2 251	1 092	4 535
Other	550	154	28	41	327
Total	175 143	35 435	28 131	21 172	90 409

Source: Statistics SA Community Survey, 2016

3.6.11 Implementation of IWMP In Ugu District Municipality Per Local Municipality

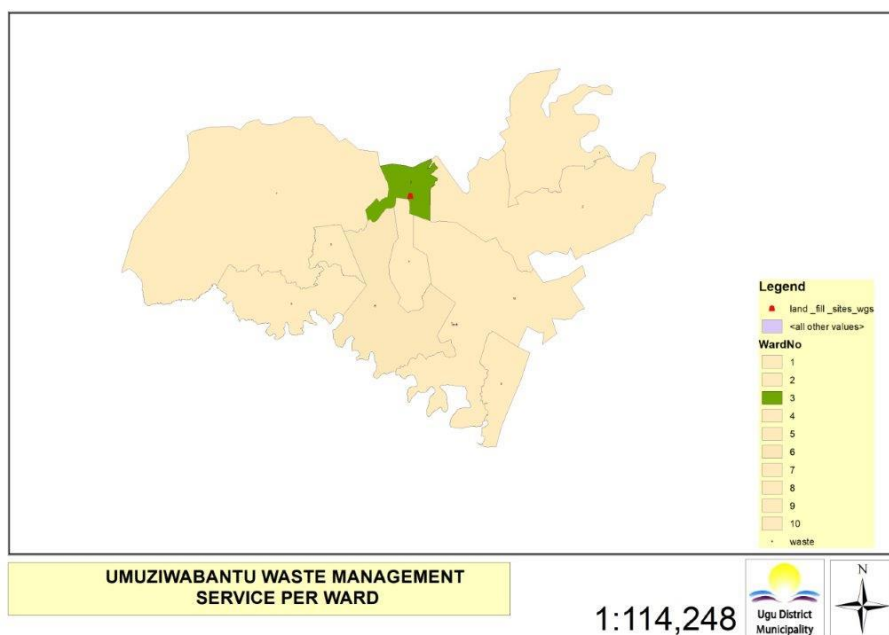
Umzumbe Local Municipality

Umzumbe Local Municipality renders its waste management services in wards 2, 4, 10, 16 and 17 as indicated on the map in figure XX below. It is to be borne in mind that these wards do not receive the service in totality, rather through infrastructure that is placed (skips) in strategic point. For example, in ward 16, the collection point is Dustin Farrell TB hospital which caters for that vicinity. In ward 10 the service and infrastructure is limited to the Turton Taxi rank area. Ward 4 is the St Faith's area where there is public transport and commuter activity and in the business centre of Phungashe, Ward 2. Lastly, ward 16 is an administrative centre where government buildings are located. There are informal recycling activities taking place in certain areas by few aspirant informal businesses. Education on waste minimization is an ongoing activity although aspirant recyclers get challenged in terms of the market and end up seeking other opportunities in Ray Nkonyeni Municipality. As Umzumbe does not have its own landfill site, they have an agreement to dispose of its waste at Umdoni Municipality's Humberdale landfill site, which is a formal and legal facility.



Umuziwabantu local municipality

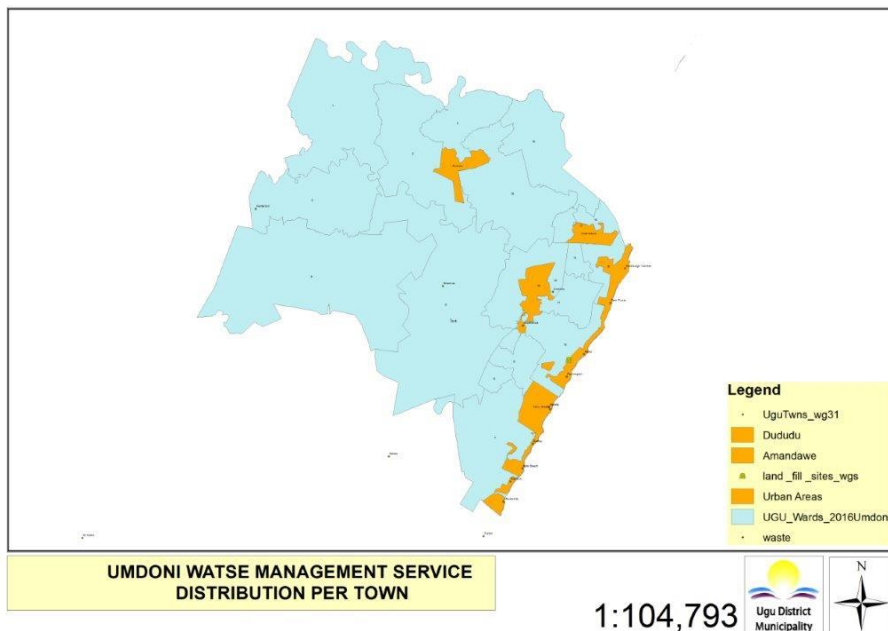
Umuziwabantu's waste management service has improved since the adoption of the IWMP and the municipality has taken advantage of the opportunity extended to it by the Department of Environmental Affairs (DEA) through funding for the Youth Jobs in Waste project.



There is one landfill site that is not formalised yet, where all collection is disposed. As part of the IWMP development and status quo establishment, DEA conducted a survey of waste stream for categorisation purposes and found that the best managed waste in Umuziwabantu is the health care risk waste. The health facilities fully comply with responsible disposal of HCRW.

Umdoni local municipality

Umdoni collects waste mostly in the urban coastal strip and a few rural areas of Amandawe, Dududu and some parts of informal Umzinto as can be seen in Figure XX below. Recycling is mostly taking place in a few urban areas through municipal and community driven initiatives. Schools are a great part of waste management initiatives. Humberdale landfill site is the formal and legal site of Umdoni municipality, which has been extended to Phase through Environmental Protection and Infrastructure funding from the Department of Environmental Affairs. Youth Jobs in Waste was also implemented in Umdoni municipality.



While there is no local IWMP for Umdoni municipality, they rely on the high level IWMP of Ugu DM.

Ray Nkonyeni Municipality

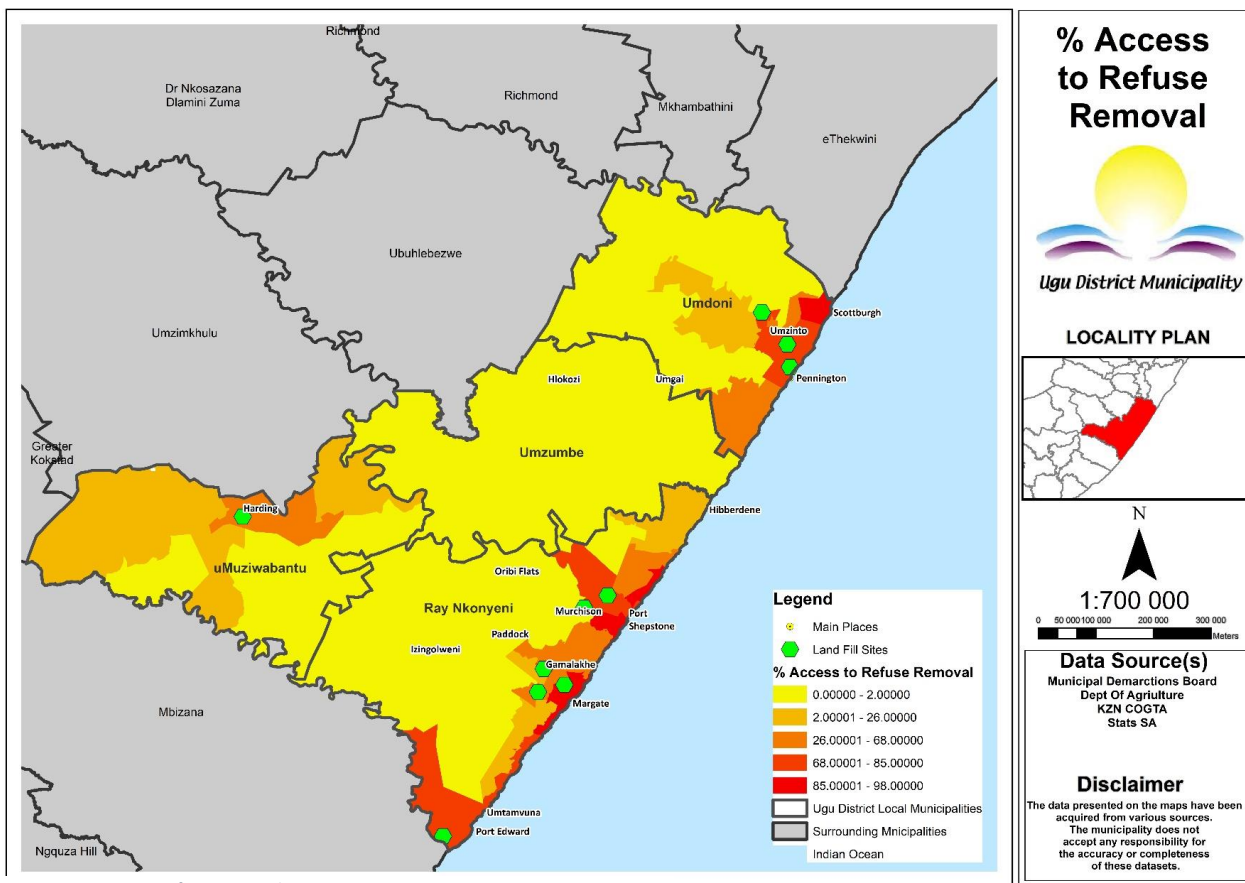
With respect to waste management, Ray Nkonyeni municipality is the most advanced local municipality in terms of policy, strategy, information management, operations and financial allocation. Like other local municipalities, most coverage of the waste collection services is still in the urban coastal strip as can be seen in figure XX.

Waste services is focused on the urban coastal strip with 26.6% of households receiving weekly waste collection. The majority (60.1%) utilise their own refuse dump and 5% having no facility to dispose of waste. The areas that receive weekly kerbside collections are detailed in Table 8.

The municipality thus conducts a level 4 service for the coastal areas and a level 3/4 in 21 other wards that are densely populated areas/townships. The combined level of service comprises both awareness campaigns, supervision and provision of refuse bags with recyclable waste collected. Upliftment frequencies range from weekly to quarterly. The coverage of service delivery is thus 69.4% of the municipality.

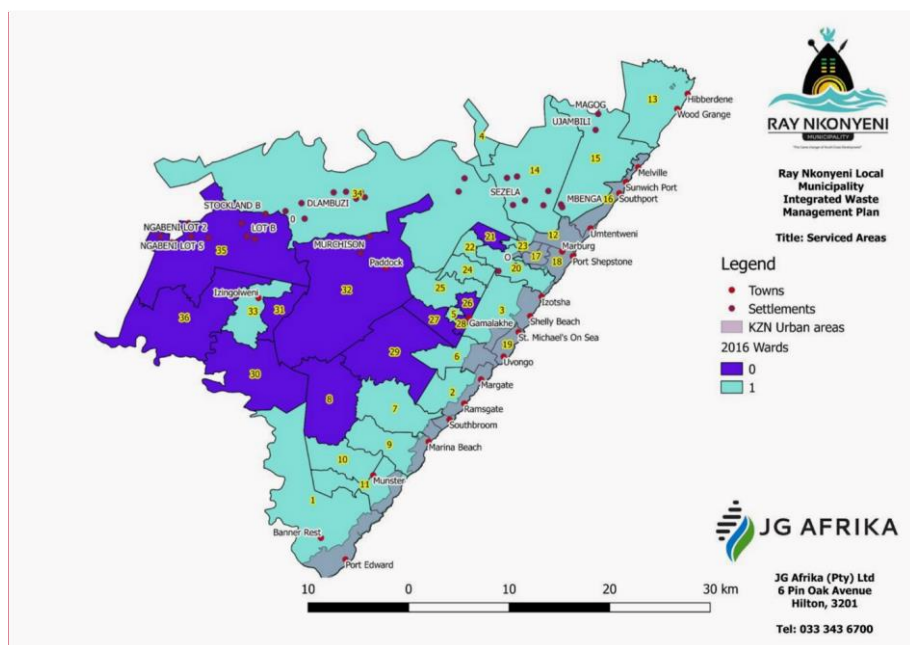
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Map 23: Access to Refuse Removal

Source: Ugu GIS, 2022



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3.6.12 Transportation Infrastructure

The Ugu District Municipality does not have an adopted Integrated Transport plan as the one available was last adopted in the 2006/2007 financial year and is now outdated. Through the Ugu Sector Wide Infrastructure Audit, updated information is available for the purposes of analysis. Furthermore, Ugu District as an organisation does not maintain the roads as all the district roads were transferred to DOT.

3.6.11.1 Public Transport

Access to public transport is a major development challenge within the Ugu District and a potential factor in increasing access of communities to economic opportunities. 87% of public transport users within the district are dependent on minibus transport, compared to 9% dependent on bus transport. Table 49 illustrates current commuter demand from the main public transport terminals within the Ugu District. In those instances, where bus services are available, they transport more commuters than the minibus taxi service.

Table 49: Commuter Demand from Main Public Transport Terminals

Terminal point	Annual passengers	Mode	Daily vehicle trips
Gamalakhe	3,282,353	Bus	182
	2,230,800	MBT	572

Nyandezulu	2,837,647	Bus	158
	1,662,300	MBT	427
D338/N20	2,601,900	Bus	144
	1,879,800	MBT	482
Mthwalume	2,229,390	Bus	100
	1,610,700	MBT	413
Murchison	2,107,059	Bus	117
	1,267,500	MBT	325
Assisi	1,683,529	Bus	94
	741,000	MBT	190
uMzumbe	1,281,177	Bus	71
	588,900	MBT	151
Palm Beach	1,115,100	Bus	55
	807,300	MBT	207
Melville	900,450	Bus	42
	651,300	MBT	167
D952/R102	198,720	Bus	9
	144,300	MBT	37
D1097/N20	84,600	Bus	5
	66,560	MBT	16

Source: Ugu District Municipality Sector Wide Infrastructure Audit, 2014

Access to rail transport is limited within the region. The metropolitan rail system serving eThekweni only reaches the northern extremity of the Ugu area with three stages in the Umdoni municipality, namely Kelso, Park Rynie and Scottburgh. Although the south coast railway line is electrified and in use by Transnet Freight Rail as south as Port Shepstone, no commuter services are offered beyond these three stations. The district is looking to benefit from the rail station upgrading plans of the Passenger Rail Agency of South Africa (PRASA), as the Port Shepstone Train Station is one of the targeted multi-modal upgrades. This is in line with longer-term plans to extend the passenger rail service southwards. Ugu stakeholders have made presentations for a rail link into the Eastern Cape. Municipal Integrated Public Transport Plans are required to support the SDF of the district and ensure alignment with the plans for nodal investments.

3.5.11.2 Intermodal Public Transport Facilities

The KwaZulu-Natal Department of Transport (KZNDoT) has identified the development of intermodal public transport facilities as one of the key public transport improvement elements. An intermodal facility is a focal point where many modes of transportation converge to provide economical and efficient service to destinations. Port Shepstone has been identified as a potential nodal point for building such a facility. This suggests that there is a constant demand for transport feeding from the more rural areas into this economic hub.

3.5.11.3 Freight Rail Infrastructure

The main rail corridor in the district is the standard gauge South Coast line that runs from Port Shepstone to eThekweni. The volume of freight has been reduced over time due to more goods moving to the N2 for transportation. The main commodity on the rail network is 500,000 tons of lime clinker from Simuma to Mount Vernon. There are no longer any passenger services in operation on this line. A narrow-gauge line used to operate between Port Shepstone and Harding. This was primarily used to transport timber and sugar cane. The line was also used for tourism, providing excursions to Paddock. Unfortunately, the line has been abandoned due to the demise of the Alfred County Railway and the final destruction of the Izotsha river bridge in 2007.

There is definitely a need for revival of passenger rail and additional freight rail capacity within the district has been highlighted during the GDS consultation process. The standard gauge line is supplemented by a narrow-gauge line from Port Shepstone to Harding, which no longer functions and is in a state of disrepair. This is primarily used to transport timber and sugar cane. Overall, the volume of freight on this line has reduced and more goods are being transported by road along the N2. The reason given for this switch is that many branch lines are no longer in operation. An opportunity for the district is that Transnet has recently released a plan to invest R300bn in infrastructure within the country, of which R151 billion has been earmarked for freight rail.

Further investigation into demand should be undertaken to inform an approach to Transnet. This could include a review of the current location of the railway line with a proposal to re-route the railway line away from the coast into the hinterland. This would serve to boost tourism along the coastal strip and economic activity within the hinterland.

3.10.4.3 Roads and Transport

The road hierarchy in the district starts with national roads, then provincial roads down to local municipal roads. The N2 runs parallel to the coast with plans to extend this coastal route into the Eastern Cape. The provincial road network provides a high proportion of the road network in Ugu and covers a vast range of types of roads from main regional links (class 2) through to local roads (class 7). In terms of road usage, up to date traffic volume data is only available for the N2 and R103.

The largest traffic volumes pass along the N2 towards Port Shepstone, and further towards Kokstad, as well as along the R61 from Port Shepstone towards Port Edward. Large volumes of traffic also pass along the R612 from Park Rynie to Ixopo and the road from Umtentweni to St Faiths. Access to road infrastructure varies across the district, especially between rural and urban areas. In Table 50, access to transport is measured in terms of the percentage of households that have access to Level 1 and Level 3 roads (i.e. national, main and district roads).

Table 50: Access to Transport

Local Municipality	HH within 1 km of Road	Total HH	Percentage
Former Vulamehlo	11,771	15,661	75
Umkumbe	24,274	31,801	76
Ray Nkonyeni	56,989	60,521	87
Umuziwabantu	17,956	20,840	86
Umdoni	16,452	17,257	95
Ugu District	127,442	146,080	87

Source: Ugu District Municipality Sector Wide Infrastructure Audit, 2014

The SDF has identified priority road corridors for development that will promote spatial integration of the district. These include the upgrading of the P77 and P58 in order to increase accessibility for rural communities. Consultations with the agricultural sector have also identified key roads and causeways that need to be targeted for upgrade to open up areas for commercial activity. Other sectors have raised concerns regarding the poor condition of roads servicing large populations, such as Gamalakhe. The key strategy for the district will be to ensure that its specific road infrastructure needs are included in the Department of Transport's and relevant local municipalities' project priority lists.

The poor condition of provincial and local roads within the Ugu District has been raised during the GDS consultation process. Lack of road maintenance and asset deterioration will result in much greater financial burdens on provincial government and municipalities in the medium to long term.

A road in poor condition also impacts negatively on journey duration and road safety, decreasing the accessibility or desirability of the region for business. The findings of the Infrastructure Audit undertaken by the municipality were that:

- National roads are of a very high standard with good continual maintenance. Funding is generally adequate, supported by funds generated by toll fees.
- Funding for maintenance and new provincial roads is limited, and generally dealt with at two levels. First, there are major/strategic projects, and secondly, there are locally-based projects operated by the regional cost centre based in Port Shepstone and communicated through local "Transport Forums"
- Local roads within the more urban centres are constructed and maintained by local municipalities. Rural municipalities are heavily reliant on the provincial Department of transport for budget.

3.5.11.4 Air Transport

Given the fairly recent relocation of the Durban International Airport to the site of the King Shaka International Airport and Dube Tradeport along the KZN North Coast, the South Coast is largely serviced in terms of both passenger and cargo air transportation. As a result, the South Coast is much less accessible to tourists than previously with the international airport now favouring the North Coast of KZN. The cost of doing business within Ugu has increased due to longer travel times and greater traffic congestion. The potential exists to increase the capacity of the existing Margate Airport to handle low-cost airlines to make it more attractive within the market. Additionally, the airport could accommodate small cargo planes to ensure that the agricultural sector is able to remain competitive and transport perishable goods.

The upgrade of Margate Airport will make it easier for tourists to access the district once they are in the province, as well as making it significantly easier and simpler for the tourists to remain in the province for longer periods, due to the expanded range of tourism products in keeping with the tourists' needs. In addition, the area around Margate airport presents substantial potential for future industrial development. The Department of Cooperative Governance and Traditional Affairs financed to the tune of R10m for the upgrade of the Margate Airport and the project bore fruit in November 2013 when the first airplane landed. It is a commercial airliner and will be operating between OR Tambo and Margate respectively until more lines are opened. The municipality has been engaged on this process for the last ±3 years. The Provincial Treasury has a project to revitalize all the regional airports.

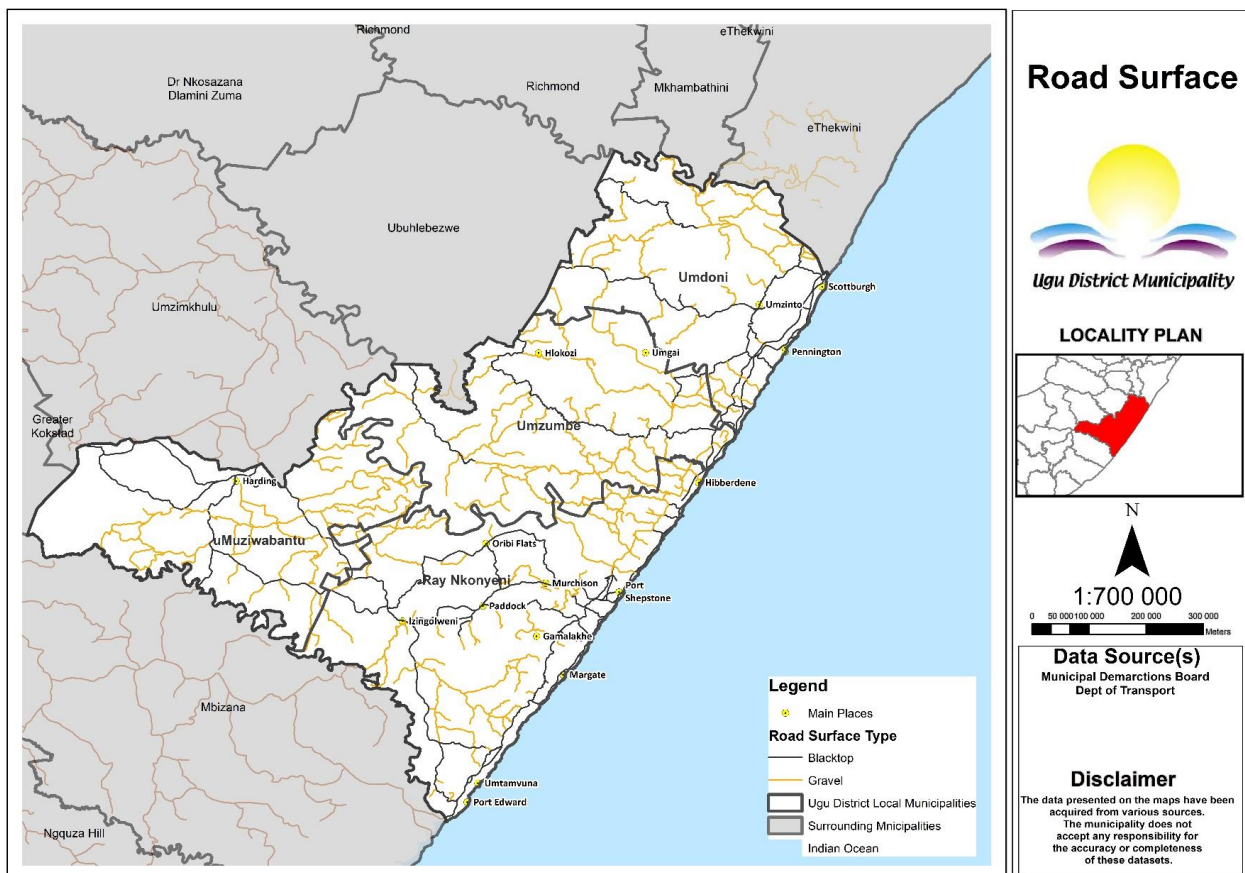
3.5.11.5 Integrated Transport Plan (ITP)

There is currently no Integrated Transport Plan in place for the municipality, however, the municipality is currently sourcing funding to develop the plan.

3.5.11.6 Ugu DGDS on transportation Infrastructure

The DGDS identifies the recent relocation of the Durban International Airport to the site of the King Shaka International Airport and Dube Tradeport along the KZN North Coast, as leaving the South Coast largely un-serviced in terms of both passenger and cargo air transportation, thus the South Coast left much less accessible to tourists than previously and the cost of doing business within Ugu increasing due to longer travel times and greater traffic congestion. It therefore advocates for an increased need to develop Margate Airport to address these challenges.

It further identifies the potential of the coastline to drive development through harbours, sea transport and other maritime sector investments, which is largely unexplored by both the public and private sectors. Included within this sub-sector are small-craft harbours, which have the potential to enhance tourism, and create a waterfront node within the Ugu District.



Map 25: Road Surface

Source: Ugu GIS, 2022

3.6.13 Electricity

Eskom is the sole supplier of electricity in all of the Ugu District with the exception of the urban areas of Port Shepstone and Harding. Major capacity problems that affected most of Ugu District were addressed some ten years ago, through the construction of major infrastructure, mostly in the Harding area. Following from this, capacity problems are of a more localised nature as a result of the "Electrification for All" programme and major developments that have occurred over this time. In addition, future developments, and electrification backlog programmes will require localised infrastructure upgrades such as the proposed new Kenterton Substation which is being built to accommodate electrification backlog requirements.

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Generically, commercial developments will not have infrastructure built for them until such time as the relevant developer makes a financial commitment. The proposed new Margate Airport will be a case in point where purpose-built infrastructure will almost certainly be required. Power quality information is not made available by Eskom, so it is not possible to assess problems that may be experienced throughout the Ugu District due to ageing or inadequate infrastructure. However, Eskom keeps extensive records regarding power line performance which heavily influences their annual budgets for refurbishment and maintenance. Eskom electrification delivery depends on the level of the National Treasury MTEF funding normally projected over a three-year period.

3.6.12.1 Electricity Bulk Infrastructure

The current reticulation network within Ugu Municipal area as indicated in map shows areas already electrified and the location of the bulk electricity infrastructure. For the backlog analysis, all households greater than 4km from the network and in settlements of less than 50 households per square kilometre (50hh/km²) can theoretically not be supplied by the existing network. Following from this, capacity problems are of a more localised nature as a result of the "Electrification for All" programme and major developments that have occurred over this time. In addition, future developments, and electrification backlog programmes will require localised infrastructure upgrades such as the proposed new Kenterton Substation which is being built to accommodate electrification backlog requirements.

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3.5.12.2 Access to Electricity

The total number of households that do not have access to electricity in the Ugu District area of jurisdiction amounts to 26 271 (15%). The major backlog is in Umzumbe (28%) and Umdoni (19%) municipalities. This access to electricity increased by 12% from 70% in 2011 to 82% in 2016.

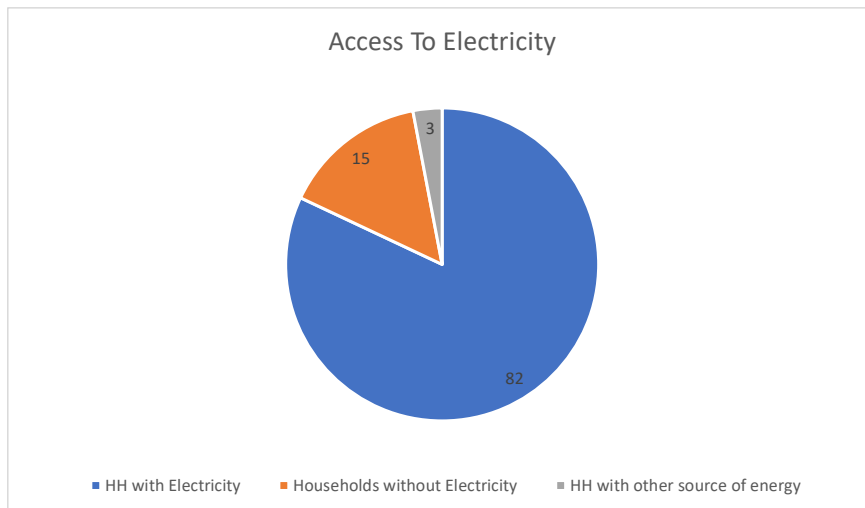


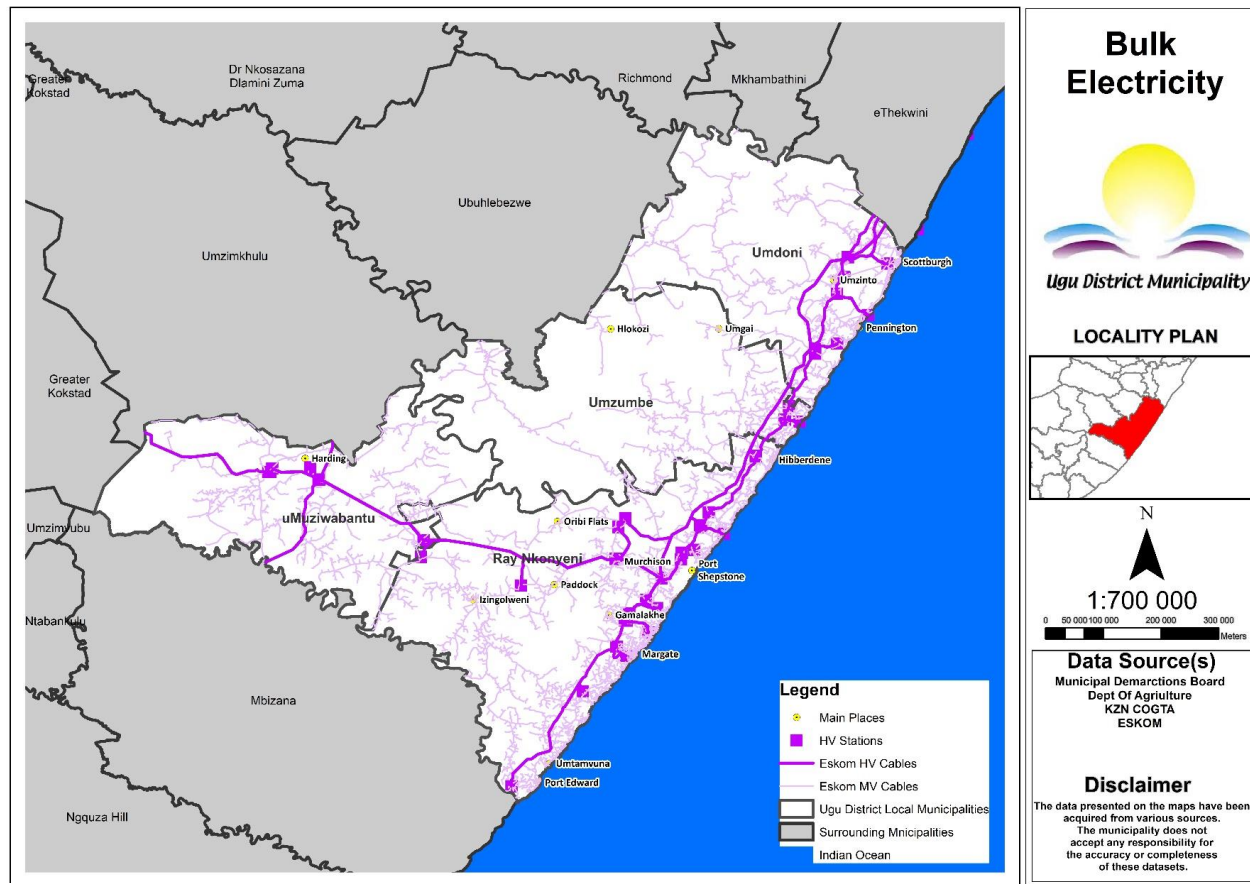
Figure 22: Access to Electricity

Source: Statics SA Community Survey, 2016

The Department of Energy (DoE) is responsible for the funding of all prepaid electrification which is mainly in Eskom's rural areas of supply. In terms of commercial development, it was stated in the Ugu Infrastructure Audit that generically, a commercial development "will not have infrastructure built for them until such time as the relevant developer makes a financial commitment. This indicates that current electricity infrastructure is not sufficient to support future commercial development within the Ugu District and will require financial commitment from the investor themselves.

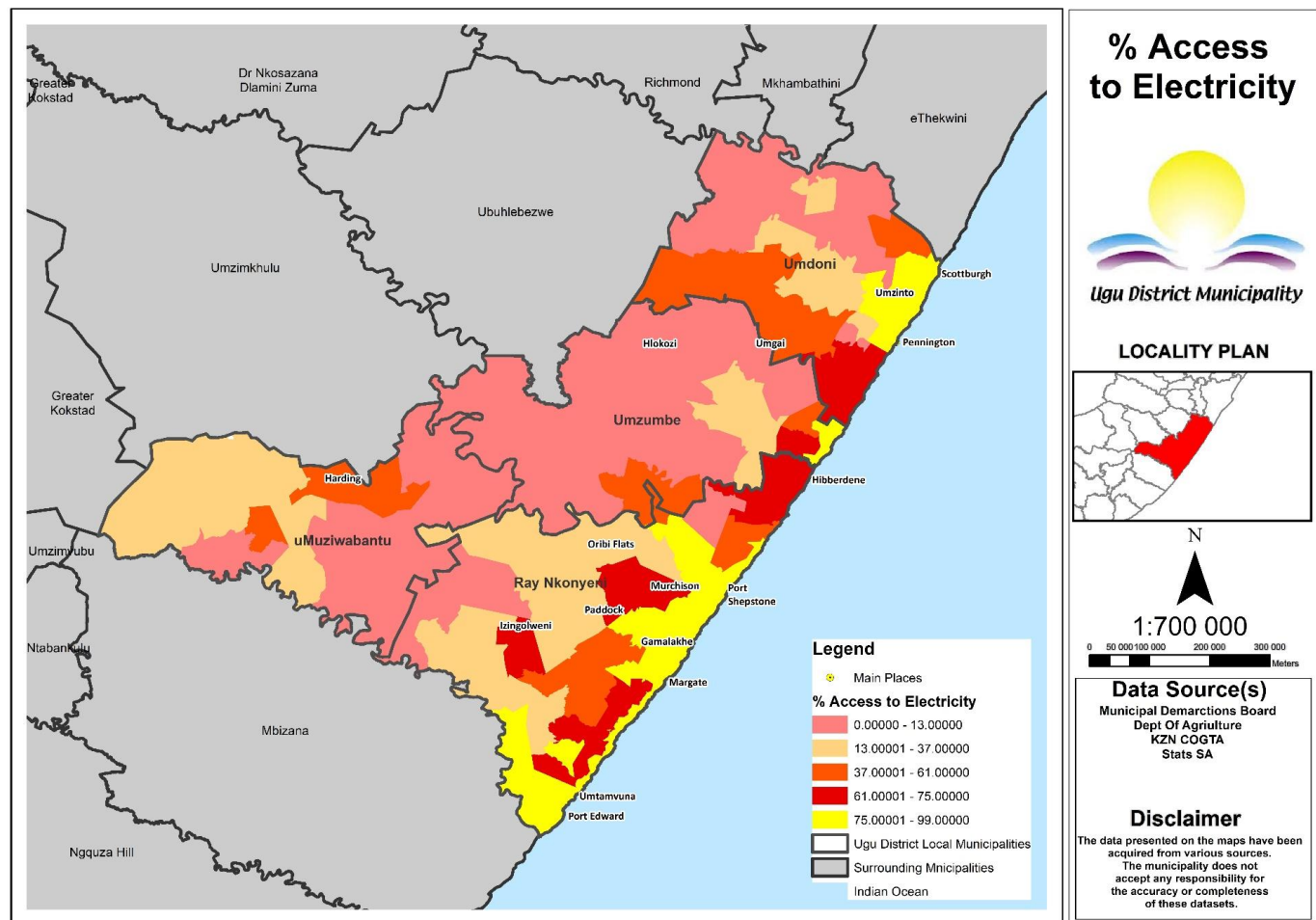
3.5.12.3 Alternative Energy

With regards to alternative energy, it is clear from the Community Survey 2016 data that there is still very minimal use of alternative energy within the households with electricity being the preferred energy. Many strides have been taken to promote the use of sustainable alternative sources of energy. One of those have been sustainable solar lighting packages offered to rural households and schools without access to the formal electricity grid within the Ugu region. A basic package costed at a once-off payment of R2 500.00 includes two lights and cell phone charging. A more comprehensive package costed at R14 000.00 includes energy for a TV, fridge, radio, cell phone charging and three lights. The products are German-made, and the installation company has received no come-backs. The main obstacle to roll-out is financing as cash is required upfront. Capitec is the only bank open to financing this market and willing to attend community engagement sessions. Such a product is a serious option for service delivery to scattered rural communities within the district.



Map 26: Bulk Electricity

Source: Ugu GIS, 2022



Map 27: Access to Electricity

Source: Ugu GIS, 2022

3.6.14 Telecommunications

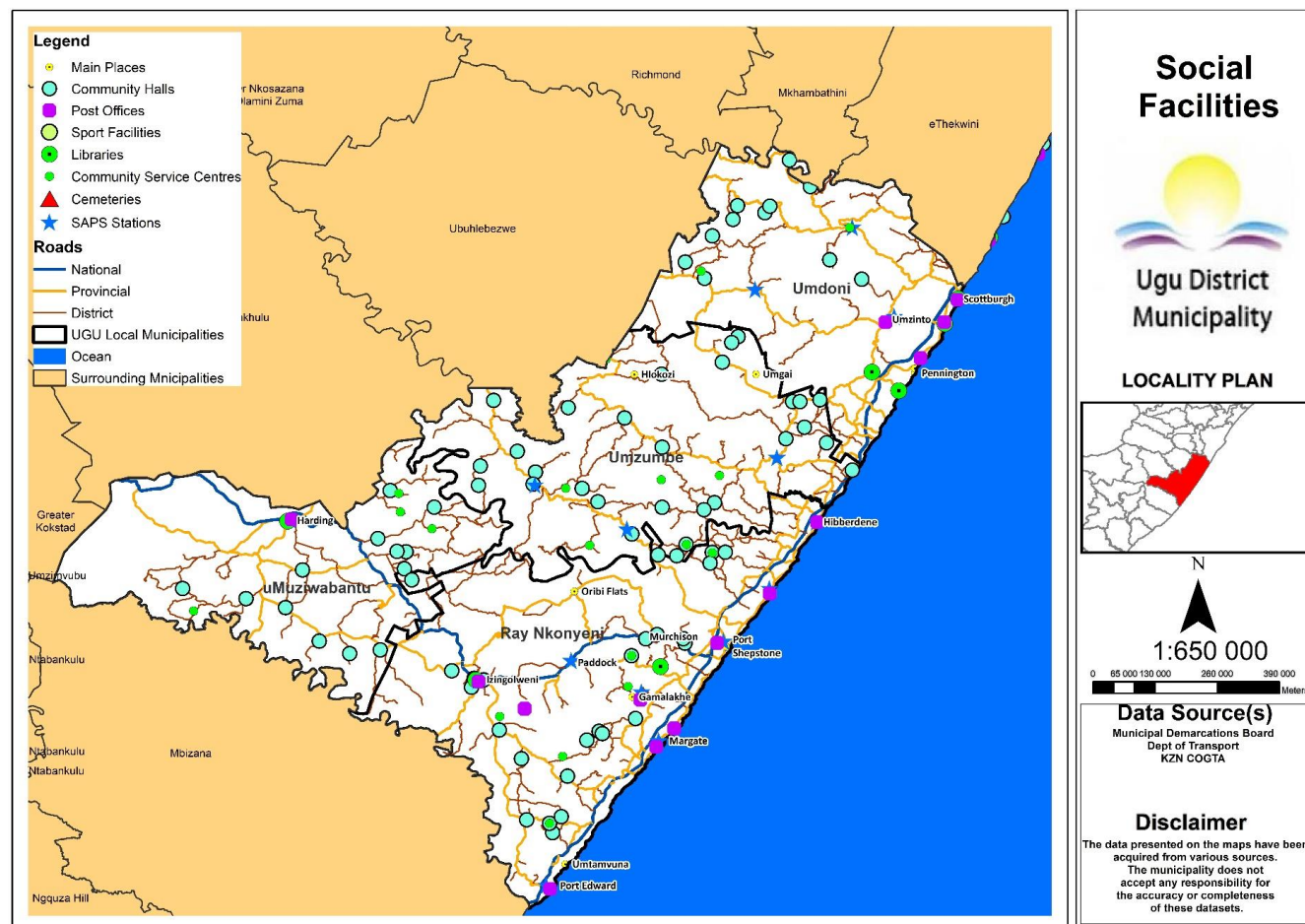
Telecommunications data is not easily accessible for the district especially regarding the infrastructure on the ground. Whilst no detailed indication of fixed line or broadband services was available, it has been noted that broadband services are limited and only available in major centres. In response to this need, the Ugu DM has initiated a broadband project for the region.

3.6.15 Access to Community Facilities

Major facilities exist and are evenly spread throughout the District and the entire District is well served for the most part with a range of facilities. Some facilities serve immediate and “local” level populations; while other facilities require large thresholds of support, and consequently serve large areas. Educational facilities have to spread in relation to settlement patterns as they are “local” level facilities and health facilities require large thresholds and consequently will tend to be located at appropriate interceptor locations, mainly at appropriate “Nodes”.

In terms of health care facilities, there are about 75 structures which range from a Mobile Clinic to a regional hospital. The Ugu District area of jurisdiction with regards to Primary Health Care (PHC) facilities has two community health centres, 15 mobile clinics and 53 clinics with the greatest number of these facilities being concentrated in Ray Nkonyeni Municipality having four of its facilities functioning as 24-hour clinics located in Gamalakhe, Izingolweni, Gcilima and Ntabeni. With regards to physical educational infrastructure, there are 519 registered public and independent ordinary schools in the Ugu District of which 492 are ordinary public schools, 16 are ordinary independent schools and 3 are special needs schools and 8 are Pre-primary schools.

There are 29 libraries in Ugu District area of jurisdiction which are largely concentrated in the Ray Nkonyeni Municipality; however, there is at least one library in each local municipality. There are only two museums both located in the Ray Nkonyeni Municipality. There is a reasonable spread of sport fields in the Ugu District area of jurisdiction with over 50 fields across the district. The civic centres are only limited to the predominantly urban municipalities and are only three, which are: Port Shepstone, Umzinto and Scottburgh Civic Centres. There is, however, a wide distribution of community halls across the district which are 47 in total. There are 14 police stations spread across in the district.



Map 28: Community Facilities

Source: Ugu GIS, 2022

3.6.16 Human Settlements

The South African Constitution (1996) names access to adequate housing as a basic human right and as a government department mandated to carry out the roll out of adequate housing, the Department of Human Settlements has its work cut out of for itself. Through various partnerships and other government departments supporting the cause. Though in recent years there has been a shift as far as focusing on housing as the product but rather taking on a more holistic view as far as sustainable human settlements, where citizens benefit from housing situated in favourable locations, near the necessary amenities such as healthcare facilities, police stations, recreational facilities etc. these human settlements are also required to come equipped with the necessary infrastructure including water and sanitation, electricity, a well-maintained and accessible road network etc.

Though the UGU District contains four local municipalities, the pattern of a densely-populated coastline with a sparsely populated hinterland is the overlaying theme and thus the delivery of sustainable human settlements must be planned to address these developmental imbalances. To ensure the vision of sustainable human settlements is fulfilled it is important that all stakeholders' plans align accordingly including that of the district to provide water and sanitation services.

3.6.16.1 Housing Need

There are two main ways of determining housing demand/need within municipal areas. The first method uses census statistics. The housing backlog estimates based on census data takes into account both the population residing in informal settlements, and the creation of housing opportunities for those in inadequate formal shelter, such as outhouses, shaky mud structures or under conditions of over-crowding. The number of beneficiaries identified through project identification should be treated as an interim measure while the municipality prepares a housing list. The data derived from the housing list will complement this data.

3.6.16.2 Informal settlements

The Informal Settlement Eradication Strategy for KwaZulu-Natal (2011) identifies Ray Nkonyeni Municipality as one of the 15 strategic priority areas for strategies and plans to address informal settlements. It identifies four informal settlements and suggests that approximately 4 483 households reside in these areas. The areas being:

- ☐ Bhobhoyi Phase 2 with 1100 households.
- ☐ Louisiana with 1000 households.
- ☐ Masinenge with 1542 households.
- ☐ Mkholombe with 1600 households.

However, the municipality has been very progressive in the eradication of informal settlements. The Municipal strategy predominantly aims at providing new Greenfields housing developments near the current informal settlements.

3.6.16.3 Rural Housing

Rural housing projects are at different stages from construction to planning (see chapter 5). Implementation and completion is dependent upon Human Settlement Grant funding from the Provincial

Department of Human Settlements (annually). Rural housing projects are implemented mainly on communal land and are based on functional land tenure rights.

3.6.16.4 Gap Housing

The gap housing market comprises people who typically earn between R3500 and R10 000 per month, which is too little to enable them to participate in the private property market, yet too much to qualify for state assistance. It is difficult to estimate precisely how large the demand for the gap-housing product is, as it fluctuates with interest rate changes and employment levels.

3.6.16.5 Greenfield housing

In addition to the eradication of informal settlements and rural housing projects, the Municipality is also implementing a number of greenfield housing projects. Many these are urban and will contribute significantly towards addressing the housing backlog as it affects both the low income and middle-income communities.

3.6.17 Basic Service Delivery SWOT Analysis

The Service Delivery and Infrastructure Development SWOT analysis are summarised below.

Table 51: BSD SWOT Analysis

Strengths	Weaknesses
☐ The coastal strip has good access to basic services ☐ Infrastructure Grant Expenditure availability to speed up backlog eradication ☐ Availability of fresh water resources (plans to undertake / implement regional schemes) ☐ Good road infrastructure already in place ☐ Even spread of community facilities (reasonable access across the district)	☐ Inadequate maintenance of infrastructure (reservoirs) ☐ Aged water and sanitation infrastructure ☐ Outdated Water and Sanitation Masterplan ☐ Lack of capacity of key treatment plants ☐ Historic haphazard infrastructure development in rural areas ☐ Basic services backlog concentration in the rural areas ☐ Below minimum standards No, Blue, and Green Drop scores ☐ Poorly organised waste minimisation and lack of integrated recycling system ☐ Limited access to public transport ☐ Outdated Integrated Transport Plan ☐ Limited telecommunications data for analysis ☐ Informal settlements ☐ Illegal Connections

Opportunities	Threats
☐ Alternative water sources ☐ Alternative energy	☐ Natural adversities such as droughts and flooding ☐ Urbanisation and rural population outmigration ☐ Immigration – the district is the Eastern Cape gateway to KZN, the arrival of people seeking better opportunities often further burdens the already stretched infrastructure.

3.7 LOCAL ECONOMIC DEVELOPMENT

Summarised Key Facts: Ugu District Economy

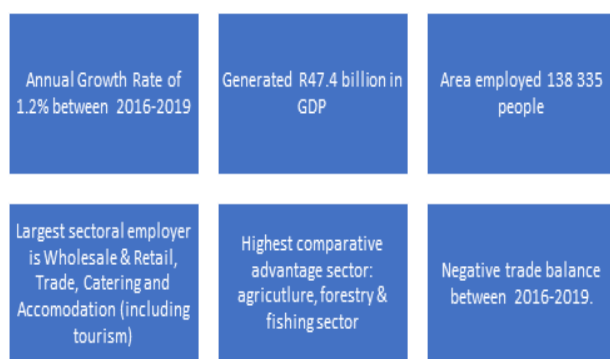


Figure 23: Summarised Key Facts: Ugu District Economy

The Ugu District economy had a growth rate of 1.2% between 2016 and 2019, and generated a total of R47.4 billion in Gross Domestic Product (GDP). The district area employed 138 335 people, with the largest employer being wholesale and retail, trade, catering and accommodation (including tourism) sector. The sector with the highest comparative advantage was agriculture, forestry and fishing sector.

3.7.1 Municipal Comparative and Competitive Advantages.

3.7.1.1 Ugu District Spatial Features: Advantages

Table 52: Spatial features

Advantage Type	Advantages
Location Advantages	Borders the Eastern Cape: Ugu is the gateway to the eastern cape. Integration with South Durban Basis: Providing downstream linkages of businesses in the district as well as opportunities from spill-over developments. Primary Corridor Linking Durban and Port Shepstone. It has been identified in the PSEDs as a primary development corridor in the province and is earmarked as an economic growth corridor.

Natural Advantages	1. Sub-Tropical Climate: Making Ugu the provinces top producer of agricultural produce such as bananas, and macadamia nuts. 2. Beautiful and safe swimming beaches: 112kms of coastline, with many swimming beaches formed around sheltered lagoons. 3. Marine Life: Two of the country's top dive sites (Aliwal Shoal and Protea Banks), and sardine run spectacular marine natural event. 4. Two dramatic gorges: Oribi Gorge & Umtamvuna Gorge.
Resource Advantages	1. Good Quality Limestone With two quarries in Oribi Area.
Infrastructural Advantages	1. Well-developed economic infrastructure in terms of roads, highways, railways, airport, electricity and telecommunications. The well-developed road/transport infrastructure/network provides the area with a competitive advantage as it enables economic activities and economic development across economic sectors: agriculture, forestry and mining, trade and services, manufacturing, and tourism within the district and between the district and other areas. The district has national, provincial, district and local roads. The National Freeway, N2, links the district to the eastern seaboard both north and south, to eThekweni the industrial hub of the province in the north, the Eastern Cape in the south and inland to Kokstad in Harry Gwala District. The N2 within Ugu District is part of the National Spatial Development Framework and Provincial Growth and Development Strategy Plans as follows: ➤ National Spatial Development Framework's Coastal Transformation Corridor which comprises the towns of Port Shepstone, Margate, Port Edward, Kokstad in KwaZulu Natal and Mthatha, Butterworth, Buffalo City, Grahamstown and Nelson Mandela Bay in the Eastern Cape. ➤ The Provincial Growth and Development Strategy provides a gateway to the Eastern Cape economy through the N2 currently via Kokstad on a Priority 2 Corridor (to Ixopo towards PMB, to Port Shepstone and up the

	N2 to Durban and Richards Bay and to the N3 via Underberg towards Johannesburg. The existing basic airport infrastructure provides relative competitive advantage and a base upon which potential future investment and development could be undertaken which would enable increased economic activity, and therefore economic growth and development for the district as a whole. In addition the Durban International Airport's move northwards provides potential to increase the value of Margate Airport for economic activities across the various sectors. The existing railway infrastructure provides relative competitive advantage, as it provides a base upon which potential investment and development could be made which would provide further economic activity linkages within the district and between the district and other areas. Although no formal sea access/seaport exists in the district the potential exists for the development of sea access/seaports. 2. High percentage of water and sanitation infrastructure coverage, although substantial is ageing, with maintenance and replacement challenges.
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Ugu District Comparative Advantage

The location quotient indicates the comparative advantage of an economy. The location quotient on a local level is calculated as the percentage contribution of a sector to the GDP divided by the percentage contribution of the same sector to the aggregate economy (GDP) in this case, the province of KZN. A location quotient greater than 1.2 is indicative of a high comparative advantage.

The Ugu District Municipality has its highest comparative advantage within the agricultural, forestry and fishing sector. At Local Municipal level all have comparative advantage within the agricultural, forestry and fishing sector but there are variations with regards to other comparative advantage sectors: as indicated in the following table:

Table 53: Ugu Economic Sectors

Sector	UGU LQ	UMDONI LQ	UMUZIWABA NTU LQ	RNM LQ	UMZUMBE LQ

Agriculture, forestry, fishing	4,2	11,8	6,5	5,0	3,2
Mining & Quarrying	0,1	0,0	0,2	0,1	0,1
Manufacturing	1,1	1,6	0,9	1,0	1,0
Electricity, gas & water	1,1	1,6	0,7	1,2	1,0
Construction	1,2	2,0	1,3	1,3	1,3
Wholesale & retail trade, catering & accommodation	1,1	1,6	1,1	1,1	1,4
Transport, storage & communication	1,1	1,9	1,2	1,3	1,2
Finance, insurance, real estate & business services	0,7	0,9	0,5	0,6	0,7
General Government	0,9	1,7	1,1	1,0	1,0
Community, social & personal services	1,3	2,0	1,2	1,3	1,3

Source: Ugu LED

With regards to Kwazulu-Natal district-level industrial hubs the Ugu District has been identified as a perishables hub based on comparative advantage. Research was undertaken to identify comparative advantages within the province for each district and different hubs recommended based on the research and to prevent competition between districts. The research further categorized sectors as indicated below:

Existing or Stable	Unstable or Threatened	High Growth Potential
•Forestry & Timber Production •Hospitality/Tourism	•Agriculture & Hunting •Quarrying	•Food Beverages & Tobacco Processing •Furniture Production & Wood Products

Figure 24: Status of Sectors

Forestry & Timber Production

Ugu has extensive forestry plantations and saw-mills in the Harding area. This sector has a high location quotation and has averaged 3% GVA growth over the past three years

Hospitality/Tourism

Despite the airport relocating north of Durban, Ugu continues to remain a premier domestic tourism destination.

Agriculture & Hunting

Although this sector has averaged positive growth over the past ten years there are significant threats to future growth. To the extent that Ugu's comparative advantage was derived from sugar cane, lowering crop yield and regional competition may strip the district of this comparative advantage.

Quarrying

The industry is largely monopolized by two companies and the potential for expansion based on the current status quo is relatively low.

Food Beverages and Tobacco Processing

This is a dynamic and steadily growing (around 3%) sector and contains a number of smaller newer companies in the district.

Furniture Production and Wood Products

Although growth has been almost stagnant in the production of wood products, the manufacturing of furniture has been growing relatively steadily over the period. As indicated briefly, the Ugu District has numerous competitive and comparative advantages which should be considered in economic planning and decisions, in order to strategically target interventions to maximise economic growth, transformation and development.

3.7.2 Main Economic Contributors

The economy in the Ugu District generated around R47.4 billion in GDP in 2019. In terms of the local municipalities in the district the below graph illustrates that 64% of the districts GDP generated is by Ray Nkonyeni Municipality (R29.8 billion), followed by Umdoni's GDP generating 19% of the districts GDP at R8.8 billion, and then Umzumbe contributing 8% with R4.3 billion and Umuziwabantu generating 9% with R4 billion in 2019 (*Quantec, Urban-Econ Calculations 2020 taken from National Treasury: Municipal Socio-Economic Profiles*).

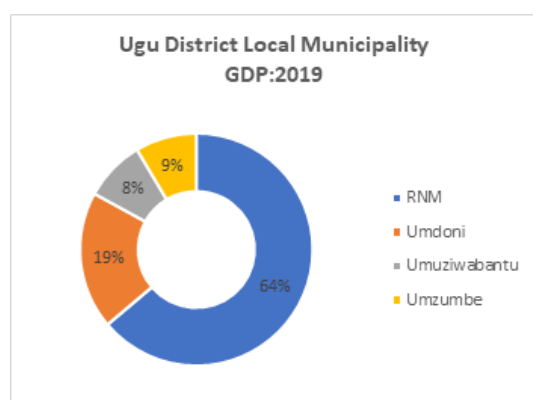


Figure 25: Ugu GDP 2019

Over the period 2012 to 2019, the Ugu economy grew at an average annual rate of 1.2%. Compared to the Kwazulu-Natal Province (0.8%), the Ugu District had a higher average annual growth rate at a

district level including all the local municipalities. Within the district family of local municipalities Umzumbe municipality's economy grew at the highest average annual growth rate of 1.18%, whilst Umdoni's economy has the lowest average economic growth in the district.

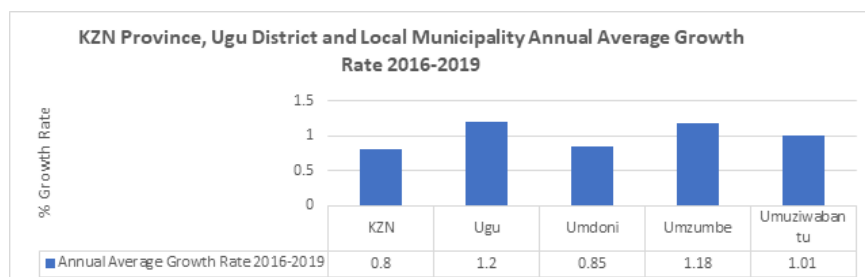


Figure 26: Annual Average Growth

It is estimated that the value of the Ugu economy will grow to around R50.2 billion by 2026.

Graph below, illustrates the size of the economy of Ugu District together with economic growth estimates between 2016 and 2026.

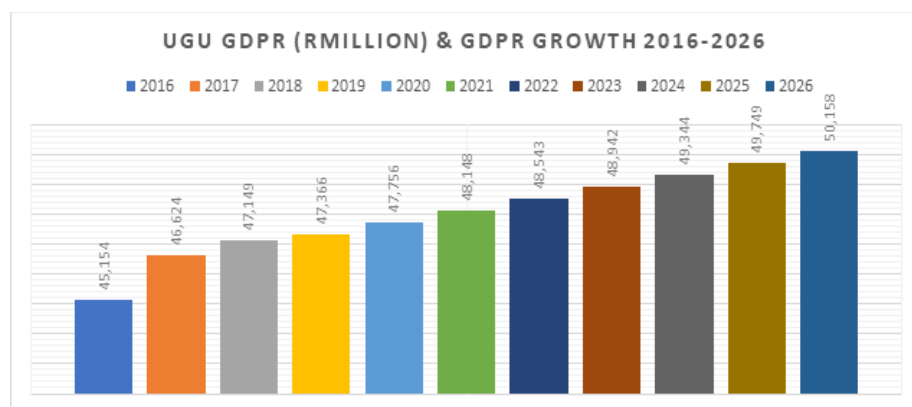


Figure 27: GDP Growth

Source: Quantec, 2020 (National Treasury MSEP)

The following table, Table..., provides the sectoral GDPR for the Ugu District in 2019. The three sectors with the greatest GDPR R-Value are: Manufacturing, Wholesale & Retail Trade, Catering and Accommodation (Tourism), and Finance, Insurance, Real Estate & Business Services; whilst the lowest are mining and quarrying, electricity, gas and water and construction.

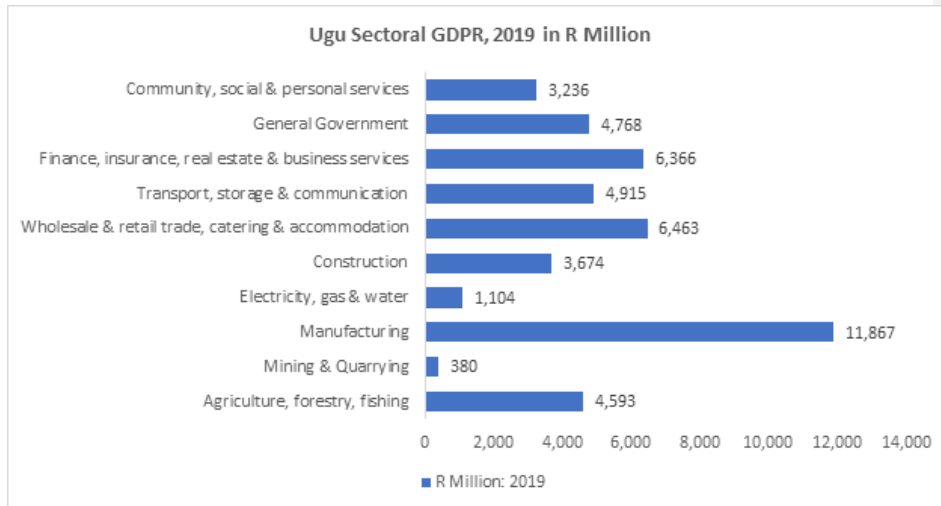


Figure 28: Sectoral GDPR

Source: Quantec, Urban-Econ calculations 2020 (National Treasury MSEP)

The graph...below illustrates the sectoral GDPR percentage share with the three sectors with the greatest share being: manufacturing, wholesale and retail trade, catering and accommodation (tourism) and finance, insurance, real estate and business services. The lowest sectoral shares being mining and quarrying and electricity, gas and water.

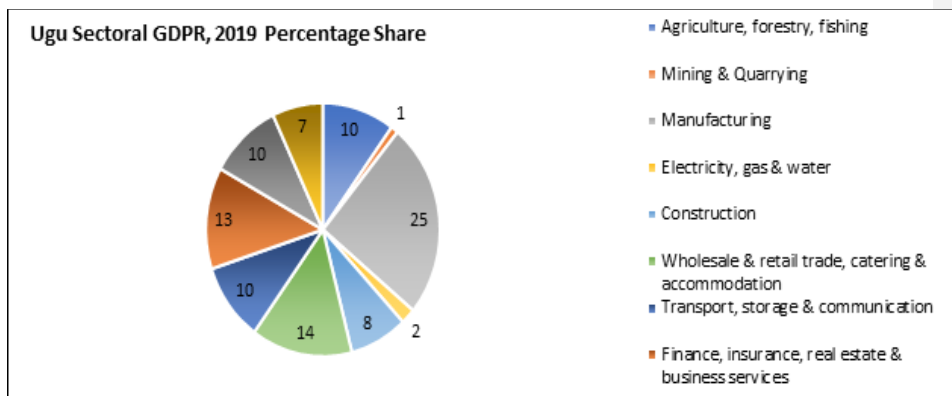


Figure 29: Sectoral GDPR by %

Source: Quantec, Urban-Econ calculations 2020 (National Treasury MSEP)

All sectors, except the electricity, gas and water sector, exhibited average GDPR growth between 2016-2019, which exhibited negative growth of 2.4%. The sectors exhibiting the greatest average GDPR growth for the period 2016-2019 were:

- mining and quarrying (4.7%);

- transport, storage and communication (3.6%);
- community, social and personal services (3.3%); and
- construction (2.5%).

Mining and quarrying, despite its comparatively low percentage share has shown the greatest average growth and therefore is a growing economic sector.

Table 54: Sectoral GDP

Sector	R Million: 2019	Percentage Share	Average GDP growth 2016-2019
Agriculture, forestry, fishing	4,593	9,7	0,2
Mining & Quarrying	380	0,8	4,7
Manufacturing	11,867	25,1	1,3
Electricity, gas & water	1,104	2,3	-2,4
Construction	3,674	7,8	2,5
Wholesale & retail trade, catering & accommodation	6,463	13,6	1,9
Transport, storage & communication	4,915	10,4	3,6
Finance, insurance, real estate & business services	6,366	13,4	1,2
General Government	4,768	10,1	0,9
Community, social & personal services	3,236	6,8	3,3
Total	47,366	100	1,7

(Source: Quantec; Urban-Econ calculations, 2020 from National Treasury Municipal Socio-Economic Profiles)

Despite the Ugu economy comprising a number of sectors which make an almost equal contribution to the economy of the district, suggesting a well-diversified economy; at a municipal level, this well diversified economy exists only in Ray Nkonyeni Municipality. The dominance of Ray Nkonyeni is also apparent when considering the distribution of economic activities between municipalities such that it comprises of 75% of business that is found within Ugu District, and accounts for 64.7% of the district GDP (SDF, 2018:53).

The Ugu economy is relatively small in the provincial context and only contributes 4.4% and ranks 7th in the province in terms of GVA per capita.

The graph below portrays the economic growth patterns of Ugu District in comparison to the rest of KwaZulu-Natal for the period 2010 to 2019. Although on a positive side, the growth within Ugu has been on a consecutive slow down since 2017 emulating a similar trend to KZN.

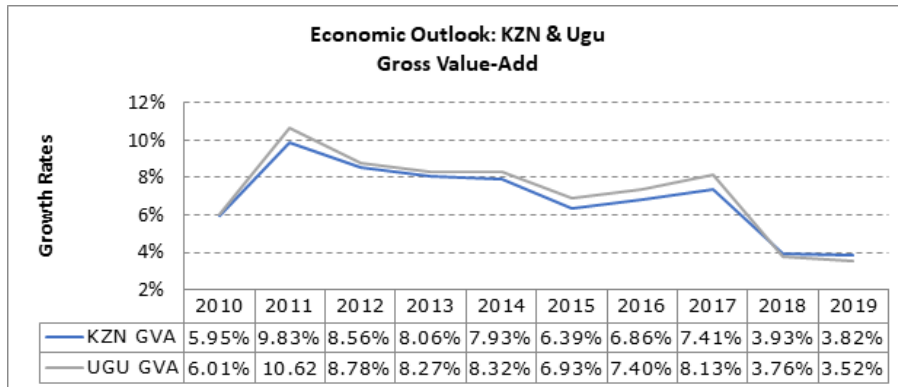


Figure 30: KZN and Ugu GVA

The graph below illustrates the key sectoral drivers of the district and their share or contribution to the district economy. The greatest contributor towards GVA in the district is General Government which contributes 17.1%, followed by Wholesale and Retail Trade, Catering and Accommodation contributing 16.8% (including Tourism) and then followed by Manufacturing which contributes 16.3%.

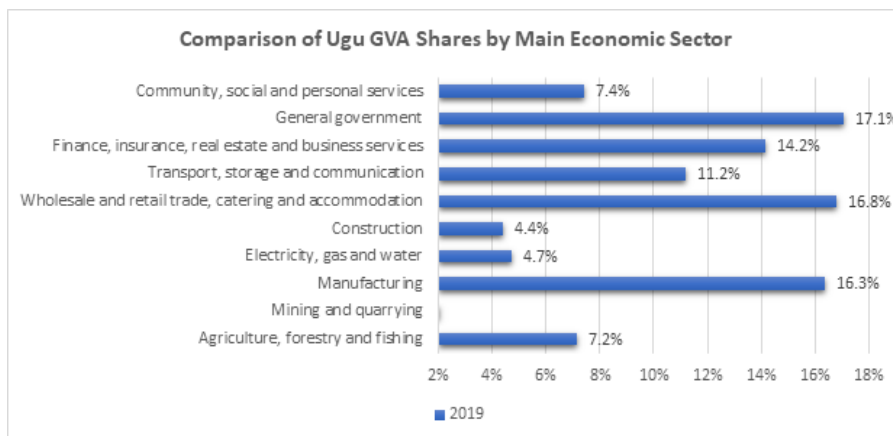


Figure 31: GVA by Sector

The three sectoral lowest contributors of Ugu GVA Shares are: Mining and Quarrying contributing a mere 0.7%, construction contributing 4.4% and electricity, gas and water contributing 4.7%. Ugu is recognised for its agricultural activity, although somewhat a benign contributor to GVA, the industry remains one of the critical employers within the district.

Investment and Trade

Gross fixed capital formation (GFCF) is an indicator for investment in an economy, as it represents the acquisition of assets and includes building and construction work, purchasing machinery and

equipment, as well as investing in information and communication technology. Between 2016 and 2019, the GFCF share of GDP decreased from 14.1% to 13.9% in the Ugu District.

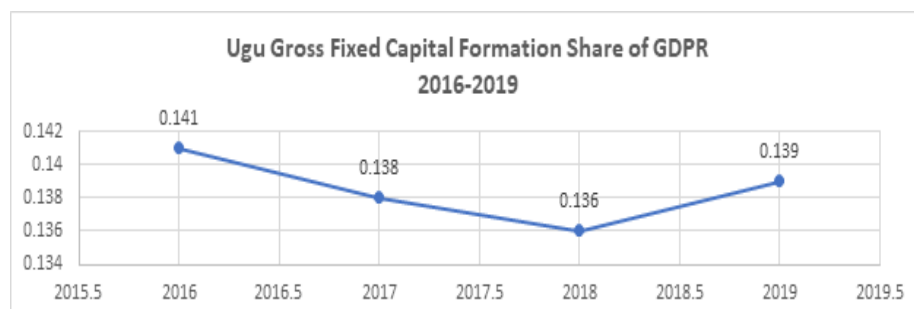


Figure 32: Gross Fixed Capital Formation Share of GDP

Exports are valuable injection into local economies. To benefit from trade, exports need to be greater than the imports. In 2019, exports from the Ugu district were valued at R1 926 million whilst imports were valued at R1 594 million. On average Ugu recorded a negative trade balance between 2016 and 2019. Agriculture, forestry and fishing contributed 3% to exports, while manufacturing contributed 38.9%. The mining and quarrying sector contributed 0% to exports. In terms of imports the agriculture, forestry and fishing sector made up 0.2% while manufacturing sector made up 52.5% of total imports. In 2019, 0.1% of imports were attributed to the mining and quarrying sector.

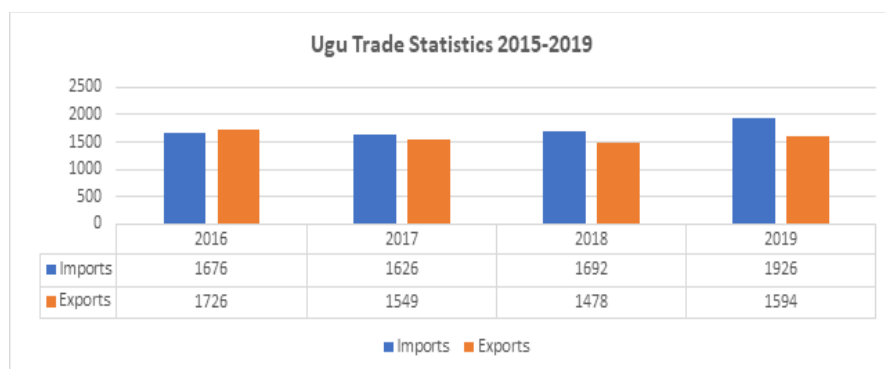


Figure 33: Trade Statistics

3.7.3 Employment and Income Levels

3.7.3.1 Employment

In the Ugu District those employed in the primary sector amounted to 13.33%, of the working population, 15.09% in the secondary sector and 71.58 were employed in the tertiary sector, as indicated by the following graph:

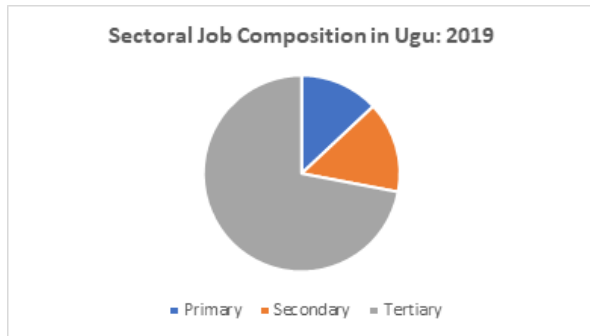


Figure 34: Job Composition

(Source: Quantec, 2020 from National Treasury MSEP)

In 2019, the Ugu district area employed 138 335 people, equating to 952 less than the previous year. However, Ugu gained 2251 jobs over the period 2016-2019.

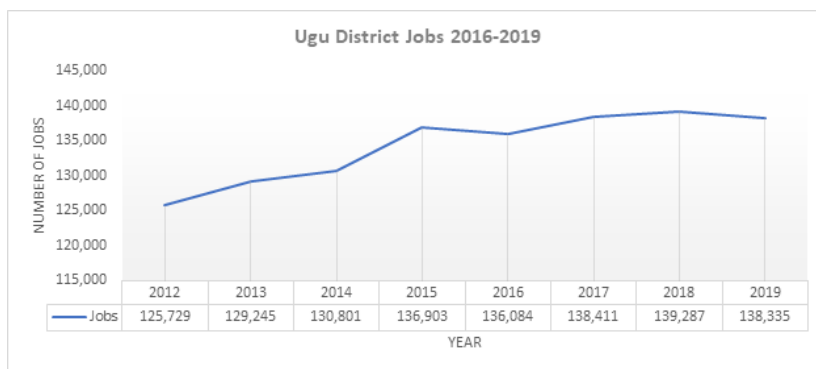


Figure 35: Ugu Jobs 2016-2019

The following table summarises employment per sector the percentage share, employment growth over time and for 2019.

Table 55: Jobs per Sector

Sector	Number of Jobs 2018	Percentage Share	Average Employment Growth 2016-2019	Employment Growth 2019
Agriculture, forestry, fishing	18,291	13,2	-947	11
Mining & Quarrying	143	0,1	-21	-7
Manufacturing	12,845	9,3	510	-70

Electricity, gas & water	512	0,4	-34	-7
Construction	7,520	5,4	-413	-729
Wholesale & retail trade, catering & accommodation	33,525	24,2	1850	252
Transport, storage & communication	5,649	4,1	289	145
Finance, insurance, real estate & business services	17,700	12,8	921	-178
General Government	18,430	13,3	4	283
Community, social & personal services	23,720	17,1	92	-652
Total	138,335	100	2251	-952

The sectors that contribute the most to employment in Ugu include wholesale and retail trade, catering and accommodation (including tourism), community, social and personal services and General Government. In 2019, it is estimated that Ugu lost an estimated 952 jobs. (Quantec, Urban-Econ Calculations, 2020)

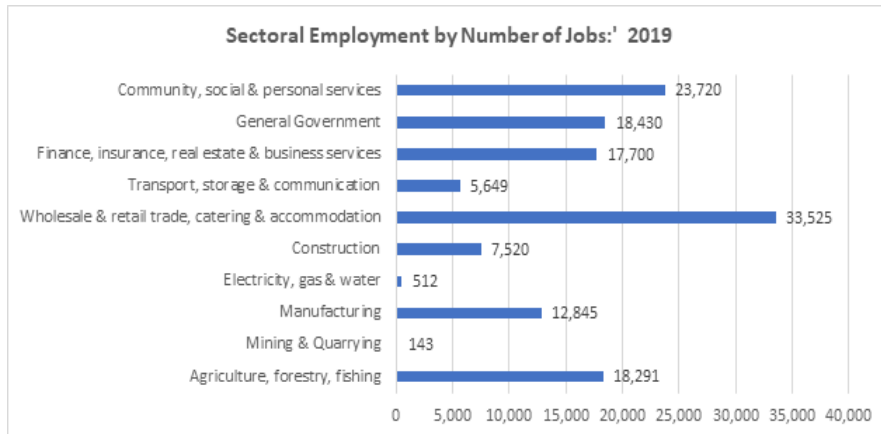


Figure 36: Sectoral Employment

The sectors with the largest percentage share of employment, as indicated in the following graph, and previous table, are:

- Wholesale & Retail Trade, catering and accommodation (including tourism);
- Community, Social and Personal Services;
- Agriculture, Forrestry and fisherings; and
- General Government, and then
- Finance, Insurance, real estate and business services.

Agriculture which only contributed 7.2% (GVA Share) to the district economy in 2019, emerges as one of the key employers in the region contributing 13.22% employment share; and an opposite trend is noticed with manufacturing which has notable contribution to the district economy (16.3% GVA Share) but a somewhat reduced impact in terms of job creation at 9.3% employment share.

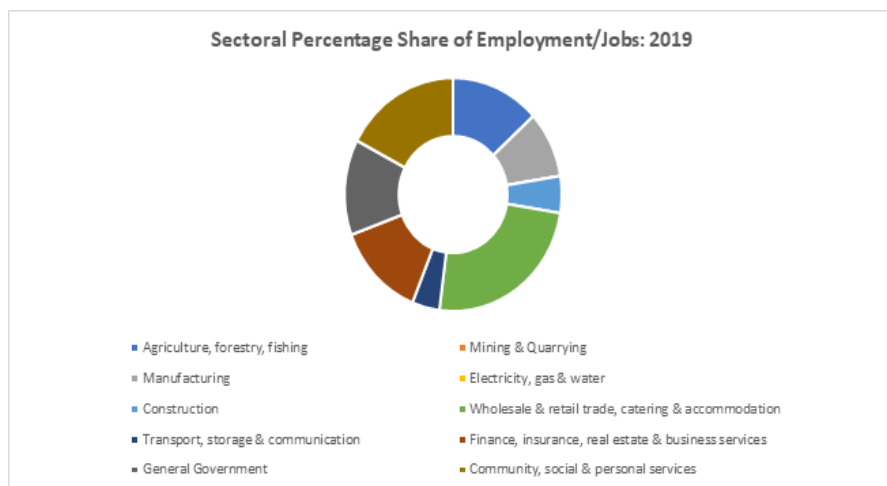


Figure 37: % Share of Sectoral Employment

The graph below shows the average employment growth rate over time from 2016-2019. Negative growth rate was experienced in construction and agriculture, forestry and fishing. Whilst the largest growth rate is in the wholesale and retail trade, catering and accommodation sector (including tourism).

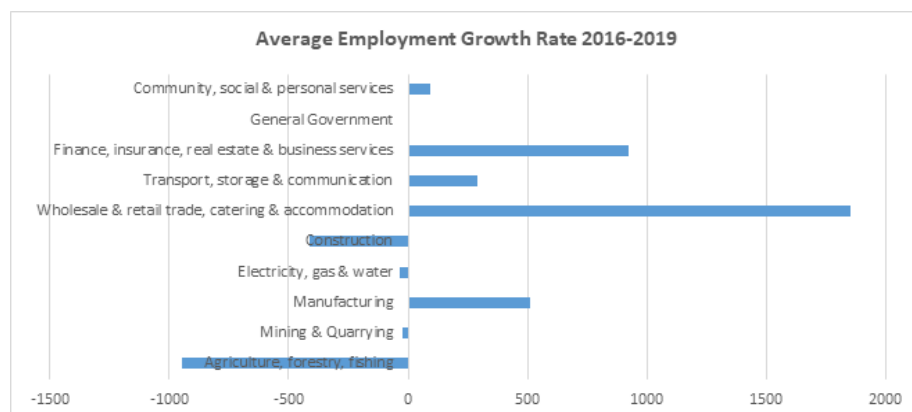


Figure 38: Employment Growth Rate

The 2019 sectoral employment growth shows that general government was the greatest sector of employment growth, followed by wholesale and retail trade, catering and accommodation and transport, storage and communication.

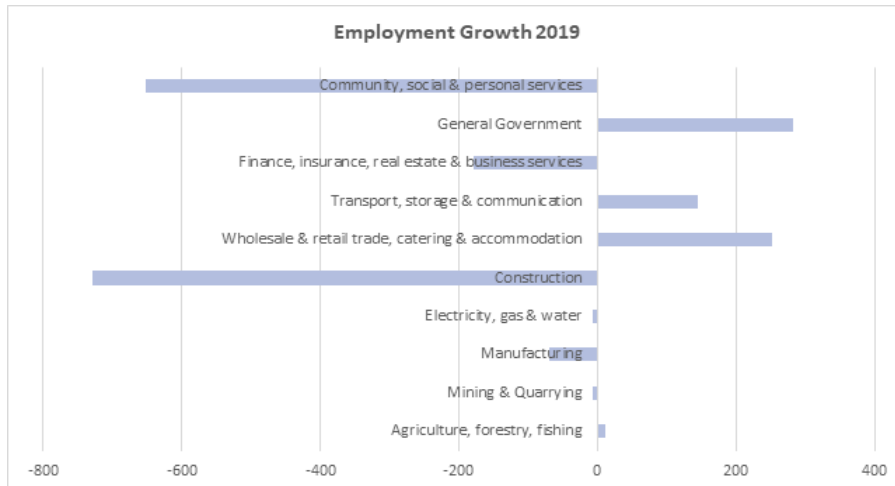


Figure 39: employment Growth 2019

3.7.3.2 Unemployment Profile

The unemployment rate, the labour force participation rate and labour absorption rate of the Ugu district compared to SA in 2019 is indicated in the following table. According to Statistics SA's narrow definition, the unemployment rate is the proportion of the labour force who are unemployed. The labour force participation rate shows the proportion of the working-age population (15-64) who are economically active, whilst the labour absorption rate indicates the proportion of working-age people who are employed.

Table 56: Unemployment

Unemployment Profile, 2019	Unemployment Rate	Labour Force Participation Rate	Labour Absorption Rate
Ugu District	36,75%	45,68%	28.86%
South Africa	36,75%	45,68%	28,86%

(Source: Quantec, 2020)

The Ugu district has an unemployment rate of 36,75%, with 45,68% of the working age people being economically active, and 28,86% of working age people being employed.

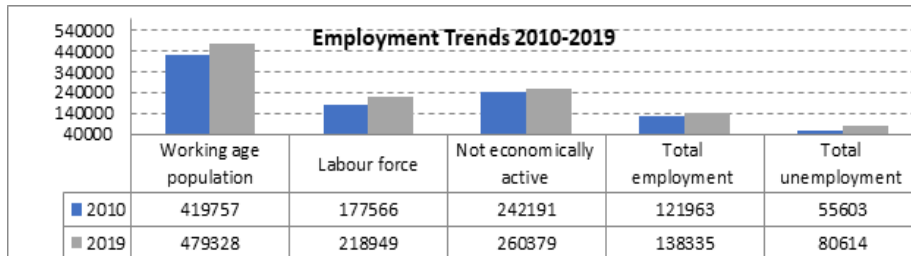


Figure 40: Employment Trends

The official unemployment rate has shown a steady increase from 2012/13 until 2018 with a marked increase in 2019.

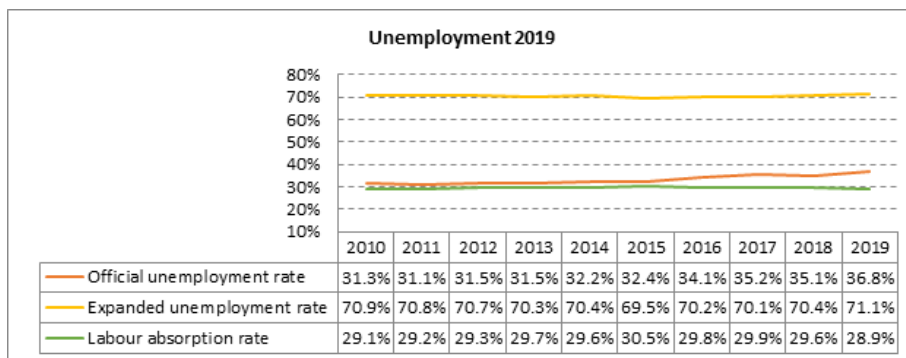


Figure 41: Unemployment 2019

The previous graph illustrates:

The official unemployment rate in 2019 was around 36.8% while the expanded definition of employment which also includes discouraged workers or not economically active population was recorded at 71.1%. As indicated previously, this is mainly due to the large numbers of the population that fall under the category of economically active which signals that the local economy has not been able to generate enough jobs to reduce the unemployment to much lower levels. This is also evident in the DM's lower levels of the labour absorption rate in 2019 registered at 28.9%.

3.7.3.4 Income Levels

The graph below shows comparatively that Ugu has less disposal income than Umgungundlovu district, but more than Harry Gwala district.

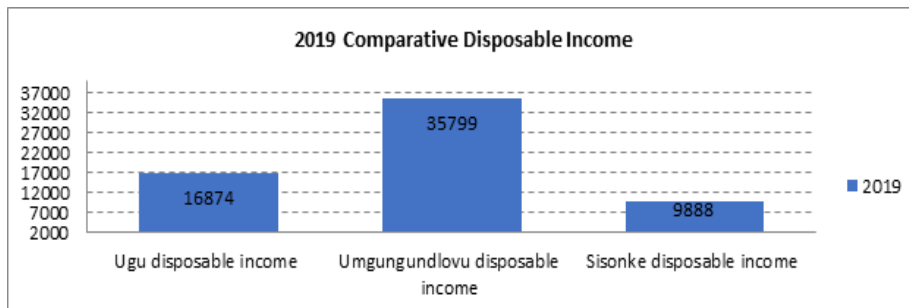


Figure 42: Disposable Income

The Gini index is a measure of the distribution of income across a region's population. The Gini index has a range of 0 to 1. A gini index closer to 0 implies that there are more equitable levels of income distribution, while an index closer to 1 implies higher levels of inequality in terms of income distribution. Severe Inequality is represented by 0.60. The graph below depicts the gini coefficient for Ugu District and for all the local municipalities within the district.

The district as a whole and Ray Nkonyeni and Umdoni local municipalities may be categorised as being severely unequal.

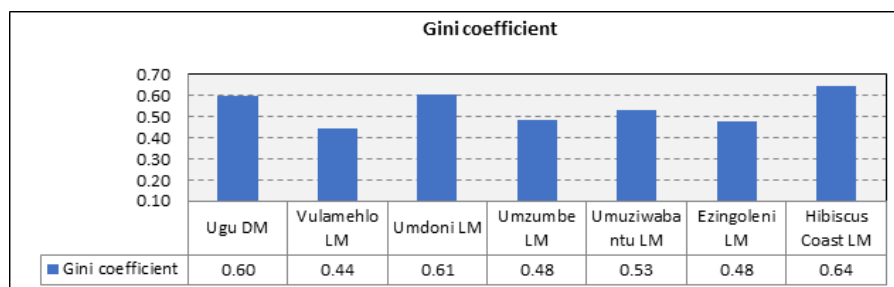


Figure 43: Ugu Gini Coefficient

3.7.4 Levels of Poverty

The graph below illustrates that there has been a steady increase in poverty in the district since 2016, utilizing the proportion of the population who falls below the national poverty line in SA as per years value in SA Rand per person per month of: monthly food poverty line, monthly lower-bound poverty line and monthly upper-bound poverty line.

As of 2019 25% of the Ugu Population was considered to be in poverty.

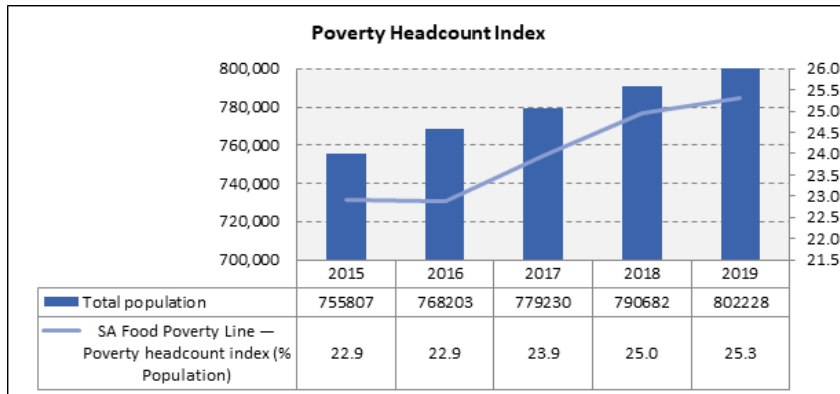


Figure 44: Poverty Index

3.7.5 Creation of Job Opportunities

Of the population who are employed, the tertiary sector (71.58%) employs the most people, with the secondary sector employing 15.09% of those employed and the primary sector 13.33%.

The sectors which contribute the most to employment in Ugu district are:

- Wholesale & retail trade, catering and accommodation (including tourism), and the sector continues to provide job opportunities (employment growth in 2019).
- Community, social and personal services, with employment growth decreasing in 2019;
- General Government, with employment growth increasing in 2019 – therefore continued job opportunities are provided; and
- Agriculture, forestry and fishing, with employment growth minimally increasing in 2019.

The sectors which contribute the least to employment in Ugu district are:

- Mining and Quarrying (0.1%) ; with declining employment growth in 2019;
- Electricity, Gas and Water (0.4%); which is further declining in terms of employment growth in 2019; and
- Transport, storage and communication (4.1%); which is showing increased job growth in 2019; and
- Construction (5.4%) which showed employment growth decline in 2019.

3.7.6 Job Creation Through LED Projects

Local economic development as a function of local government enables and facilitates economic development related matters with objectives to grow, transform and develop the economy.

Job creation targets relate to expanded public works programme implementation, and monitoring jobs created through municipal infrastructure development, and LED programmes implemented.

3.7.7 SMMEs and Cooperatives

Within the district there are many SMMEs and Cooperatives across different sectors. The dominant sectors with SMMEs include: retail trade, catering, agriculture and agri-business, mining, community, social and personal services, finance, business and communication. The need for district-level database information which is easily disaggregated to Local Municipal Level is one of the IDP priorities for 2022-2027. Cooperatives are mainly in the agricultural, mining and fisheries sector.

As key strategic objective of LED is to promote small businesses, cooperatives and SMMEs. At a district level a number of projects have been implemented, together with partners such as the Small Enterprise Development Agency, and Various Government and Non-government organisations. The nature of support provided ranges includes:

- facilitating the provision of skills development and training,
- facilitating the provision of business and operational plans development;
- provision of advice on various matters: both strategic, operational and governance;
- provision of inputs, equipment and infrastructure,
- provision of business and governance formalization support;
- facilitating linkage to stakeholders in support of sustainability of the SMME, Cooperatives.

3.7.8 Agricultural Sector

3.7.8.1 Key Agriculture, Forestry and Fishing Sector Information

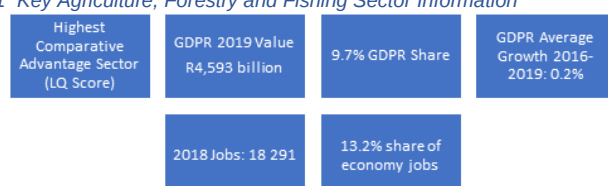


Figure 45: Sectoral Information

The agriculture, forestry and fishing sector is the sector with the highest comparative advantage (LQ Score) in the district. The agriculture, forestry and fishing sectoral GDP in 2019 was R4,593 billion, with a 9.7 percentage share of the Ugu Economy and an average GDP growth between 2016 and 2019 of 0.2%. The number of jobs in the sector in 2018 was 18, 291, which represents a 13.2% share. Although there was a decline in jobs over the period 2016-2019, in 2019 there was a slight increase in the number of jobs (employment growth).

The agricultural sector may be categorized into commercial and subsistence agriculture.

3.7.8.2 Commercial Agriculture

Commercial agriculture dominates in the district by virtue of the land space it occupies and its produce are provided to both local and international markets. The main agricultural and related activities being:

- sugar cane farming and milling;
- banana farming;
- macadamia farming;
- vegetable farming;
- timber production (wattle, gum and pine plantations) and processing for pulp- and sawn timber with approximately 200 small-sawmills and a large number of businesses successfully exporting timber products of high quality (ISO9000 standards).
- coffee farming.

Poultry, cattle and goat farming occur on a limited scale with the harvesting of oysters and crayfish in some areas.

The district is well suited for commercial agriculture due to the following:

- well suited climate including sub-tropical climate with high temperatures and good water supply;
- good agriculture infrastructure, and
- large tracts of fertile land.

3.7.8.3 Subsistence Agriculture

Subsistence agriculture is found mainly in the Ingonyama Trust Board areas. Subsistence farming exhibits low levels of crop and livestock farming largely due to water and other resource challenges faced. Accessing formal markets and competing with the commercial agriculture farmers further challenges subsistence farmers.

There are various programmes of support provided by various stakeholders such as government, farmer, mills and commodity organisations, for subsistence farmers, and the sector has seen a progression of some subsistence farmers into becoming small scale commercial farmers.

3.7.9 Tourism

Key Information: Tourism Sector (wholesale and retail trade, catering and accommodation)



Figure 46: Key Sectoral Information

Tourism is a major economic draw card of the KwaZulu-Natal Province due to its vast and rich coastline and general natural environment. The Ugu coastline (South Coast) comprises of beautiful beaches over a stretch of 112km including rocky shores and estuaries. While many South Coast beaches are

internationally accredited with a Blue Flag status, others are compliant with the South African National Standard for Recreational Use. The overall South Coast package offers primary attractions, secondary attractions and tourist facilities. There is a dedicated administrative statutory body/entity, namely Ugu South Coast Tourism, which is an implementation arm of the Ugu District municipality dedicated to growing tourism on the South Coast and expanding its geographical spread to the hinterland for richer tourist experience.

There are various projects implemented which aim to diversify the products to include adventure tourism in Amakhosi areas, filming, agritourism, rural biking and sports tourism, to mention just a few. Significant progress has been made in rolling out upmarket and unique adventure tourism products as is the case with the KwaXolo Caves Adventure Centre in the rural KwaXolo, a mere 18 kilometres from the upmarket suburb of Southbroom. Currently progress is being made to toll out the unique 70-kilometre Umzumbe River Trail that will connect the coastal Ray Nkonyeni Municipality with the rural Umzumbe Municipality. Ray Nkonyeni will serve as a feeder of high net worth tourists to Umzumbe thereby unleashing latent investment opportunities in the rural part of Ugu for uptake by the private sector. These two bold projects are unique and ambitious in that they are the first of their kind in the country to be rolled out specifically targeting Amakhosi areas. **Picture below: KwaXolo Caves, by Getaway Magazine**



Figure 47: KwaXolo Caves

However, the performance of the industry does experience challenges due to lack of balance between social, economic and environmental factors like environmental pollution, social infrastructure and services, noticeable criminal elements and others. Despite this, during the 2019 festive season the South Coast experienced more than 80% bookings and more than 87% occupancy in shopping malls (Ugu South Coast Tourism: 2020). The pandemic put a damper to the Easter as well as the June Holiday seasons as the country was still under lockdown.

Aggressive efforts are being undertaken by Ugu South Coast Tourism in partnership with Tourism KZN to aggressively market the area to both domestic and international tourists.

According to industry experts, it will be a while before people will start taking business trips, let alone leisure trips again. There will be a huge slump around the world and each country will try to rebuild their own tourism industry. The domestic tourism industry in South Africa is pinning its hopes on the domestic tourism market to lead the way to recovery in a post coronavirus world. Nature and adventure activities will be attractive and this will present an opportunity for smaller towns to market themselves to city dwellers who were cooped up during lockdown. As the KZN South Coast is highly regarded as a leisure destination due to its abundance of diverse experiences; which include outdoor, coastal and rural experiences, the destination will be most attractive to domestic tourists during and post Covid.

The Covid-19 pandemic has obviously affected tourism businesses in the Ugu District. To date

- 7 tourism businesses that have confirmed the closure of their businesses
- 19 establishments have undergone retrenchment processes.
- 280 employees from different tourism establishments have been retrenched to date.
- Some establishments had to reduce staff salaries, and
- Some have implemented the staff rotation option - no work no pay.

According to the Ugu Growth and Development Strategy (2018), the overall economic impact, of simple visits to the South Coast, is equal to ±R4.4 billion (16.2% of KZN), which is a total sum of direct and indirect (multiplier) effects of tourist spend, both domestic and international. The proposed response plan attempts to reverse the downward trend and for it to be relevant it has to be aligned to the Provincial and National initiatives in the tourism front.

It is worth mentioning that specifically for the governments relief efforts to cushion the impact of Covid-19, the rescue programme could not reach all businesses that are had hit by the impacts of the lockdown due to non-compliance with the long-standing government redress, affirmative policy framework. Hence the plan to rejuvenate the economy through tourism should take into account the Complexity or Chaos Theory of Faulkner (2001) which suggests a sudden paradigm shift of policy to deal with contingencies of the unexpected. Lessons can be drawn from popular tourist destinations that have experienced serious crises and found themselves in serious states of non-equilibrium. These include Thailand's Tsunami of December 2005, the Bali crisis, etc.,

3.7.10 Manufacturing (Industrial)

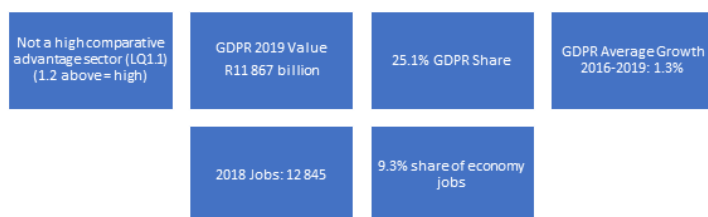


Figure 48: Industrial Facts

3.7.11 Trade: Retail and Wholesale

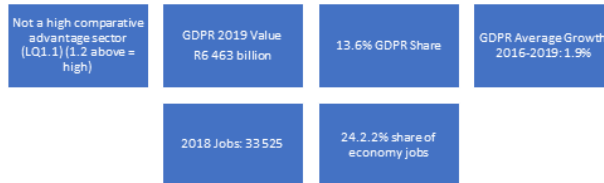


Figure 49: Retail Facts

Wholesale and retail (W & R) is believed to be a sector that provides much needed growth and contribution to the GDP and it is a major employer. There is continued growth in the sector, and increased employment growth. This sector is quite volatile and needs promotion of innovation which can be achieved through research, conducting surveys whose outcome will direct research requirements for the future of the sector in SA and internationally. Ugu District Municipality is no exception to the research needs as it can be learnt from the most recent pressures that have been exerted on the W & R sector by the COVID 19 and Unrest of 2019. Such volatility must be predicted for the long-term sustainability, but such cannot be done without reliable socio-economic data that creates the gaps as stated above. Focused research that will look at multi-year trend analysis, which does not seek to address one particular line interest as perceived economic scholars^[1] is needed in Ugu District Municipality.

COVID 19 and subsequent lockdown of economic activities through Disaster Management Act Regulations, coupled with government rescue and solidarity offerings, the intergovernmental and all-inclusive multi-stakeholder structures that have been established in South Africa and in Ugu District Municipality have provided the opportunity to identify some gaps and performance challenges that had been existing in the economic sectors including the W & R. Such are, to mention a few, the South African trend of mall or shopping centre culture that is alluded to by Sewell *et.al* (2016) and members of the Port Shepstone Business Forum, which (the latter) also represents the interest of the spaza shops, general dealers and other forms of informal economy. This is said to be crippling the performance and survival of the rural retailing, which had to be rescued through the government rescue schemes.

From the point of view of economic regeneration planning, some of the factors that need consideration, intervention and future research and implementation of research findings include, but not limited to, the following:

- Economic and social upgrading in value chains
- Disposable income of customers and lower consumer spending
- Regulatory and governance environment
- Government-private sector relationships (their toxicity or health) and perceptions
- Skills availability and willingness to transfer to the small and emerging retailers
- Impacts of migration trends (urbanising population)

Mining

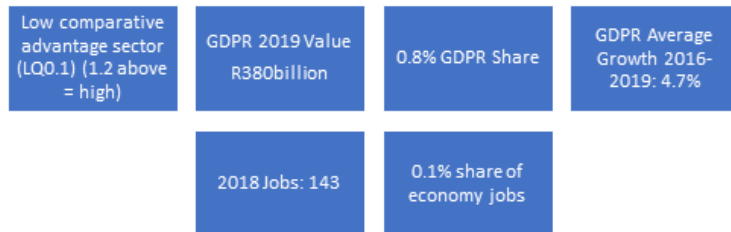


Figure 50: Mining Facts

In KZN the mining sector:

- Employs approximately 12 000 (2.5% of national)
- GDP contribution - R9 billion (2.7% of national)
- Key commodities include: Heavy Minerals – titanium, zircon, coal, gold, industrial minerals such as aggregates and sand.

Mining and related processing of stone into various aggregates and crusher dust is essentially aimed at supplying the local construction industry and to boost the local economy. The minerals mined in Ugu include:

- Limestone, marble, dolomite – R600/ton avg
- Lithium – R500/ton avg
- Aggregate – R200/ton avg and
- Sand – R150/ton avg

Mining and Quarrying is the lowest sectoral contributor of Ugu GVA Shares, at a mere 0.7%, and as a contributor to employment is 0.10%.

There are various quarries in Ugu with companies such as Natal Portland Cement and Idwala Carbonates.

LED includes strategic objectives which include sectoral development, and the mining sector is one such sector which has been given focused attention in partnership with Department of Mineral Resources and Energy. Formalisation, Support and legal compliance of artisanal mining/quarrying/sandwinning enterprises in Ugu of which there are many.

[Sewell et.al \(2016\)](#)

3.8 SOCIAL DEVELOPMENT ANALYSIS

3.8.1 Educational status

In terms of the educational profile of the Ugu District Municipality the Stats SA Census, 2011 shows that the literacy rate has grown by 5% from 73% in 2001 to 78% in 2016. There has been a gradual increase of the percentage of people with grade 12 / Std 10 from 7% in 2001 to 17% in 2016 as illustrated in figure 51. There has also been a slight increase in the number of people who completed

higher education even though the numbers are still relatively low. Based on these stats it is evident that the Ugu District Municipality has a low skills base.

Educational Profile

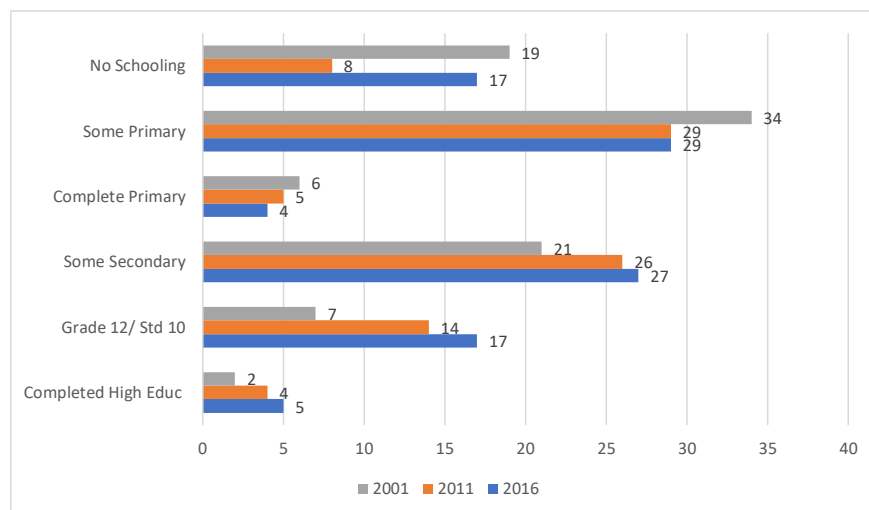


Figure 51:Ugu District Educational Profile

Source: Statics SA Community Survey, 2016

To further analyse the educational status in the district this section interrogates the level of schools' access to basic services. Table 57 shows the level of school access to basic water services. With regards to water services the statistics show that 35 (7%) schools in the Ugu area of jurisdiction have no access to basic water and about 29% use tanks. Table 58 show the level of school access to basic sanitation services.

Table 57: Schools Access to Water

Municipality	On-Site	Off-Site	Borehole	Mobile	Tanks	None
Former Vulamehlo	44	18	5	5	59	12
Umdoni	37	1	1	2	22	1
Umzumbe	49	11	10	7	142	18
Ray Nkonyeni	120	25	11	4	82	1
UMuziwabantu	38	1	9	4	41	3
Ugu	291	28	14	13	152	35
%	55	5	2	2	29	7

Source: Department of Education, 2015

Table 3.12.1.3 shows the level of access to sanitation services within Ugu District area of jurisdiction. What is worth noting is that all the schools do have some level of access to sanitation. However, the high percentage of pit latrines (50%) is cause for concern as per the standards of Ugu District as the VIP is the minimum acceptable sanitation standard. Table 59 further shows the schools' level of access to electricity. About 90% of the schools have access to electricity through Eskom, about 5% using alternative energy and only 4% having no access at all.

Table 58: Schools Access to Sanitation

Municipality	Flush Toilet	VIP	Pit Latrine	Temporary
Former Vulamehlo	11	36	47	1
Umdoni	22	11	20	0
Umzumbe	10	52	117	6
Ray Nkonyeni	53	38	66	8
UMuziwabantu	10	18	31	2
Ugu	106	155	281	17
%	19	28	50	3

Source: Department of Education, 2015

Table 59: Schools Access to Electricity

Municipality	Eskom	Generator	Solar	None
Former Vulamehlo	73	2	3	6
Umdoni	46	1	1	1
Umzumbe	150	6	10	9
Ray Nkonyeni	149	1	0	3
UMuziwabantu	52	1	0	2
Ugu	470	11	14	2
%	91	2	3	4

Source: Department of Education, 2015

3.8.2 Health

The priorities set out in the District Health Plan are in line with the three over-arching outcomes for the current 5-year planning cycle that aim to address a single IMPACT of "Increased life Expectancy". The outcomes that seek to merge to achieve this impact are "Universal Health Coverage", "Improved Client Experience of Care" and "Reduced Morbidity and Mortality."

The Department of Health has put a number of measures to mitigate the impact of the COVID- 19 epidemic in various spheres of life in the district. This has included the urgent reconfiguring of hospitals – chiefly the creation of new bed space, deployment of human and material resources, as well as the provision of health care workers with various forms of support, including personal protective equipment.

DOH has also begun implementing its plan for the successful rollout of the COVID-19 vaccine. DOH participates and provides feedback in the social cluster, technical and political cluster meetings.

The Department will continue to accelerate the re-engineering of Primary Health Care to strengthen disease prevention and health promotion by investing in the Community-Based Programs. Strengthening primary health care will reduce the burden of disease, since ailments will be picked up early, while improving efficiencies at all other levels of care.

Among the key priorities is to encourage behaviour modification and improve health-consciousness; reduce communicable and non-communicable diseases; promote nutrition programmes and strategies to reduce specific nutritional challenges; strengthen maternal, child and women's health; and reduce the preventable causes of morbidity and mortality. Effective screening, follow-up and support services are vital to attain positive health outcomes.

3.8.3 Broad Based Community Needs

Based on the community consultations by the District together with its Local Municipalities community needs were categorised into 10 categories. These categories are: Water; Sanitation; Roads; Sport fields; Health; Education facilities; Health Facilities; Public Facilities; Electricity; and Other. Figure 52 below depict a statistical overview of the community needs issues raised during the public consultation sessions. A full public participation report is attached (Annexure 11).

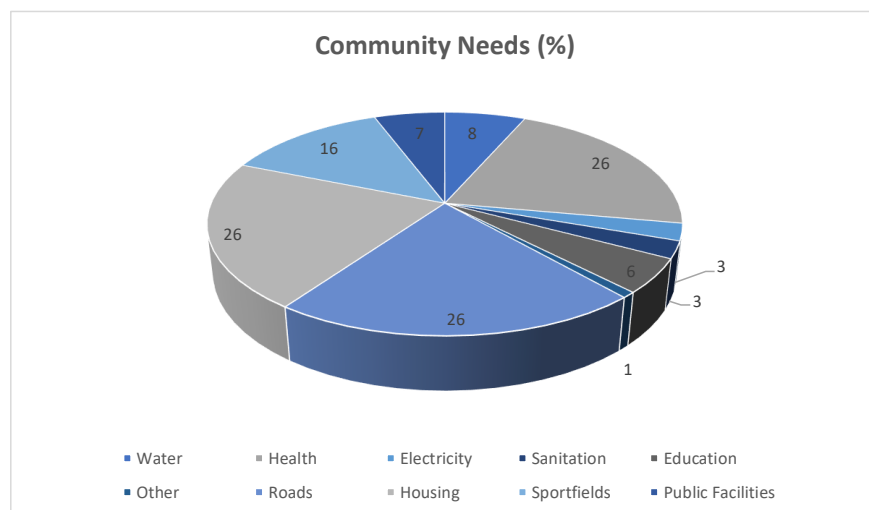


Figure 52: Community Needs

Figure 3.12.3.1 Statistical summary of community needs

Source: Mayoral Izimbizo and IDP/ Budget Roadshows 2021

Based on the 2021 consultation sessions as reflected in Figure 3.12.3.1, the 3 broad based community needs are:

- Water;
- Roads; and
- Housing.

3.8.4 Safety and Security

Some communities have converted the Community Policing Forums into Safety and Security Committee. There was also a safety and security strategy that was developed by the Department of Community Safety and Liaison in 2009, which is due to be reviewed and it is at the same level where the District Safety and Security Forum will be established. A municipal safety plan is a consultative document that sets out the strategic objectives and operationalise those into local crime prevention action steps. It should contain elements of law enforcement, situational and social crime prevention, must address social unrest and mediation.

3.8.5 Nation Building and Social Cohesion

Ugu District Sports Council was launched in 2009. Ugu District Municipality also participates in SALGA-KZN Games. There are Sport Development Hubs that were established by the Department of Art, Culture Sports and Recreation. The District Youth Council is also responsible for the coordination of social cohesion activities targeted at the youth.

3.8.6 Community Development with Focus on Vulnerable Groups

Community development with focus on vulnerable groups addresses the development of youth; people with disabilities; women; people affected by HIV / AIDS, drugs, crime, etc.; and early childhood. The district has a dedicated Special Programmes Unit which caters for the needs of these special groups.

3.8.7 Youth Development

The youth in Ugu District is 38.7% of the total population. In terms of educational attainment 65% of the youth have completed matric, however only 4% have a tertiary qualification. The low percentage of youth with tertiary qualification further emphasises the skills shortage challenge in the district. Furthermore, 34% of the households in the Ugu District area of jurisdiction are headed by the youth. The Ugu District Youth Development Policy Framework 2016 – 2021 identified a host of challenges facing the Ugu District area of jurisdiction youth amongst which is the poor-socio-economic conditions characterized by poverty, poor living conditions, abuse, unemployment and a lack of access to education and recreational facilities.

Furthermore, the prevalent poor socio-economic conditions severely impinge on the youth's holistic wellbeing and further exacerbate their vulnerability to peer pressure, substance abuse, crime, and ill-health.

In response to the host of challenges that are identified by the youth policy framework, six strategic interventions are proposed as follows:

- Social Cohesion;
- Education, Training and Skills Development;
- Economic Development and Transformation;

- Health and Social Well-being;
- Arts and Culture;

The Municipality has a total number of five (05) departments namely Corporate Services, Water Services, Economic Development & Environmental Services (EDES), Office of the Municipal Manager and Budget & Treasury Office. The total number of workforce in the Municipality is 777 employees.

The municipality's core function is the provision of Water and Sanitation services to the Ugu District communities. Over the years the Municipality has been faced with challenges of water shortage supply in different communities that it is servicing. The Municipality has hence identified the aging infrastructure & maintenance of same as the reasons for this challenge.

In addressing these challenges after the Municipality has identified the causes, it became evident that there are key critical skills that are required to overcome these challenges, which the Municipality needs being the following:

Skill Required	Current Status	Function	Intervention
Water and Environmental Engineer	The Municipality has no Water & Environment Engineer.	Stormwater hydraulics, design of hydraulic structures, hydrology water services, water quality and treatment	The Municipality needs to employ a Water & Environmental Engineer, that will be responsible for this function; with financial challenges that the Municipality is faced with, it is difficult to get this resource
Systems Technicians	The Municipality has one (1) Systems Technician to cover the entire District from Area North to Area South - West.	Operates the water distribution and treatment systems, checks operations of valves, pressure regulators and pumps.	The Municipality should employ more Systems Technicians; with the financial challenges that the Municipality is faced with, it is difficult to get these resources
Leak Detection and PRV Specialist	The Municipality has Leak Detection equipment but there is no one (1) with the skill and knowhow on how to use this equipment.	Check and identify water loss, where it is lost, and the amount of water lost.	The Municipality should train unemployed youth within the 4 Local Municipalities of the District to assist in the curbing of water loss which will mean that we need to engage about 150 interns to be trained and be recruited and placed to all the 4 Local Municipalities of uGu but divided proportionally.
Instrument Technician	The Municipality has one (1) Instrument Technician to cover the entire District from Area North to Area South - West.	Check the Water levels on reservoirs and switch on pumps when there is electricity failure	The Municipality should employ more Instrument Technicians; with the financial challenges that the Municipality is faced with, it is difficult to get these resources.

Infrastructure Maintenance Specialist	There is no one (1) who is looking the Infrastructure be pro active in advising when should it be change before it is no longer functioning.	Check and monitor infrastructure that will need to be replaced and how it will possibly cost the Municipality and how long will it take.	The Municipality should change the current aging infrastructure and employ an Infrastructure Maintenance Specialist.
Plumbing Trade Test	The Municipality has Plumbers however this kind of function cannot only be limited to internal plumbers because our water and sanitation network vastly spreaded.	Install, repair, and maintain pipes valves fittings drainage systems and fixtures in industrial, commercial, and residential structures.	The Municipality needs to engage about 150 interns who will be trained to the plumbing qualification and also be spread across the District.
Process Control	The Municipality has Process Controllers with NQF level 3	Coordinate, control & monitor all operational activities during a shift relevant to the operations of a wastewater treatment plant	The Municipality needs funding to train the Plumbers to acquire their Trade Certificates

Table 60: Required Skills

Emanating from the district youth Council, the following objectives were developed and resolutions were cited further below the objectives to address the fundamental issues facing the district

Objectives

- To review and evaluate progress made from 2019 Youth Summit Resolutions
- To present the approved UGu District Youth Strategic Framework
- To build a strong and effective UGu District Youth Council.
- To deal with barriers to entry towards sustainable socio-economic transformation.
- To forge strategic partnership with all government departments and agencies in all spheres of

government for sustainable support programmes

- To develop programmes that are aligned to National Youth Policy 2030.
- To address serious challenging affecting youth of our district
- To take charge of our own path and self-direct the transformational agenda through policy

direction in addressing barriers to entry in socio-economic transformation

On Education, Training and Skills Development

- That Ugu Youth Council musts engage all social partners to supports the process of engaging both ESayidi TVET College and DHET, to review its curriculum offering with an intention of introducing courses, which are responsive to local economy and scarce skills required by the country.
- To lobby for the review of the composition of Esayidi FET College Council to accommodate industry representatives and youth formations.
- To ensure that Ugu Youth Council nominates representatives toward the governance structure of Esayidi FET College.
- To support and mobilize financial resources towards the UNISA Satellite Campus establishment within Ugu and all other supporting infrastructure.
- To facilitate and enter into memorandum of agreement with various skills development public and private sector institutions for the benefit of Ugu youth.
- To facilitate the hosting of Ugu Education and Scarce Skills Indaba, with all partners in education and skills development sector.
- Ensure the continues upskilling of the youth in areas of critical skills needed by the market
- To ensure that Ugu District Municipality uses the District Development Model (DDM) instruments i.e. One District Plan, as plan to priorities the upgrading and building of new education/school/university infrastructure in the district including TVET College Student Accommodation Facilities.

Nation Building and Social Cohesion

- That the district municipality and its family of municipalities shall continue to develop and support multi-cultural and diversity promotion programmes targeting youth in school, out of school youth, youth religious formations, cultural groups and any organization or programme that promote social cohesion.
- That the democratic elected youth structures must be part of continuous engagement and communicating with the government, on issues affecting the society in particular those focusing on basic service delivery i.e. water, sanitation, housing and electricity.
- That a clear developmental programme be facilitated with, optic fibre and ICT companies who have already rollout their infrastructure along the road servitudes or verges to adopt a school and provide Wi-Fi hotspots and relevant gadgets.

- That the Youth Council reaffirms its support of the implementation and continuation of Ugu District Water Ambassador programme, as the tool of promoting responsible water use, payment for services and reporting illegal connections.
- That an integrated community capacity building programme be developed with the Ugu Special Programmes, Department of Education, Health, Social Development, SAPS and Local municipalities targeting schools and communities around the issues of prevention and fighting drug abuse, gender based violence, bullying and child abuse.
- That all municipalities as part of their IDP Review Process and Engagement sessions must have a dedicated Mayoral Imbizo focusing on youth, this shall be known as IDP Youth Imbizo.
- That Youth Council shall be considered as a key stakeholder and ally of Ugu Council in its service delivery turnaround programme.
- That youth council shall be allocated resources and logistics to facilitate youth dialogues and social cohesion activities in all wards that were affected by public protests linked to water service delivery.

On Health Care and Combating Substance Abuse

- That the Youth Council shall encourage youth or young people to participate in the nominations and elections of Clinic Committees and Hospital boards, in order to safeguard the interest of young people and ensure that those facilities and their services are youth friendly.
- That the Youth Council shall engaged District Department of Health to implement a pilot programme in partnership with Department of Education and Social Development a sexual productive health targeting schools with high pregnancy rate, which later will be expanded as an annual programme.
- That the Youth Council partner with Department of Social Development to establish a focus programme, which will be known as Ugu Youth against Drugs and Alcohol Abuse.
- That youth council further engage the Department of Sports, Recreation, and Department of Health to rollout the health lifestyle by supporting existing non-profit community very healthy lifestyle recreational clubs and facilities.
- That youth council working closely with all youth units and local municipalities youth council shall immediately plan and implement a community awareness programme on the Covid 19 vaccination programme.
- That youth council will and encourage young people to report adults (sugar daddies/moms) including educators and anybody who care for children or young people who is involve in a sexual relationships, to the relevant authorities i.e. SAPS and his or her employer.

- That youth council will lobby and advocate the placement of unemployed social workers within the youth development units of the municipalities as part of outreach programme financial supported by both Department of Social Development and HWSETA

Economic Participation and Transformation

- That the district municipality must ensure that in the composition of their municipal entities, that at least **30 % of board members** are under the age of 35 years and bona fide resident of Ugu District.
- That the district municipality mandates the development agencies to ensure that all their programmes and projects beneficiaries are made of **40% of youth**.
- That all municipalities shall considered creating of **pre-qualification youth owned enterprises database** for various services and infrastructure development in order to ensure participation of youth in all opportunities offered via public procurement.
- That the pre-qualification youth owned database will be used for sub-contracting opportunities on ward, cluster and municipal level.
- That municipality shall consider prioritizing young people or young entrepreneurs for trading permit or licenses or even leasing or disposal of immovable properties.
- That Ugu Youth Council shall facilitate the establishment of Youth in Business Forum or even engaged South Coast Chamber of Business to establish a youth chamber, which will act as the voice of youth owned businesses.
- That the newly established NYDA District office shall coordinate their work with SEDA to accelerate the development of youth entrepreneurs.
- That the performance agreements of all heads of departments and accounting officers within the family of municipalities shall include a target on youth economic empowerment.
- That the Youth Development Unit shall play a critical role in identifying, supporting and submitting of qualifying youth owned businesses to various youth targeted funding and support i.e. KZN Premier Youth Fund, Ithala Inkuzi Isematholeni,
- Government should ensure there is enterprise development programmes of youth owned enterprise

Effective and Responsive Youth Development Institutions

- That the Youth Council shall support the Youth Development Unit to facilitate the establishment of District Youth Workers/Practitioners Forum. This forum will consist of all government departments within the district who works on programmes targeting youth.

- That the establishment of the District Youth Workers/ Practitioners Forum will ensure that the district play its coordinating role in the development issues related to youth and ensure that all government departments align their interventions in the district.
- That all municipalities in the new term of office shall consider establishing a dedicated fully fledged portfolio committee on youth development issues, in order to ensure accountability and mainstreaming of youth development issues by all municipal departments.
- That all municipality organizational scorecard shall set clear youth development performance targets which all Heads of Departments and the Municipal Manager must share responsibility of implementation, accountability and reporting.
- That youth development shall be a standing item during MANCO meetings and quarterly review for all HODs and Municipal Manager.
- That the activities of the NYDA District Office shall be reported bi-monthly to the Executive Committee.

3.8.8 Sports and Recreation.

The actual youth programmes and projects to be implanted in the 2016 –2021 period of this IDP are captured in chapters 4 and 5 of the document.

3.8.9 Development of the People with Disabilities

People with Disability in South Africa encounter a range of physical, cultural social and attitudinal barriers, which prevent them from enjoying and accessing their full civil, political, economic, and social and developmental rights.

The Special Programmes Section is committed to promoting an integrated National Disability Forum strategy. The special programmes unit envisions the understanding of the rights of persons with disability and dignity through full participation in a barrier-free society. The collaboration is aimed at ensuring that those with disability are included in making decisions about their lives, have access to justice, achieve independent living, establish an adequate standard of living, personal mobility, enjoy freedom of expression and participate fully in society.

The Special Programmes Section is tasked with mainstreaming the Disability Programme within the District. Mainstreaming involves the integration of disability issues and interventions with government legislation and programmes and other sector organisations or programs.

Roles and Responsibility:

- Develop an Ugu District Municipality implementation plan that is aligned to the National Disability Strategy.
- Establishing and strengthening coordination of committees on disability matters, with emphasis on, among other goals, the adequate and effective representation of disable persons and their organization as well as their roles therein.
- Promote participation by relevant stakeholders in the development and use of research.

- Making special efforts to foster positive attitudes towards children and adults with disabilities, and undertaking measures to improve their access to rehabilitation, education, training and employment, cultural and sports activities and their physical environment.
- Change attitudes through sensitization and awareness programmes.
- Promoting awareness and commitment to full participation, equality and empowerment of persons with disabilities.
- Encourage a process allowing the development an integrated project-based budget.
- Develop a reporting mechanism to facilitate the dissemination of information by using appropriate medium e.g. Braille.
- Encourage the sharing of resources and the adoption of asset-based approaches.
- Advocate and facilitate inclusion in the decision-making process.

3.8.10 Development of the Elderly

As per the 2016 Community Survey conducted by Statistics South Africa, the elderly makes up 6.7% of the total population of the Ugu District area of jurisdiction. Furthermore, 15.8% of the Ugu District area of jurisdiction households are headed by the elderly. The elderly people are vulnerable in many aspects and hence the district commitment to ensuring protection and care of its senior citizens. The District has a Senior Citizen Programme which is underpinned by the following pillars:

- Creation of an enabling and supportive environment for senior citizens;
- Community-based care and support services;
- Advancement of healthy well-being;
- Ensuring community-based care and support services; and
- Promotion of protection and safety

The District Municipality has a Senior Citizens Forum in place. Through this forum the municipality on annual basis implements programmes such as; Golden Games; Support to Destitute Elderly; and Awareness Campaigns. Furthermore, Senior Citizens must be full participants in the development process and share in its benefits. No individual must be denied the opportunity to benefit from development. Older persons have been previously marginalised, as ageing has been perceived as a problem rather than a natural process. Senior citizens are also represented in the District Civil Society Forum and they an equal voice in sharing their views.

The programme is intended to:

- To promote close collaboration between the Ugu District Senior Citizens Forum, government departments and the broader NGO-sector involved with senior citizens sector,

- To coordinate, monitor, evaluate and report on the implementation of programmes and strategies aimed at achieving goals for senior citizens,
- To raise awareness, advocate, and lobby on, and conscientize the public about senior citizens' rights with a view to stimulating public debate

3.8.11 Gender Development Programme

The Gender Development Programme promotes the respect for the rule of law, human rights as well as economic and social development for both women and men to ensure that equal opportunities are achieved. It aims to promote, protect, monitor, and evaluate gender equality within the District. The programme is responsible for the coordination and implementation of strategies that ensure women play an active role in the economy of the District and the country at large thereby escaping the cycle of poverty and abuse. This is achieved through raising awareness on issues pertaining to women's health, men's health, skills development, sexual health, and reproductive rights, fighting domestic abuse and access to justice.

The Special Programmes Unit works closely with the 4 local municipalities to coordinate and implement strategies that promote gender equality and raise awareness on issues such as sexual and reproductive health, gender-based violence, and access to legal, health, economic and social services within the District.

Roles and Responsibility:

- Guide the Districts response to gender-related issues.
- Create and strengthen partnerships for an expanded provincial response to issues of Gender development.
- Mobilize and streamline resources to effectively implement partnership activities.
- Establish medium and long-term goals for the Gender Development Programme based on the Gender Equality Act.
- Coordinate, monitor, evaluate and report on the implementation of programmes and strategies aimed at achieving Gender development goals.
- Raise awareness, advocate, lobby on and consociates the public about human rights.

The district has established Gender, Men's, and Widow's For a through which on an annual basis implements programmes such as, Sanitary Dignity Campaign; Women Empowerment Session; Men Empowerment Session; Women in Leadership; Moral Regeneration Campaign; Annual Umkhosi Womhlanga; Boys-to-Men Session; Young Women's Summit; Widows Workshop; and Men's Summit.

3.8.12 HIV / AIDS Programme

The Special Programmes Unit coordinates the functioning and the implementation for the HIV and AIDS programmes in the district. The coordination is done through working together with the government departments in the district lead by Department of Health as a key department in relation to HIV and AIDS programmes. The district municipality also works with local municipalities (Umzumbe, Ray Nkonyeni, Umdoni and Umuziwabantu) Civil Society Sector, as well as district supporting partners.

The HIV programme is focused on the 8 goals (below) as per National Strategic Plan for HIV, TB and STIs:

- Goal 1: To accelerate prevention to reduce new HIV, TB and STI infections
- Goal 2: To reduce morbidity and mortality by providing HIV, TB and STIs treatment, care and adherence support for all
- Goal 3: To reach all key and vulnerable populations with customised and targeted interventions
- Goal 4: To address the social and structural drivers of HIV, TB and STI infections
- Goal 5: To ground the response to HIV, TB and STIs in human rights principles and approaches
- Goal 6: To promote leadership and shared accountability for a sustainable response to HIV, TB and STIs
- Goal 7: To mobilise resources to support the achievement of NSP goals and ensure a sustainable response
- Goal 8: To strengthen strategic information to drive progress towards achievements of NSP goals

The district has established District AIDS Council and Ugu District Civil society forum through which on an annual basis, programmes such as, Awareness Campaign; World AIDS Day; Nutritional Supplements; and provision of support to PLHIV sector programme are implemented on an annual basis. **Programmes achieved through these Programmes:**

- Supporting the Civil Society structure
- Functional District AIDS Council with full support of Political Leadership. Members of civil society being represented in the Council.
- Continuous reporting and attendance to the Provincial AIDS Council
- Good relations with partners working in the district.
- Participation in the District Nerve centre meetings

- Participating in the She Conquers campaign committee and Adolescent Youth Forum-meeting monthly and supporting various activities which deal directly with the 5 She conquers objectives: i.e.
- Decrease new HIV infections in adolescent girls and young women by at least 30%
- Decrease teenage pregnancy by at least 30%
- Keep girls in schools until matric-increase retention by 20%
- Decrease gender base and sexual violence by 10%
- Increase economic opportunities for young girls by 10%
- Participation in the Adolescent, Youth and Young Women (AGYW) programmes which has various partners working in the district including Dreams, FHI360, CCI, and Broadbeach.
- Participation in the various meetings coordinated by the Office of the Premier, HIV, AIDS Directorate.

3.8.13 Rights of a Child

The Convention on the Rights of the Child defines a child as “every person below the age of eighteen (18) years unless under the law applicable to the child”. The Rights of the Child Programme is the responsibility of government institutions including municipalities to create an environment that is child-friendly; prioritizes and protects children's rights. Pre-primary education is seen as a vital grounding to a learner's ability to grasp concepts later on in their schooling career. Very few learners are registered in pre-Grade R classes and only 8 pre-primary schools are registered in the district.

Some of the key challenges and obstacles hindering the growth of ECD Centres include and not limited to minimal funding, lack of buy-in by parents, absence of adequate learning materials and resources and qualified educators. The District Growth Development Plan has identified a number of interventions required to ensure early childhood development. The district has established a Right of the Child Programme to address these gaps which is based on the following pillars:

- Facilitate the co-ordination, collaboration and synergy in the promotion, protection and fulfilment of children's rights in Ugu District.
- Strengthen the capacity, systems and processes relating to the realization of children's rights.
- Provide a platform for government and other stakeholders to share information, collaborate in initiatives and promote best practices.
- 4 Pillars of Child Welfare (National Plan of Action for Children of South Africa)
- Child Survival
- Child Protection

- Child Development
- Standard of living

The objectives of the programme:

- To strengthen understanding of the human rights of all children.
- To encourage recognition of children as social actors, with particular interests, capacities, vulnerabilities, and requirements for protection, guidance and support in the exercise of their rights.
- To draw attention to diversities, circumstances, and quality of experiences within early childhood that need to be taken into account when developing legislation and implementing programmes.
- To emphasize the vulnerability of children to poverty, discrimination and a multitude of other adversities that violate their rights and undermine their well-being.

The role of Ugu District Municipality is to coordinate all programmes in relation to this cause and create a platform for all stakeholders sharing common cause such as NGOs, CBOs, Local Municipalities and Government Departments, particularly DSD and DOE who are key stakeholders. Through District Rights of the Child Forum, the municipality implements programmes such as, Dress a Child Campaign; Spelling Bee; Financial Literacy; Support to Child Headed Household; Support to ECD Centres; Take a Girl Child to Work; Children's Rights Awareness Campaigns; and Christmas for Children Living in Shelters.

3.8.14 Expanded Public Works Programme (EPWP)

The EPWP is one of several Government initiatives aimed at addressing unemployment and alleviating poverty within Ugu District Municipality in the short to medium-term. The EPWP involves creating temporary work opportunities for the unemployed, using public sector expenditure. The importance of the EPWP is clearly reflected in key government policies like the New Growth Path (NGP) and the National Development Plan (NDP). In both, EPWP is positioned as a key programme to contribute to achieving government's goals of halving unemployment and addressing gaps in the social protection system. Furthermore, the Ugu District Municipality has been mandated to create work opportunities. To assist with the implementation of EPWP projects and achievement of targets.

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The objectives of EPWP Phase IV:

Is to provide work opportunities and income support to poor and unemployed people through the delivery of public and community asserts and services, thereby contributing to its development. Programme impacts include:

- Employment Creation – Acquiring work-based skills and workplace experience enhancing their potential to find further work in the formal or informal sector.
- Income Support – Earning an increase income and improving their household securities.

- Development of community asserts and the provision of services – Benefiting from improved service delivery and infrastructure in their communities.

UGU DISTRICT MUNICIPALITY PHASE IV TARGET							
Total All Sectors							
Municipality		2019/20	2020/21	2021/22	2022/23	2023/24	Total
Ugu	WO	1765	1 785	1 798	1 806	1 817	8 971
	FTE	618	625	630	634	638	3 146
Ray Nkonyeni	WO	835	846	857	866	877	4 281
	FTE	318	323	327	332	336	1 636
Umdoni	WO	276	280	284	287	291	1 419
	FTE	103	105	106	108	109	531
Umuziwabantu	WO	179	180	182	183	185	909
	FTE	65	65	66	67	68	330
Umzumbe	WO	250	252	253	254	255	1 265

Table 61: EPWP Phase 4 Targets

3.8.15 Social Development: SWOT Analysis

The SWOT Analysis with regards to Social Development analysis are summarised as follows:

Table 62: Social Development SWOT Analysis

Strengths	Weaknesses
Poverty alleviation through Operation Sukuma Sakhe as multi-stakeholder platform Fully functional Forums dealing with vulnerable groups Staff complement Good working relations with other stakeholders Support from NGOs and private sector	Poor co-operation by local municipalities Special Programmes viewed as an ad hoc programme Social Ills Poverty and gender inequality
Opportunities	Threats
Forging partnership with Private Sector (taking advantage of available Corporate Social Investment) New innovative initiatives to address social ills	Non- cooperation from some Local Municipalities Social Inequality High Crime Rate High prevalence of HIV and Aids

Expansion of existing programmes to cover the whole district	Social ills (Teenage pregnancy, drugs and substance abuse, gender-based violence)
Sharing of funds for programmes	Duplication of Efforts/Initiatives
Job opportunities	Gateway to Eastern Cape and eThekweni (inward migration) put burden on social resources

The table below illustrates the percentage progress, project duration and EPWP employment:

Scope of Works	Estimated Quantity	Quantity Completed	Progress (%)
Site establishment	1	1	100%
Sheet piling	1	1	100%
Earthworks/Excavation	3720m ³	3720 m ³	100%
Reinforced concrete works and Brickwork	275 m ³	275 M ³	100%
M&E Components: Delivery on site Prepare for installation Pipework Actual installation Testing	5	4	90%
Tie inn	1	0.75	85%
Roadworks	1	0.5	50%
Overall Percentage Progress			97%

3.9 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT ANALYSIS

3.9.1 Financial Ratios

Table 63 gives an indication of the Key financial ratios that give an overall view of the municipality's financial position and performance. The measures to improve these ratios are discussed in the subsequent sections.

Table 63: Financial Ratios

Ratio	Calculation	Norm	2018/ 2019 (Audit ed FS)	2019 / 2020 (curre nt)	2020 / 2021 (Proje cted)
Financial Position					
Cash / Cost Coverage Ratio	(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	1 – 3 Months	0.36 Months	1.0 Months	0.47 Months
Current / Liquidity	Current Assets / Current Liabilities	1.5 to 2 :1	0.65: 1	0.47: 1	0.21: 1
Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating Expenditure +Capital Expenditure) × 100	10 – 20%	20.0%	21.0%	20.0%
Collection Rate	Gross Debtors Opening Balance + Billed Revenue – Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	95%	78.00%	50.00%	70.00%
Debt to Revenue	Debt (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue – Operating Conditional Grant	45%	18.76%	20%	26%
Level of Cash Backed Reserves (Net Assets -Accumulated Surplus)	(Cash and Cash Equivalents - Bank Overdraft + Short Term Investment + Long Term Investment - Unspent Conditional Grants) / (Net Assets - Accumulated Surplus – Non-Controlling Interest – Share Premium – Share Capital	100%	0%	0%	0%

	– Fair Value Adjustment – Revaluation Reserve)				
Financial Performance					
Creditors Payment Period	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365	30 days	148 Days	268 Days	142.48 Days
Remuneration to Total Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x 100	25 – 40%	33%	34%	36%

Source: Ugu Treasury, 2021

Investment Management

The Municipality does not have any long-term investments however, Surplus funds are held in short term deposits in order to earn interest but could not be held for longer due to operational requirements.

3.9.2 Capability to execute Capital Projects

The municipality has a fully-fledged Project Management Unit and each project is assigned to a Project Officer who monitors and reports monthly on the performance of the contractors. The municipality achieved 90% expenditure on its capital budget in the prior years. The targeted 100% expenditure will be achieved through continuous implementation and monitoring of the procurement plans. Table 64 below reflects a trend since 2015 / 2016 financial year up to the previous financial year, 2020/ 2021.

Table 64: Ugu Capital Spending

Description	2015 / 16	2016 / 17	2017 / 18	2018 / 19	2019 /20	2020/21
Budget	R 410 867 218	R 348 878 293	R 246 195 103	R 337 286 471	R 262 862 498	281 038 000
Actual	R 325 530 748	R 318 845 695	R 290 548 713	R 256 060 690	R268 933 990	275 569 447
% spent	79.23%	91.39%	83.93%	75.92%	102.31%	98.05%
% growth - budget	4.49%	-15.09%	-0.77%	-2.57%	-22.07%	6.91%
% growth - actual	-3.25%	-2.05%	-8.87%	-11.87%	-5.03%	2.47%

Source: Ugu DM Treasury, 2021

3.9.2.1 Capability to Execute Operational Budget

Table 3.13.2.1 provides a summary of the municipality's operational budget spent for a five-year period. The country as a whole is going through a rough economic phase and the district is feeling it as well. The municipality has put in place financial austerity measures to ensure operational spending is

managed. This is done parallel to the revenue enhancement strategies to ensure that service delivery is not adversely affected. The 2019/ 20 financial year actuals are correct as at 31 January 2021.

Table 65: Ugu Operational Spending

Description	2016 / 17 2015 / 16		2017 / 18	2018 / 19	2019 /20	2020/21
Budget	881 771 326	971 233 745	816 334 040	1 136 268 249	1 288 347 209	1 287 426 111
Actual	928 949 390	983 788 551	1 068 263 657	1 203 689 915	1 272 433 231	1 295 041 051
% spent	105.35%	101.29%	130.86%	105.93%	98.76%	100.59%
% growth - budget	5.26%	10.15%	-15.94%	39.19%	13.38%	-0.07%
% growth - actual	5.26%	5.90%	8.58%	12.68%	5.71%	1.78%

Source: Ugu DM Treasury, 2021

3.9.3 Indigent Support (including Free Basic Services)

Ugu District municipality's indigent register as at June 2021 has a total of 860 for water and 810 sanitation households and is reviewed after 36 months. The beneficiaries that were on the register as at 31 December 2021 amounted to 1 197 and we are projecting an increase to 2 000 by end of June 2022. The verification process that was completed in January 2020 led to a significant decrease in the number of beneficiaries.as the remedy we had planned to have roadshows within the communities to ensure that all qualifying customers do benefit from this program. The municipality was unable to conduct the roadshows due to the lockdown restrictions on gatherings. The roadshows will be conducted as and when the alert levels are adjusted.

The installation of electronic flow limiters and prepaid meter system to all indigent consumers can also act as a deterrent as those who can afford to pay for excess usage will not be comfortable with being limited to 6kl and having to change from paying in arrear to paying in advance as well as inconvenience of monitoring consumption. This will also be attempted also be explored by the municipality.

Table 66:Ugu Indigent Support

Indigent Households	2018/2019		2019/ 2020		2020 / 2021	
	No.	Budget	No.	Budget	No.	Budget
Water	5 199	68 889 420	747	55 563 574	860	15 600 000
Sanitation	2 629	68 889 420	713	55 563 574	810	15 600 000

3.9.4 Revenue Enhancement and protection Strategies

A Revenue Enhancement Strategy was adopted by the Council which outlines tasks to be performed in efforts to reduce the debt owed. These tasks include ensuring that the master data is correct, the outstanding queries are attended to so that customers can pay their accounts, billing customers based on actual readings and the implementation of the Debt Recovery Plan to enhance revenue collections and reducing outstanding debt. The system related issues are also detailed and have been shared with the service provider so that they can be attended to in efforts to continuity and that credible information is produced from the system generated statistical reports.

In addition, the flow of information from user departments to the revenue management section has improved and meetings are held to ensure that the reported information is correct and accurate.

Table 67: Ugu District Revenue

Revenue Source	2018 / 2019	2019 /2020	2020 /2021
Total Revenue	R 1 069 767 089	R 1 223 035 657	R 1 204 693 000
Own Revenue Sources	R 334 824 089	R 403 518 645	R 665 839 000
Grants and Subsidies	R 734 943 000	R 819 517 012	R 538 854 000
% Own Revenue Sources	31.30%	32.99%	55.27%
% Grants and Subsidies	68.70%	67.01%	44.73%

Source: Ugu DM Treasury, 2021

3.9.5 Municipal Consumer Debt Position

The Municipality bills for the water, sanitation, environmental health services and other miscellaneous services. The highest owing Debtor type is the Households with 80% on total debt. The total debt has been in a constant increase since.

Table 68: Consumer Debt

Description	2017/2018	2018/2019	2019/2020	2020/2021
Households	R 349 507 474.61	R 422 520 699.76	R 523 741 291.53	R 650 734 297.72
Business	R 90 455 116.48	R 85 090 025.81	R 109 294 999.17	R 115 865 591.90
Government	R 23 683 128.57	R 37 353 151.27	R 42 766 098.03	R 41 928 434.41
Total Debt	R 463 635 719.66	R 544 963 876.84	R 675 802 388.73	R 808 528 324.03
% growth	40.85%	14.92%	19.36%	16.42%

Source: Ugu Treasury, 2021

Table 69: Consumer Debt Age Analysis

Days	R. Value	%
0-30	R37 976 656.34	5%

31-60	R28 615 976.36	4%
61-90	R23 625 395.51	3%
91-120	R23 343 069.10	3%
121-180	R41 382 518.98	5%
Over 180	R653 584 710.02	81%

Source: Ugu Treasury, 2021

3.9.6 Grants and Borrowings

The municipality currently has 3 long-term debt commitments in the form of DBSA loans, as reflected in Table 70. The servicing of existing loan commitments from generated revenues, has delayed the process of cash backing of the depleted reserves which had supplemented capital investment when the municipality was in a cash crisis.

Table 70: Ugu District Long Term Debt

Start Date	End Date	Amount	Institution	Purpose
21/12/2006	31/03/2022	R 25,000,000	DBSA	Provision of Infrastructure
23/12/2008	30/06/2023	R 25,000,000	DBSA	Provision of Infrastructure
30/10/2009	30/06/2029	R 62,000,000	DBSA	Provision of Infrastructure
Total		R 112,000,000		

3.9.7 Municipal Infrastructure Assets and Maintenance

The asset management unit which comprises of technical and financial sections are in place and is currently addressing historic asset management challenges and bringing about a reform in the municipality. In the 2020 /2021 financial year, the municipality received a qualified audit report with a few asset management matters as emphasis. The municipality has put plan in place to ensure that the asset management challenges are addressed. The municipality is committed to:

- Ensure management, accounting and information system that accounts for the assets, long term liabilities, investments and leases;
- Ensure that assets, liabilities, investments and leases are valued in accordance with standards of Generally Recognized Accounting Practice (GRAP) i.e. GRAP 17;
- Ensure a system of internal control of assets, loans, investments and leases including registers;
- Develop and implement asset, loans, investments and leases management framework, policies, strategies, assets repairs and maintenance plans;
- Coordination of Disposal of Fixed Assets;
- Assist with Replacement of Fixed Assets; and
- Ensure appropriate assets counts.

3.9.8 Auditor General Report

Table 71 gives a summary of the Auditor-General's Report on the Ugu District Municipality Financial Management of the past five years.

Table 71: Auditor-Generals Report

Financial Year	Audit Outcome	Basis for Audit Opinion
2014 / 2015	Unqualified	
2015 / 2016	Unqualified	
2016 / 2017	Qualified	Revenue Assets Management Commitments
2020/2021	Qualified	

Source: Auditor-General's Reports, 2015 – 2021

3.9.9 Supply Chain Management (SCM)

MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption. The Municipality's supply chain management functions are centralised in the Budget and Treasury Office Supply Chain Management Unit. All bid committees are in place, effective and they sit as per the adopted roster of bid committees. The coordination of the procurement of goods and services, management of supplier database, inventory management and contract management are performed within the Supply Chain Management Unit. The Supply Chain Management Policy and Standard Operating Procedures are in place and will be reviewed for the 2020 / 2021 financial year.

There is an updated contract register that is populated with all contracts for the municipality. They have all been procured through the SCM process, they are all valid written contracts with the terms and conditions stipulated in the contract. The period of the contract is specified in the contract register. A contract administrator is responsible for the management of all the municipal contracts. All officials in the Supply Chain Management Unit meet the prescribed competency levels as required by the Municipal Finance Management Act (MFMA)

Demand management is managed through the Procurement Plan that was adopted annually as a working document for the Municipality. There is still a need for improvement in the following areas:

- Contracts awarded within 90 days.
- Limited or decreased irregular expenditure; and

- Skills development for the current staff in the SCM unit will always be needed since regulations change.

3.9.10 Cash Flow Management

Figure 53 gives a summary of the cash flow management of the Ugu District Municipality over a period of 5 years from 2016 / 2017 to 2020/ 2021 financial years.

The municipality's cash inflow has decreased by 6.28% in the first term of 2020/2021 compared to the same period in 2019/2020. The decrease in the cash inflows is attributed to the Covid –19 lockdown. Cash Outflows also decreased by 20.26% compared to the same period of the previous financial year. The decrease in cash outflow is also attributed to the Covid 19 lockdown as well as the implementation of the cost containment measures. The municipality has implemented immediate measures to ensure that the cash flow position is improved in the 2021 / 2022 financial year.

CASH FLOWS	2016/17	2017/18	2018/19	2019/20	2020/21
CASH INFLOWS	1 020 237 506	1 004 865 840	1 136 732 289	1 152 298 115	727 190 041
CASH OUTFLOWS	1 096 341 123	831 074 031	1 127 333 602	1 123 772 328	630 052 206
SURPLUS/SHORTFALL	- 76 103 617	173 791 809	9 398 687	28 525 787	97 137 835

Figure 53: Cash Flow Management

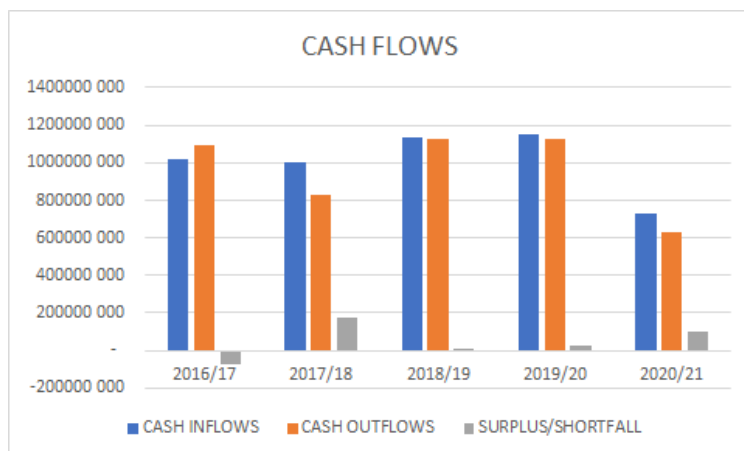


Figure 54: Cash Flow Management

3.9.11 Municipal Financial Viability and Management SWOT Analysis

The SWOT Analysis with regards to the Municipal Financial Viability and Financial Management analysis are summarised as follows:

Table 72: MFVM SWOT Analysis

Strengths	Weaknesses
□ Stability of Budget and Treasury Office □ Financial management turnaround strategy in place. □ Critical managerial posts have been filled	□ Non-compliance with MFMA – Policies and procedures □ Not fully MSCOA compliant □ No standard operating procedures for financial management. □ Misalignment of skills within the organisation. □ Inaccurate billing □ Lack of contracts management □ Inaccurate customer information's database
Opportunities	Threats
□ Potential for investment to enhance economic development and revenue collection. □ Larger Urban areas to enhance revenue □ Support from National and Provincial treasury and CoGTA	□ Financial management trainings are not specific to the Treasury department. □ Under collection of revenue threatens cash flow. □ Non-performance of service provider

3.10 GOOD GOVERNANCE AND PUBLIC PARTICIPATION ANALYSIS

Good governance as per the democratic principles can be achieved through effective public participation. Public participation allows constituents to monitor the governance record of its elected officials and further encourages the public to take an active interest in the performance of their municipality and region. It is through broad public participation that citizens can recognise that their interests are taken to heart – especially the needs of the most vulnerable members of society. The Ugu District has therefore made every attempt to ensure it allows all of its citizens to be heard in determining the political, social and economic priorities through the establishment of a broad societal consensus that includes civil society, government and the private sector. However, community participation alone is not sufficient in ensuring that good governance practices are adopted. Institutional integrity is of equal importance and therefore, Ugu District Municipality has ensured that its Finance Committee, Audit Committee, Council and sub-committees are fully functional. This was done through the adoption of effective by-laws and policies that entrench the effective performance of all aspects of municipal governance.

3.10.1 National and Provincial Programmes rolled-out

The Ugu District Municipality is two National and Provincial Programmes which are Batho Pele and Operation Sukuma Sakhe.

3.10.1.1 Batho Pele Programme

Batho Pele, a Sesotho word meaning "people first", is a notion which was adopted in 1994 and became policy in 1997. The Batho Pele concept has as a main objective, addressing service delivery improvement by introducing principles which guide the transformation of service delivery to be people centric. In Ugu DM, Batho Pele was implemented in 2007. Since then a lot has been done towards implementing it such as Batho Pele principles and in-Service Delivery implementation Plan (SDIP), flagship projects such as Municipal Service week and Know your Service Right Campaigns. In 2008/2009 Ugu obtained a Golden Award in the Premier's Service Excellence Award. The legislative framework calls for setting up of service standards, defining outputs and targets, and benchmarking performance indicators against international standards. Similarly, it also calls for the introduction of monitoring and evaluation mechanism and structures to measure progress on a continuous basis. Batho Pele Principles: Nationally there are eight principles that govern the transformation of service delivery according to Batho Pele White Paper. The province added three more Principles and adheres to eleven principles in the Citizens Charter, as listed below:-

- Consultation
- Service Standards
- Access
- Courtesy
- Openness and Transparency
- Information
- Redress
- Value for Money
- Encouraging innovation and rewarding excellence
- Leadership and strategic direction
- Service Delivery Impact

3.10.1.2 Service Delivery Impact

Under the direction and guidance of DPSA Batho Pele implementation has focused on principles and Service Delivery Improvement Plan. Batho Pele Belief which says, "We Belong, We Care, We Serve." is a value system which clearly captures the revitalized Batho Pele culture. More still needs to be done relevant to belief sets. A Batho Pele belief set implementation Strategy will be developed and made available. The Public Service Regulations Act of 2001 states the following:

- i. SDIP must be approved annually. To ensure the implementation of SDIP by all Departments, Departmental Assessments are conducted annually before the end of the

year. A department that performs the best in implementing SDIP wins an award for service excellence.

Municipalities were required to publish a Statement of the Service Charter reviewed in the 2015/2016 financial year. Service standards must be set at a demanding but realistic, measurable level to be reached by adopting more efficient and customer- focused working practices. Batho Pele Flagship Projects: Since 2008/2009 the following flagship projects, also known as service delivery watch, were implemented and are continuously conducted:

- ii. Municipal Service week and Project Khaedu
- iii. Know your Service Rights Campaign
- iv. Batho Pele Learning Network
- v. Unannounced site visits or mystery customer,
- vi. Change Management

Services such as water and sanitation provision and budgeting can all be improved through increased alignment to the SDBIP.

3.10.1.3 Operation Sukuma Sakhe (OSS)

The Operation Sukuma Sakhe Programme, formerly known as the Flagship, Social Cluster Programme (War on Poverty), was introduced to the Ugu District in 2009. In introducing the programme, the KwaZulu-Natal, Office of the Premier gave a mandate to all districts, to ensure successful implementation of the OSS programme. In terms of structural framework, OSS has Ward Task Team, Local Task Team, and District Task Team as reflected in Figure 55 below

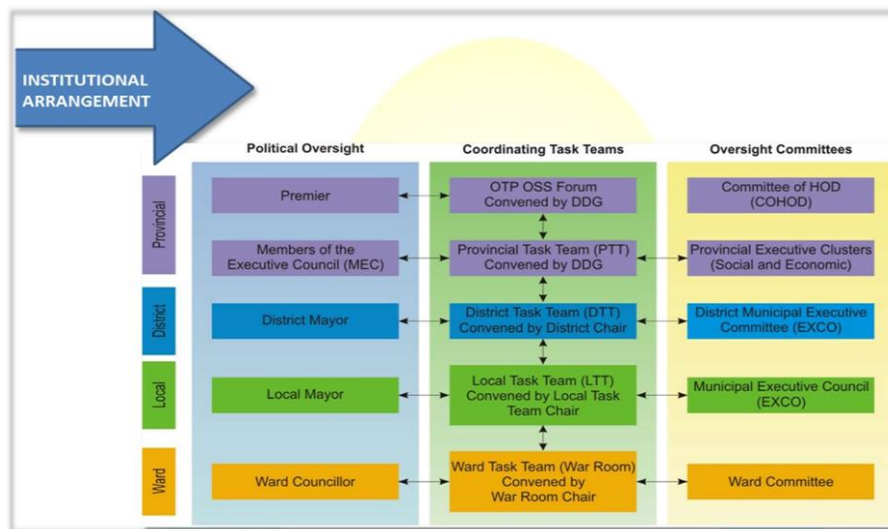


Figure 55: Ugu OSS Structural Framework

Source: Ugu District Special Programmes Unit

3.10.2 Ward Task Team (WTT)

The Ward Task Team comprises of members of WAC, Sector Departments, Private Sector, Traditional Council, Traditional Healers, Ward Committee, Youth Sector, Disability Sector, Gender, Sector, Senior Citizens, Community Care-Givers, Crime Prevention Volunteers, NGOs, FBOs, Moral Regeneration. Ward Councillor acts as a champion of the War Room. Ward Task-Team Function –

- Identifies the needs of the community at ward level through CCGs and CDWs through profiling;
- Discusses all information received and refers to relevant sector departments and municipalities for relevant intervention;
- Consolidates reports on all interventions, events, reports from WAC and statistics from sector departments; and reports to the LTT of the municipality; and
- Oversight, coordination and implementation of household profiling and the facilitation of interventions.

3.10.3 Local Task Team (LTT)

The structure comprises of members from WAC, Ward Task Team, Sector Departments, Managers from Municipalities, Political Principals from the local municipality. Local Task-Team Function -

Consolidates and compiles all reports from Ward Task Team and forwards the report to the District Task Team;

Executive structure of the Local Task Team attends District Task Team meetings;

Monitors and evaluates the performance of the Ward Task Teams; and

Provides mentoring to the Ward Task Team.

3.10.4 District Task Team (DTT)

The structure comprises of two political champions (MEC and District Mayor), administrative champion (HOD), district convener, Local Task-Teams, senior departmental and municipal officials, sector department managers, political principals from Local Municipalities, civil society, and all other relevant stakeholders.

Political Champions (MEC & District Mayor) - to provide political leadership and guidance.

Administrative Champion (HOD) - to provide administrative leadership and guidance – develop a monitoring mechanism in terms of the participation and compliance of government departments.

Provincial Convener - to provide the linkages between the Office of the Premier and the District Task-Team.

Table 73: War Room Functionality

FUNCTIONALITY OF WAR ROOMS					
Municipality	Number of Wards	Fully Functional	Functional	Poorly Functional	Not Functional / Not Established
Umdoni	19	5	8	4	2
Umuziwabantu	10	5	5	0	0
Ray Nkonyeni	36	14	2	13	7
Umzumbe	20	4	12	4	0

3.10.5 Intergovernmental Government Relations

Objective

The object of Intergovernmental relations is to establish a system in which all of spheres of government plan together to provide a coherent approach to service delivery and development. An overall planning framework of government has thus been the goal

Intergovernmental Structure

South Africa has an intergovernmental system that is based on the principle of cooperation between the three spheres of government – local, provincial, and national. While responsibility for certain functions is allocated to a specific sphere, many other functions are shared among the three spheres.

The role of intergovernmental forum

The role of a district intergovernmental forum is to serve as a consultative forum for the district municipality and the local municipalities in the district to discuss and consult each other on matters of mutual interest, including draft national and provincial policy and legislation relating to matters

The intergovernmental system depends on well-coordinated policy, planning, budgeting, implementation, and reporting. This is necessary both within spheres and between spheres and is affected through technical, executive and legislative consultative forums. Municipalities are generally represented on the national intergovernmental structures by 'organised local government' in the form of the South African Local Government Association (SALGA). At the provincial level, municipalities are either represented directly or through the provincial local government associations.

The following intergovernmental forums play an important role in cooperative governance and in shaping policy and resource allocation decisions as follows

- **Extended Cabinet:** This is made up of the national cabinet, premiers of provinces and the chairperson of SALGA. It is the highest cooperative governance mechanism, advising the national cabinet when it finalises the fiscal framework and the division of revenue on which MTEF budgets are based.
 - **The President's Coordinating Council:** This is chaired by the President and comprises the nine provincial premiers, the chairperson of SALGA, the mayors of the metros and the national ministers responsible for cross-cutting functions such as provincial and local government affairs, public service and administration, and finance. Other national ministers may be invited to participate.
 - **The Budget Council and Budget Forum:** These are established under the Intergovernmental Fiscal Relations Act (1997). The Budget Council consists of the Minister of Finance and the members of the executive council (MECs) responsible for finance in each of the provinces. The national and provincial spheres consult on any fiscal, budgetary, or financial matters affecting provinces as well as any legislation that has financial implications for provinces. The Budget Forum consists of the members of the Budget Council plus representatives of SALGA. It provides a forum for discussing financial matters relating to the local government fiscal framework.
 - **MinMECs:** These are sectoral policy forums made up of the national ministers responsible for concurrent functions and their provincial counterparts. SALGA represents local government on a number of these forums. The intergovernmental system depends on well-coordinated policy, planning, budgeting, implementation, and reporting
- CHAPTER 3: INTERGOVERNMENTAL RELATIONS AND THE LOCAL GOVERNMENT FISCAL FRAMEWORK
- **Various technical intergovernmental forums:** These consist of senior officials who provide technical support to the political forums. There are also forums that involve officials from municipalities such as the City Budget Forum.
 - **The Financial and Fiscal Commission:** This is an independent constitutional institution that provides recommendations to Parliament and the provincial legislatures on the division of nationally collected revenues between the three spheres of government.

Legislation that organises intergovernmental relations

Intergovernmental Fiscal Relations Act (1997) – This Act sets out the process for the division of nationally raised revenues between the three spheres of government. It establishes the Budget Forum, in which local government issues are discussed as part of the national budget process. It also requires that a Division of Revenue Bill is tabled annually, setting out (among other things) the amounts to be transferred to each municipality.

Municipal Structures Act (1998) – This Act provides for the establishment of different types of municipalities and the division of powers and functions between local and district municipalities. It also regulates the internal systems, structures and roles of office bearers of municipalities. The Municipal Systems Act (2000) – This Act sets out detailed requirements in relation to community participation, integrated development planning, performance management, administration, service provision and debt collection. It also regulates the publication of by-laws and determines the role of national and provincial government in setting standards and monitoring local government. The Act also governs the assignment of functions to a municipality from another sphere of government.

Intergovernmental Relations Framework Act (2005) – This Act provides a framework for the establishment of intergovernmental forums and mechanisms to facilitate the settlement of intergovernmental disputes.

The table below indicates each of the IGR structures and the functionality thereof.

Table 74: IGR Structure Functionality

District Forums	
Forum	Functionality
CFOs Forum	Functional
ICT District Forum	Functional
IDP Representative Forum	Functional
Ugu District Development Planners Forum	Functional
Local Economic Development Forum	Functional
Disaster Management Advisory Forum	Functional
District Development Model Clusters	
Social Protection, Community and Human Development Cluster	Functional
Economic Sector, Investment infrastructure Development Cluster	Functional
Governance State Capacity Institutional Development Cluster	Functional
Justice Crime Prevention Security Cluster	Functional
District Technical Hub	Functional
District Political Hub	Functional

3.10.6 Internal Audit

In terms of section 165 of the MFMA, an in-house Internal Audit section has been in operation since 2004. The following functions are discharged in accordance with an approved Internal Audit Charter:

- To examine, evaluate and improve the adequacy and effectiveness of the municipality's governance, risk management processes and systems of internal control;
- Governance: assisting senior management in achieving the goals of the municipality by evaluating and approving the process through which goals & values are established, communicated and monitored accountability is ensured and municipal values preserved;
- Risk Management: assisting the Executive Committee and senior management in identifying, evaluating and assessing significant organisational risks and providing assurance as to the effectiveness of the related internal controls;
- Internal Controls: evaluating the effectiveness and efficiency of the information systems environment, financial and operational information, operations, safeguarding of assets and compliance with laws, regulations and controls;
- To conduct special investigations and other ad hoc projects at the request of management; and
- To report functionally to the Audit Committee and administratively to the Municipal Manager.

Internal Audit completes internal audit reviews in accordance with an approved three-year strategic plan. The plan is formulated using a risk-based approach and includes evaluating the effectiveness and efficiency of the information systems environment, financial and operational information, operations, safeguarding of assets and compliance with laws, regulations & controls.

3.10.6.1 Forensic Services

The Internal Audit unit also conducts forensic investigations and fraud risk management services. The District Municipality together with its local municipalities have committed themselves to fight against fraud and corruption. They have strengthened their fraud prevention and detection techniques by jointly procuring an Anti-Fraud and Corruption Hotline from an independent service provider where members of the public can anonymously blow the whistle on fraud and corruption.

The contact details for the Anti-Fraud and Corruption Hotline are as follows:

Toll Free: 0801 111 660 – Email: information@whistleblowing.co.za – Fax:

086 5222 816 - P. O. Box 51006, Musgrave, 4001

3.10.6.2 Audit Committee

The Audit Committee is functional and sits on a quarterly basis or as and when the need arises. The members are appointed on a three-year term. There are currently four members appointed. One of the members is a Chartered Accountant, one member is a finance specialist, one member is in the field of law, and the member is a Performance Management specialist.

3.10.7 Community Participation Strategy

A Community Participation Strategy has been developed which is aimed at consolidating and formalising these initiatives to ensure that there is effective, well-co-ordinated and ongoing interaction between the municipality and the communities it serves on municipal affairs. The municipality's intention is to strengthen community participation processes however, there is a need to implement interventions to improve the level of participation by the community, especially the urban based members of the public. Although this strategy is in existence, its adequacy in terms of communication could not be ascertained. Within Ugu District, one way of implementing the Community Participation Strategy and involving communities within the IDP and Budget process is through the IDP/Budget Road shows and Mayoral Izimbizo. Community inputs made during Mayoral Izimbizo inform the budget processes of the municipality as it is part of the consultation process aimed at improving public participation in the affairs of the District. The Ugu District Public Participation Forum was established which is comprised of CoGTA representatives, local municipalities and all Public Participation Practitioners and is responsible for the coordination of public participation activities.

3.10.7.1 Ward Committees

The district includes four local municipalities with 85 wards and all ward committees have been established. However, the key challenges that hinder effectiveness of ward committees includes administration / logistics support and the vastness and inaccessibility of rural wards. Some of the areas are serviced by the Community Development Workers who have a dual responsibility to report to Department of Cooperative Governance and Traditional Affairs and local municipalities.

Findings on the Role of Ward Committees Challenges: Ward committee training and workshop was conducted; the following concerns were found to be primary to ward committees and were raised as issues that required immediate and utmost attention:

- There is a high level of frustration from the Ward Committee Members complaining there is no space created for them to use all the information and skills they receive from all these workshops. This is a general feeling from the Ward Committee Members that they have enough knowledge and skill now but are being underutilized and overlooked in the municipal affairs and decisions.
- There is still a high number of Ward Committees that feel there is tension between them and the Chairpersons. This is coupled with a complain that the Chairpersons of the Ward Committees do not make themselves available for workshops of this kind where issues hindering development as a result of unclear roles that must be played by both parties are explained and interrogated.
- The unstable relationship between the Chairpersons and the rest of ward committee members was sighted to have been based on the Chairpersons feeling insecure as far as their positions are concerned thus, active ward committee members being perceived as declaring their ambitions for councillorship.
- There is a communication breakdown between the municipalities and the Ward Committees which affects information flow. There is no feedback on the community needs that the Ward

Committees submit to the municipality for inclusion in the IDP or explanations as to why some projects are prioritised and others not. Furthermore, the Ward Committees are not informed of the proposed or planned development thus cannot inform the community timelessly and effectively and cannot answer to the community.

- There are limited resources to carry out the expected duties of Ward Committees, such as loudhailers, stationery, and other necessary office equipment. Furthermore, the stipend amount needs to be reviewed as it only covers telephone costs and falls short in travelling costs.
- Ward committees need to be capacitated continuously in accredited courses that will equip them with certificates so that they are able to utilise them in their endeavour to advance their careers and not just the consultation workshops.
- Municipal documents and materials to be translated into isiZulu in a bid to accommodate the majority people of the district.

3.10.8 Customer Relations

Customer Relations Unit has a responsibility of Fostering healthy relations between the Orgnaization and its Customers.

The unit also contributes to the reduction of non-revenue water, through the functioning of the 24-hour Call Centre where citizens may report Water and Sanitation emergencies.

The mandate of the Customer Relations Unit is implemented through the following programmes and projects:

Batho Pele Strategy: This involved several flagship projects like Unannounced visits, and Municipal Service Week

Service Delivery Improvement Plan: This is developed annually and reviewed Quarterly.

Functional Call Centre: There is a 24/7 Call Centre to report Water & Sanitation related emergencies. The contact numbers is: 08000 92737

3.10.9 Role of Amakhosi and Communities in the IDP

The internal and external role players have roles and responsibilities in terms of the IDP development process. The IDP Representative Forum consists of representatives from all local municipalities, the House of Traditional Leaders, civil society, and service providers / sector departments. This forum provides public and private sector input into the IDP. Ugu District Municipality has ensured the continual participation of all the role players to ensure maximum input into the IDP process. Amakhosi have also been incorporated into the District Municipal Council Furthermore, Amakhosi also form part of the municipal portfolio committees.

3.10.10 Risk Management

Risk Management is one of Management's core responsibilities in terms of section 62 of the Municipal Finance Management Act (MFMA) and is an integral part of the internal processes of a municipality. It

is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on service delivery by a municipality. When properly executed risk, management provides reasonable assurance that the institution will be successful in achieving its goals and objectives. The Municipality conducts Risk Assessments (Enterprise wide, IT and Fraud Risk Assessments) annually and develops an organisational Risk Register. The Risk Register is compiled to determine the magnitude of risk exposure by assessing the likelihood of the risk materialising and the impact that it would have on the achievement of objectives. The identified risks are prioritised which enables Management to focus more time, effort and resources on higher risk areas. The Municipality has a Risk Management Committee in place. There is a framework in place incorporating the Risk Management Policy, Risk Management Committee Charter, Risk Management Implementation Plan, Risk Management Strategy and Mitigation Plan.

3.10.11 Annual Report

An annual report for the 2019/2020 financial year was compiled and issued in terms of the Municipal Finance Management Act. The report is made available to interested stakeholders. The 2019 / 2020 Annual Report has been adopted by Council and been distributed to all the relevant stakeholders. The 2020 / 2021 IDP Review has taken into consideration the performance of the 2020 / 2021 financial year as well as the 2019 / 2020 financial mid-year performance

Commented [F16]: is it not 20/21?

3.10.12 Good Governance and Public Participation SWOT Analysis

The SWOT Analysis with regards to the Good Governance and Public Participation analysis is summarised below.

Table 75: GGPP SWOT Analysis

Strengths	Weaknesses
- Development of strategies and plans. - Public participation Mechanisms - Transparency - Governance Structures are functional (Audit Committee, Council and Portfolio Committees etc). - Political leadership and buy in	- Failure to implement strategies, plans, policies, and resolutions. - Analysis and Follow-up is ineffective. Emergence of unethical conduct - Lack of employee accountability and consequence management. - Media reactions are more reactive than proactive which results in poor corporate image.
Opportunities	Threats
- Technological Advancements - Inter-Governmental Relations	Volatile political environment

- Local, National, and International - Social Media platforms available for communication	Socio-Economic Environment (Poverty and unemployment)
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3.11 Overall District SWOT Analysis

Table 76: Overall SWOT Analysis

Strengths	Weaknesses
- Strategically located – gateway to Eastern Cape - Wall – Wall Schemes - Geographic Information's Systems - Well-developed strategic development documents - Environmental By-laws in place - A Disaster Management Centre facility is available, and it is functional. - This facility is being upgraded and equipped to be utilized as a fully operational Disaster Management Centre which integrates multiple role players and agencies as well as an information management and communication system. - A fully functional District Disaster Management Advisory Forum (DDMAF) and Practitioners Forum are well established in the Ugu Municipality. All major role players are represented in this forum and attend regular meetings where inputs are provided from all line function departments. - Training and Development - Functional Employee Assistance Programme	- Topography - Limited land for development - Limited rural development - Settlement sprawl - Implementation of strategic documents - Lack of land use management mechanisms - Biodiversity and Protected Areas - Environmental degradation - National norm of 1:10 000 people not adhered to - Lack of cooperation towards development (internally and externally) - Non-completion of environmental management strategic tools - Lack of capacity for disaster - Management at a local municipal level which provides constraints to the district for the implementation of disaster management programs. - Disaster management plans drafted by the local municipalities are not being implemented

• Highly qualified and committed staff compliment • Regular Driver training and testing • Sound municipal systems in place (policies, fleet, auxiliary etc.) • Functional Organisational Performance Management System • Individual Performance Management System in place • All section 54 / 56 post are filled • Staff retention • The coastal strip has good access to basic services • Infrastructure Grant Expenditure availability to speed up backlog eradication • Availability of freshwater resources (plans to undertake/ implement regional schemes) • Good road infrastructure already in place • Even spread of community facilities (reasonable access across the district) • Functional programmes with particular focus to Vulnerable Groups • Adequate access to social facilities • Good Community interventions • Established NGOs with a focus on social development • Stability of Budget and Treasury Office • Financial management turnaround strategy in place.	• Staff capacity against the extent of disasters in our District e.g. fire services –the areas to vast to cover with the resources available • Lack of Communication Management within the local municipalities • Ageing vehicle fleet assets • Fleet management system • Employer – Employee Relations (Labour Unrest) • Misplacement of Skills • Understanding of Organisational Culture • Understanding of Individual Performance Management System • Enforcement of disciplinary and consequent management • Document and records management • Printing cost • Disciplinary processes taking too long • Unclear delegation of authority / power • Succession planning • Inadequate maintenance of infrastructure (reservoirs) • Aged water and sanitation infrastructure • Outdated Water and Sanitation Masterplan • Lack of capacity of key treatment plants • Historic haphazard infrastructure development in rural areas • Basic services backlog concentration in the rural areas
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• Critical managerial posts have been filled • Development of strategies and plans. • Public participation Mechanisms • Transparency • Governance Structures are functional (Audit Committee, Council and Portfolio Committees etc). • Political leadership and buy in	• Below minimum standards No, Blue, and Green Drop scores • Poorly organised waste minimisation and lack of integrated recycling system • Limited access to public transport • Outdated Integrated Transport Plan • Limited telecommunications data for analysis • Informal settlements • Illegal Connections • Social Development not given special priority in terms of resource allocation. • Limited partnership with private sector • Limited partnership with internal stakeholders • Limited social programmes • Non-compliance with MFMA – Policies and procedures • Not fully MSCOA compliant • No standard operating procedures for financial management. • Misalignment of skills within the organisation. • Inaccurate billing • Lack of contracts management • Inaccurate customer information's database • Failure to implement strategies, plans, policies, and resolutions. • Analysis and Follow-up is ineffective. Emergence of unethical conduct • Lack of employee accountability and consequence management.
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	Media reactions are more reactive than proactive which results in poor corporate image.
Opportunities	Threats
- Densification - Access to an accredited laboratory - A Disaster Management Centre facility is available and is currently in use by the municipality. - This facility will be upgraded and equipped to be utilized for both Disaster Management Fire and Rescue Services. - Bursary allocation to be aligned to critical skill (internally and externally) - Satellite university / tertiary institutions - Alternative water sources - Alternative energy - Forging partnership with Private Sector (taking advantage of available Corporate Social Investment) - New innovative initiatives to address social ills - Expansion of existing programmes to cover the whole district - Potential for investment to enhance economic development and revenue collection. - Larger Urban areas to enhance revenue - Support from National and Provincial treasury and CoGTA	- Tenure security - Rural Population Outmigration - Climate Change - Compromised community health as regular inspections cannot be conducted - Disease outbreak - Non-Development, update, and implementation of DMPs by the local municipalities as the district plan should contain a consolidation of all the local plans. - The same will apply when the various sector departments do not have their own disaster management plans in place which will create gaps in the capacity and readiness of the municipality and will leave the community vulnerable. - Critical skills shortages - High staff turnover - Natural adversities such as droughts and flooding - Urbanisation and rural population outmigration - Immigration – the district is the Eastern Cape gateway to KZN, the arrival of people seeking better opportunities often further burdens the already stretched infrastructure. - Non-cooperation from some Local Municipalities

Commented [F17]: Duplicated above

• Technological Advancements • Inter-Governmental Relations • Local, National, and International • Social Media platforms available for communication	• Social Inequality • High Crime Rate • High prevalence of HIV and Aids • Social ills (Teenage pregnancy, drugs and substance abuse, gender-based violence) • Duplication of Efforts/Initiatives • Gateway to Eastern Cape and eThekweni (inward migration) put burden on social resources • Financial management trainings are not specific to the Treasury department. • Under collection of revenue threatens cash flow. • Non-performance of service providers • Limited financial resources • Volatile political environment • Socio-Economic Environment (Poverty and unemployment)
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Chapter 4: DEVELOPMENT STRATEGIES

UGu District Municipality held Strategic Planning Sessions for the development of the 2022 / 2023 to 2026 / 2027 Integrated Development Plan on the 22nd to the 24th of March 2022 at The Margate Hotel. The long-term vision and mission were developed. The 2022/2023-2026/2027 Development of the five-year IDP had to look at the progress that has been made to date and make the necessary adjustment to ensure that municipality remains on track to achieve the long-term vision.

Mission

**To ensure all our communities have access
to quality drinking water, decent sanitation,
sustainable economic opportunities
underpinned by the active participation of
our citizens in exemplary government.**

Mission

The Ugu District Municipality developed a long-term vision that is aligned with the National, Provincial, and District long term vision. The Vision and Mission for the district are as follows:

Vision

**By 2040 Ugu District Municipality will provide
adequate access to basic services in an
efficient and sustainable manner, enhancing
the quality of its citizens in an inclusive
progressive economy.**

Figure 56: Ugu District Municipality Vision

Figure 57: Ugu District Municipality Mission

4.2 Strategic Framework

In developing the Strategic Framework, the following questions were addressed in the strategic session that was held by the district:

- Who do we serve?
- What service or product do we provide?
- What Higher Level Benefits are Gained?
- What do our customers want from us?
- Who are our stakeholders?
- What is our stakeholders' interest in us?
- What is our value proposition to customers and stakeholders?
- What are our focus areas?
- What Result do we Want?

4.2.1 Who do we serve?

Ugu District Municipality has secondary customers who are: investors, developers, tourists, vacant landowners and septic tank users. There are also primary customers which are: households, industries, schools, hospitals and clinics, shops and malls, restaurants, farms, prison and courts, mortuaries, other local municipalities, and car washes.

4.2.2 Service or product we provide

Ugu District Municipality provides universal quality water suitable for human consumption and other use. There is access to decent sanitation, safe and sustainable environment. There is a wholesome economic platform to stimulate multi-sectoral economic opportunities including tourism.

4.2.3 Higher Level Benefits Gained

Internal customers need training, safe working environment, academic support, and market related compensation. External customers need good quality drinking water, decent sanitation, reliable and affordable services equitably distributed throughout the district. They need Ugu District Municipality to be reliable and accountable. They need to be informed, accurately billed, and have indigent services

for those who qualify. They need free basic services, efficient turnaround times for services and applications. They need quality-maintained infrastructure, clear direction for investment and payment of creditors within 30 days.

Commented [F18]: Is this not addressing 4.2.4 below?

4.2.4 What do our customers want from us?

They want sustainable service delivery, openness, and transparency. They want consultation and value for money. They want improved quality of life and a thriving economy. They want recreations – gym, night life, entertainment events, spiritual gatherings, and sports facilities. They want sustainable service delivery where there is uninterrupted water supply with high pressure water. They want quick response on complaints and queries, free services, and waterborne sanitation in rural areas. They want household connections and constant, instant two-way public consultation and feedback.

4.2.5 Ugu District Municipality Stakeholders

Ugu District Municipality stakeholders are national and provincial government sectors, state owned entities, business sector, communities, CBOs, and NGOs, religious organisations, political organisations, councillors, employees, SALGA, organised labour and traditional leaders.

4.2.6 Stakeholders' interest in Ugu District Municipality

The stakeholders are interested in quality drinkable water, decent sanitation, investment opportunities, accurate billing, reliable services, involvement in the Ugu business, information, IDP, finance position of the district, annual report and audit opinion, accountability, challenges experienced and community perceptions in infrastructure provision.

4.2.7 Value proposition to customers and stakeholders

Ugu District Municipality offers a good lifestyle with blue flag beaches, malls and entertainment entities as well as affordable friendly activities. We offer skilled, relevant, customer centric and value for money labour. There is natural-Eco states land. There is clean drinkable uninterrupted supply of water, an ability to give rebate development, rates facilitation of access to load turnaround times related. Infrastructure is proactively maintained with pothole free roads, uninterrupted power using alternative energy and blue drop on tap 24/7.

There is cost and time effective services and investment landscape. Investors and customers have a competitive environment. There is superefficient process management, affordable local and tourist lifestyle. There are competitive incentives for investors and competitive rates for services. UGU District has the longest visitors friendly coast lines in Kwa-Zulu Natal which puts the district in a competitive advantage.

4.2.8 Our focus areas

Ugu District Municipality focuses on organisational development which includes workplace study, process modelling and the organisational structure, improved communication, improved service delivery efficiency resulting in the quality of water, preventative maintenance, reduction of service delivery protests and implementation of the water master plan. Job creation and economic development, investment attraction and human resource development are also some of the focus areas. The focus is also on improvement and maintenance of information and communication infrastructure, security of information. The municipality also focuses on replacement of aging infrastructure, clean governance, decent sanitation, institutional transformation, administration excellence, facilitating job creation and SMMEs, compliance with regulatory standards and a participatory government.

4.2.9 Expected Results

If operational excellence is achieved the result will be good governance and administration, sound financial management and viability, innovative, effective, and efficient institution, and administration. In general, Ugu District Municipality through stakeholder relations is striving for:

- Coordinated, effective and efficient planning and service delivery.
- A credible and well informed IDP
- Better investments and reduced dependency on grants.
- Protest free and happy communities.
- Confident investors and partners in service delivery.
- Social cohesion.
- Quality input and engagements.
- Vibrant and active tourism, increasing investment and job opportunities.
- Realisation of a developmental state.

4.3 Strategic Objectives

The municipality has developed 22 strategic objectives in the quest to achieve its vision and mission. The 22 strategic objectives have been aligned with the National Key Performance areas, Provincial and District Priorities as reflected in Table 4.2.1.1.

Table 77: Strategic Objectives

KPA	Problem Statement (Challenges)	Strategic Intervention	Strategic Solutions
Basic Service Delivery	Water Demand is way beyond Supply (Water Resources)	Illegal connections – deal with this in 03 steps	- Educate communities on challenges caused by illegal connections - Remove illegal connections and install new meters - Disconnect and charge illegal connectors (reconnection tariff to be determined by CFO)
		Increase capacity of water supply sources	- Reprioritization on projects to focus on a few until completion stage than having many projects at once that remain incomplete for longer periods. - Focus on projects that are low-hanging fruits that will bring relief and address water challenges in the immediate term. - Fast track the Dam projects (both new and ones where we are increasing capacity)
		Water Tankering	- We call that the private water tankering be gradually reduced at this moment until the system can supply water adequately. - The above matter should be reviewed by June 2022 in order to make an informed decision on the gradual decrease of private water tankering.
	Lack of Infrastructure Maintenance	Allocation to infrastructure maintenance	- Ensure that our budget and grants accommodate allocation towards infrastructure maintenance. - Use internal including Human resources to address infrastructure maintenance.

	Unavailability of Back Up Energy (alternative energy)	Eskom engagements	• We call for Eskom to speed up the increase of energy capacity at our main plants. • We support the engagement of Eskom to separate our line from the public supply and approve exemption of water systems from loadshedding. • We support the application for grants to procure backup generators.
	Reactive Approach in communicating with the Public (CRM)	Provision of accurate information	• Provision of constant and accurate information to Communications Unit to share with the public in the different platforms. • Water to respond timely on water and sanitation queries submitted. • Identify, detect and submit information on possible threats that can cause community protests.
	No clearly defined Service Standards	Work ethic	• Firstly, educate our employees on the Ugu service Standards and Batho Pele Principles to make them aware of their responsibilities and our social contract to provide services to the people. • Deal sharply with consequence management where our employees do not adhere to service standards. • Ensure that employees are conducting their work within specified timelines to avoid working for overtime. • Develop a reporting and monitoring system that will help detect and follow up on work done by employees for ensuring maximum work output.

KPA	Problem Statement (Challenges)	Strategic Intervention	Strategic Solutions
Municipal Financial Viability & Management	Insufficient Cashflow: - Decrease in revenue - Excessive expenditure - Illegal connections	Increase our revenue.	- Cleansing of the billing system to be correct and accurate by end of June 2022. Encourage working with our customers in resolving billing issues. - Address our debtor's book by strictly implementing our debtors and creditors policy. - Support the extension of the amnesty for a period of 06 months.
		Excessive expenditure.	- Strictly implement the overtime policy to 40 hours with immediate effect. - Allocation to insource water tankering and concurrent decrease of private water tankers. - Strictly manage the salary bill by ensuring by only fill critical vacancies depending on availability of funds. - Focus on key priority service delivery expenditure by implementing few projects within our financial capabilities at a time.
		Illegal connections	- Consider legalizing some of the illegal connections and install meters. - Work on tariffs that will be utilized when illegal connectors persist.
	Unfunded Budget: Non-compliance to cost containment measures, leading to excessive expenditure.	Ensure sustained funded budget. Financial recovery Plan	- Fixed allocated zero-based budget approach which will ensure that our current and future budgets remain funded. - Financial recovery/budget funding plan to be presented to the council for adoption

Revenue Collection Challenges: • Incomplete and incorrect billing of customers. • Water supply challenges affecting billable consumption. • Meter connection backlog.	Allocation to infrastructure maintenance	• Ensure that our budget and grants accommodate allocation towards infrastructure maintenance. • Use internal capacity including Human resources to address infrastructure maintenance where we can. • Explore other funding sources mainly to address infrastructure maintenance.
Loss of revenue due to: • <i>Government debt</i> • <i>Business</i> • <i>Households</i>	Government debt	• Government-to-government engagement to demand payment of debts by sector departments and other government entities.
	Business	• Write demand letters to businesses to enforce settlement of debts.
	Households	• Encourage residents to utilize the amnesty extension, and strictly implement the debt policy when the amnesty period has expired.
Auditor General reports	Improvement on AG opinions	• Ensure that there is improvement in our audit opinion of the next financial years. • Stop the utilization of Section 36 with immediate effect. • Ensure consequence management for those who fail to adhere to procedures or have findings against them.

Chapter 5: STRATEGIC MAPPING AND IMPLEMENTATION PLAN

5.1 Strategic Mapping

This section indicates the desired growth and development (addressing issues and trends highlighted in the situational analysis Chapter) of the document, and must reflect the desired spatial outcomes; land use guidelines; spatial reconstruction of the Municipality; strategic guidance in respect of the location and nature of development within the municipality; Spatial alignment with neighbouring municipalities; Comprehensive Infrastructure Investment (CIF); areas where strategic intervention is required; and areas where priority spending is required.

5.1.1 Desired Spatial Outcomes

The proposed Ugu SDF Vision:

"By 2035 Ugu District will be a spatially, socially and economically transformed living environment; its economy and natural resources accessible to all its people through targeted actions to provide better living, social and economic opportunities."

The vision commits the District to champion economic and social transformation within its key sectors, this includes the delivery of new opportunities closer to major economic centres (e.g. GAP Housing). The attainment of this vision requires the municipality to facilitate the development of a spatial system that promotes social, economic, financial, institutional and environmental sustainability. The District spatial vision aims to achieve the following: -

- Transformation of the economy and inclusion of the previously disenfranchised into the mainstream economy
- Restructuring of the spatial geography through spatial planning and strategically catalytic projects (e.g. IFAFA Industrial Park)
- Investments are directed towards nodes in order to strengthen their sustainability and impact
- Medium to high density Settlements are contained within urban edges to reduce the cost of services and optimise capital investments
- Enhance existing sustainable economic development opportunities;
- Protect and enhance the quality of the environmental assets and harmonise with human development through planning; and
- Facilitates non-discriminatory access to a range of services and development opportunities; develops sustainable human settlements where residents can lead enriched, healthy and convenient lives.

5.1.2 Desired Spatial Form and Land Use

Based on the challenges identified in the situational analysis chapter careful consideration was given to finding a new regeneration strategic direction for the Ugu District. This should enable the authorities to meaningfully deal with the above challenges in such a way that it would meet the requirements of

national, provincial and local planning policies and at the same time benefit the people of Ugu. Provision has been made for the establishment of one primary node and four secondary nodes which are intended to house the majority of the future population growth over the next 20 years. These growth centres would need to be structured such that they include opportunities for public-private investment in the agriculture; tourism; commerce; retail, Social and Utility Services; and a range of Housing Options and Densities sectors.

This would allow them to benefit from higher levels of social and utility services and locally based employment opportunities. It is argued in national policies that investment in high density urban areas is more cost effective and sustainable for municipalities than attempting to extend low level services throughout rural areas. Following these policies, the aim in rural settlements is to discourage further growth in housing. This is necessary in order to maintain areas of good agricultural land for cultivation and livestock production as the economic basis of these areas. The emphasis in rural services provision should be to continue with basic service levels in identified rural areas.

A further opportunity in rural areas is the rehabilitation of degraded open space using certain of the state funding mechanisms to create 'green jobs'. Owing to the unique landscape qualities of this area and to certain of its natural and cultural heritage features there is scope for the establishment of different types of tourism routes through the area including landscape, hiking, mountain biking and culture. This in turn would enable involvement of local communities in the guiding and hospitality industry. In the rural areas of the District where the emphasis is on sustaining agriculture and open space, adjustments will also have to be introduced into the traditional system of land allocation and municipal system of land use. This will involve defining limits to settlement expansion and internal sub-division of land. It will also need to involve including controls over use of agricultural land and open space such that it cannot be converted into further housing development.

5.1.3 Spatial Reconstruction of the Municipality

The spatial reconstruction of the municipality follows an understanding of the character of the District in terms of the physical, social and economic environment. This is followed by an understanding of the systems and/or guidelines to be used in bridging the gap between current spatial realities and the spatial objectives of the SDF. Central to the systems and/or guidelines for SDF development are SPLUMA principles and objectives which have been discussed and related guidelines or interventions such as planning having taken into account nodes, corridors and other structuring and restructuring elements.

The first structuring element is the development and reinforcement of a system of varied activity nodes. This will enable greater access to districtwide opportunities, as well as equitable access to a system of local opportunities. The idea is to ensure that all people within the area live within easy walking distance of a public transport hub which will link to the district's public transport systems. These nodes, depending on their position in the hierarchy, will form points of access to a range of local and in some cases, regional opportunities. Through the focus of development at these points the 'emerging core' will begin to reflect the opportunities that are present in the more developed areas of the Ugu District Municipality.

5.1.3.1 System of Activity Nodes

In August 2015, KZN COGTA published a report titled "Towards a framework for the classification of development nodes in KwaZulu-Natal – Regional spatial restructuring for an efficient delivery of services" The aims of the report were to provide a standardised classification of nodes throughout the province. The study identified the following categories of nodes:

Table 78: Activity Nodes

Classification	Economic Development	Service Delivery Centre	Administration Centre
National Hub	Makes a major contribution to the national economy	Location of the offices of national service delivery agencies	
Provincial Development Node	Main economic centre in the province and makes major contribution to the provincial economy		Seat of the provincial government
District Development Node	Economic centre that serves the entire district	Centre for the coordination of bulk infrastructure throughout the district	Seat of the district municipality. Location of provincial and national government districts offices
Municipal Development Node	Economic Centre that serves the entire municipality	Centre of coordination of delivery of services to the local communities	Seat for the local municipality offices. Location of decentralised government offices.
Community Development Node	Location of economic activities that serve the surrounding communities	Cluster of public facilities serving the surrounding communities	
Neighbourhood/Settlement Development Node	Location of economic activities that serve the surrounding settlements (urban and rural)	Cluster of community facilities serving the surrounding settlements	

Source: Ugu DM SDF, 2022

5.1.3.2 Hierarchy of Development Corridors

Corridors are areas of street or route-oriented uses which incorporate a mix of retail, employment and residential uses, developed at overall greater densities, located along arterial roads serving as major transit routes. Corridors link Nodes and important areas of activity within the district and are intended

to be key locations for residential intensification. Corridors may form the boundaries of residential subdivisions or neighbourhoods but should act as a linear focus for activities and uses within the community.

The District's Corridors provide a significant opportunity for creating vibrant pedestrian and transit-oriented places through investment in hard and soft infrastructure, residential intensification, infill and re-development. The concept of spatial development requires an understanding of the movement networks of people, goods and services which are channelled along specific routes. These routes are described as networks of interaction. The level and intensity of activity that these networks of interaction provide result in the concept of "Development Corridors" which are broad areas of development which are centred on activity and development routes.

They are characterised by dynamic, mutually supporting relationships between land uses and the supporting movement system. These development corridors are generally supported by a hierarchy of transport services which function as an integrated system to facilitate and foster ease of movement for private and public transport users. A key element of corridor development is intensification. A large portion of the District's land use intensification target is directed to Nodes and Corridors. In older Corridors, intensification stabilizes and grows the population, helping to support local businesses, institutions and community facilities such as community centres, parks and schools, and returning vitality to these areas. In new or developing corridors, intensification, supported by transit, provides a diversity of housing types and living environments that reduce the dependency on automobiles, creating liveable environments.

The SDF recognized Corridors as key structural elements which for Municipal, neighbourhood and precinct planning; however, some corridors function as an integral part of a much broader environment with a national, provincial and district wide impact (N2). Therefore, a central element of corridor planning will be to identify the unique role played by each corridor and ensure that proper planning co-ordination and guidance is provided for each of the corridors identified, whilst embracing the general ethos of corridor development planning.

Development corridors in Ugu DM occur at various scales and are dependent on function and categorisation of the transportation route that forms the basis of the corridor. They carry flows of people and trade between two points (origin and destination) and foster nodal development at strategic points. Corridor development forms the basis of spatial structuring, and is a tool for economic growth, seeks to create functional linkages between areas of higher thresholds and economic potential, with those that have insufficient thresholds. This, in turn, enables areas that are poorly serviced, to be linked to areas of opportunity and benefit and with higher thresholds. Based on this, the primary; secondary; tertiary; and tourism corridors have been identified.

5.1.4 Land Use Management Guidelines

Since it is the responsibility of the local municipality to manage and control local development it is its responsibility to establish an appropriate land use management system. The land use management

framework at the district level is expected to ensure that local systems are based on a common district-wide approach, that the appropriately address issues of district-wide significance and that they connect to each other across local municipality boundaries.

5.1.5 Spatial Alignment with Neighbouring Municipalities

Spatial planning assists Municipalities and other authorities to guide their development planning processes; it is a continuous process in the physical space that would almost have no end, however for the SDF the Municipal boundary is the indicative point in which the SDF must normally conclude its business. It must be noted however, that Municipal boundaries are mainly for administrative reasons and in the perfect world such boundaries would not really affect the spatial planning process. Communities and the physical environment should not be impacted negatively by administrative boundaries, especially in the case of the delivery of basic services. Communities should not be affected by Municipal boundaries in the manner and type of services they receive from the government, the government ultimately has one face and should present itself as such in its various plans.

Cross boarder Municipal Planning is important in order to co-ordinate service delivery to communities which are affected by cross boarder planning, institutional structures should be put in place to ensure that Municipalities plan together for affected areas, evidence has shown that such areas can be subject to Municipal boundary alignments, making them fall under one Municipal area or dividing them to fall within two Municipal area, hence the importance of tangible spatial plans that go beyond administrative and political boundaries.

5.1.5.1 Cross-Border Development Implications: Service Delivery

eThekwini Municipality: Areas which would be affected by cross boarder planning between Ugu and eThekwini would be at the Boundary of eThekwini and Umdoni Municipality namely:

- Amahlongwa Traditional Settlement across the N2 inland, the settlement is connected through the R197 which traverses both Umdoni (Ugu) and eThekwini as an inland route parallel to the N2 from Amahlongwa to Umkomaaz (a portion of Amahlongwa falls within eThekwini Municipality);
- Freeland Park, which is small high-end suburban area located along the coast;
- Renishaw Hills Development, a newly developed high-end development inland of the N2; and

A small sugar cane agricultural strip between Freeland Park (Umdoni-Ugu) and Umkomaas (eThekwini).

The following service delivery projects are currently being implemented in the affected area:

Table 79: eThekwini and Umdoni Cross-Border Projects

Project name	Implementing Municipality	Stage	Budget
--------------	---------------------------	-------	--------

Lower Umkomaaz bulk water supply scheme	eThekweni Municipality	Detailed planning	R2,8bn
Amahlongwa Rural Water and Sanitation Project	eThekweni Municipality	Future project	TBD
Amahlongwa Rural Housing Phase 2	Umdoni Municipality	Under construction	-
Amahlongwa Rural Housing Phase 3	Umdoni Municipality	Land acquisition from Church	TBD
Malangeni Rural Housing Projects Phase 2 (1000 units)	Umdoni Municipality	Under construction	

Source: Ugu DM SDF, 2022

eThekweni Municipality has planned for water provision in and around the areas earmarked for cross border planning, the Amahlongwa areas in particular as there it will benefit from both the Lower Umkomaas bulk water supply scheme and the Amahlongwa Rural Water and Sanitation. On the other hand, Umdoni Municipality has planned for housing delivery within the Amahlongwa, with its Municipal boundaries, Ugu, Umdoni and eThekweni Municipalities, through a mutually accepted arrangement must engage on cross broader alignment issues and these should not be limited to service delivery projects but around the future of the strip between Umdoni and eThekweni and how it can be co-ordinated for the betterment of residents of both Municipalities.

Among the housing projects in this part of the Umdoni Municipality is the Amandawe Rural Housing Project, of which 1000 units have been completed, as well as the Malangeni Phase 1 and 2 Housing Projects, the latter of which is still under construction. It proposed that planning be put in place for the provision of water services from the people of Amahlongwa area, this is meant to expedite service delivery and to avoid any potential conflict that may arise from certain sections of Amahlogwa getting water whilst other sections are still without sufficient water supply. Harry Gwala District Municipality:

Main linkages between the Ugu DM and Harry Gwala DM are through the P68 regional road, P73 and R612 provincial roads and N2 national freeway, where the boundaries of both Districts interface there are the settlement areas of Mnqumeni, Phungashe, Nhlalwane, Hlokozi, Hlutakungu, Kenterton and Sangwaba, these are mainly rural settlement clusters located across the boundaries of both Districts, below are some notable service delivery project within the identified areas:

Table 80: Ubuhlebezwe and Umzambe Cross-Border Projects

Project name	Implementing Municipality	Stage	Budget
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Mnqumeni (Santombe) Water Supply Project Phase 3	Harry District	Gwala	Completed 150KI and 100KI reservoirs, 16km water reticulation pipeline	662, 000,000.00
Hlokozi Water project phase 4	Harry District	Gwala	520 households have access to water	R13 400 000.00
Gaybrook Water Supply	Harry District	Gwala	Under construction	R20 076 520.00
Highflats Bulk Water Supply	Harry District	Gwala		R10 000 000.00
Highflats Slums Clearance	Harry District	Gwala	Land legal and bulk services issues	
Sangcwaba Operation Sukuma	Harry District	Gwala	IA did not accept the contract; the Department is in a process to reallocate to UFCC/ABT.	R3 158 379.73

Source: Ugu DM SDF, 2022

Harry Gwala, Ugu and its Municipalities, through a mutually accepted arrangement must engage on cross broader alignment issues and these should not be limited to service delivery projects but around the future of the strip between Umdoni and eThekweni and how it can be co-ordinated for the betterment of residents of both Municipalities.

Umgungundlovu Municipality: Umgungundlovu and Ugu DM are bordered via UMkhambathini Municipality, and a portion thereof links with Umdoni. For the most part, the land uses bordering these municipalities are rural settlements and subsistence farming, thus making the development uniform along the borders. There are, however, environmentally sensitive areas which have been identified in both municipalities' SDFs as protected/conservation areas. The following areas are affected by cross broader service delivery: Odidini, Ezimini, Mdumezulu and kaMpucio, the following are some of the service delivery projects identified in the affected areas:

Table 81:uMkhambathini and Umdoni Cross-Bored Projects

Project name	Implementing Municipality	Stage	Budget
Mdumezuku bulk water supply scheme	Umgungundlovu District	Detailed Planning	R2,8bn
KwaMpucio Rural Housing Project	Mkhambathini	Future project	TBD

Source: Ugu DM SDF, 2022

UMgungundlovu, Ugu and its Municipalities, through a mutually accepted arrangement must engage on cross border alignment issues and these should not be limited to service delivery projects but around the future of the strip between Umdoni and eThekweni and how it can be co-ordinated for the betterment of residents of both Municipalities. Alfred Nzo District Municipality: Both district municipalities have identified their bordering areas as environmentally protected areas with Critical

Biodiversity Areas which are irreplaceable, the integral linkage between Umuziwabantu LM and Mbizana LM is the P59 provincial road whilst The R61 which links connects into the upper areas of the Ray Nkonyeni Municipality. The following areas are important for cross boarder planning between the two districts: Port Edward, rural settlements Across the N2 and Umtamvuna in Alfred Nzo DM, Rennies Beach, and Wild Coast tourism development area.

Table 82: Ray Nkonyeni and Winnie Madikizela Mandela Cross-Border Projects

Project name	Implementing Agent	Stage	Budget
Upgrade of the N2	SANRAL	Construction	
Proposed Port Edward Interchange	SANRAL	Detailed Planning and community consultation	
Cross-Border Tourism Initiative between Port Edward business and the broader "Wild Coast"	Port Edward Business Persons	Future project	TBD

Source: Ugu DM SDF, 2022

5.1.5.2 Implications of Cross-Border Characteristics and Other Initiatives

Settlements located along cross border areas are mainly rural settlements, agricultural areas and environmental sensitive areas. For the most part, the district and local Municipal SDF's identify these areas as "rural settlements and/or environmentally sensitive areas. These areas are notably the most which have service delivery gaps in terms of water, sanitation, human settlements and other infrastructure and social and economic services. Their access to economic opportunities is also very limited and this is clearly because of their location.

Municipalities are implementing various projects which affect areas along their borders (water, human settlements, sanitation etc.), but there is little emphasis on cross boarder planning which may result in conflict among communities in these areas, there are instances where one Municipality is planning water provision in a cross-border area, whilst the other Municipality is implementing a housing project. Ideally these two projects should be planned to be aligned and communicated with the community in partnership. The same principle should apply for all government projects implemented in cross boarder

communities; this will require institutional structure to be put in place for cross planning between Municipalities and province.

5.1.6 Capital Investment Framework (CIF)

Capital Investment Framework (CIF) is a legal requirement in terms of the Municipal Systems Act Regulations S2 (4)(e). It plays a key role in the economic growth, social development and environmental well-being of any municipality. The CIF is a very important component of the Spatial Development Framework (SDF). It is a sound step towards a more systematic approach to infrastructure planning and coordination.

The objectives of the Capital Investment Framework include provision of practical and appropriate alignment regarding capital investment, to strive to ensure appropriate budget - IDP linkages, to link capital projects with potential sources of funding, and to ensure that there are staff and services providers to deliver on projects that are funded. The key goals of this component are as follows;

- Spatial budgeting – which involves mapping of the capital infrastructure projects that are approved by the IDP. This assists to determine whether the development trajectory that is advocated by the IDP is in harmony with the spatial development vision that is suggested by the SDF;
- Intensify spatial objectives with infrastructure proposals – the SDF identifies a number of spatial development proposals for further economic development and investments within the area but these proposals will be meaningless if the supporting infrastructure has not been planned for in tandem with the overall SDF. The CIF provides an opportunity to relook at these proposals in line with infrastructure requirements;
- Comparison of areas of greatest needs and where services or infrastructure proposals are directed to – this is intended to establish if the areas that encounters backlogs are receiving attention to address that. There are areas within the municipal area which suffers from historical and institutional neglect from benefiting from services. It is the role of a developmental government to be pro-active at developing these areas. This is part of the reconstruction and developmental mandate.

The normative aims and objectives are:

- To inform public and private sector investment decision-making.
- To influence municipal capital infrastructure project allocation.
- To serve as a strategic infrastructure guide for economic infrastructure priority areas.
- To map out all service delivery priority areas.
- To identify all major infrastructure priority areas including the projects currently underway.
- To determine if spatial proposal can be resourced by sufficient infrastructure resources.
- To integrate Capital Investment Framework with the IDP
- The framework aligns future capital spending with settlement hierarchy (nodes) and corridors, not just mapping of municipal and Sector Department projects and Tables of sector department

or municipal expenditure. It maps out longer- term projects and programmes Municipal Sector Plan projects (up to 20 years).

5.1.7 Capital Expenditure Framework (CEF)

The South African local government association describes the capital expenditure framework as a consolidated high-level view of infrastructure investment needs in municipalities over a long-term period (20 years). The framework seeks to provide context for performance measurement against development objectives and outcomes. Engagements with stake holders will be guided by evidence-based planning. The framework's approach to implementation is as follows;

- Identify Infrastructure owned by the municipality as well as
- What the municipality aims to do with the infrastructure over a 10-to-20-year period
- What type of infrastructure the municipality requires
- The financial implications

5.1.8 Areas Requiring Strategic Intervention

With respect to areas requiring strategic intervention, areas where development intensity should be increased or decreased has been identified.

5.1.8.1 Areas where Development Intensity Should Increase

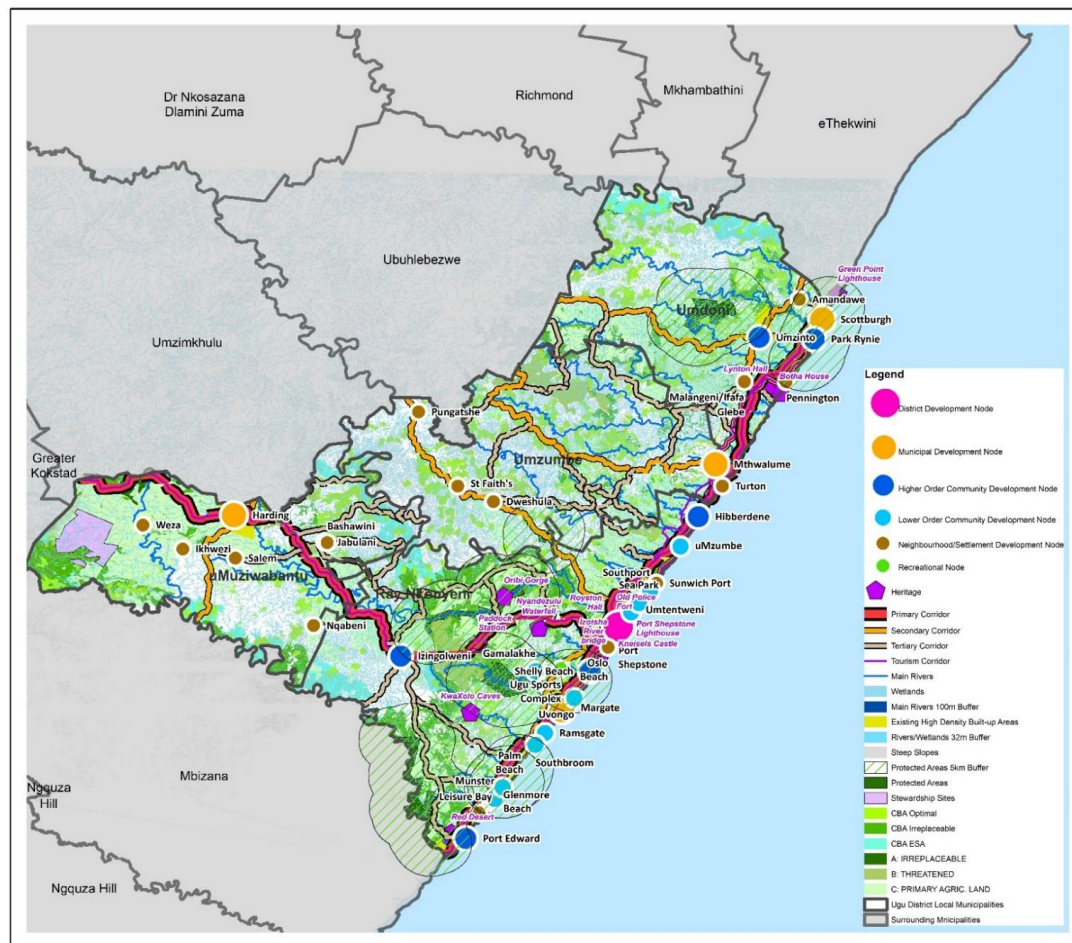
The following proposal is made in terms of direction for future growth:

- Outward expansion of the nodes. This should involves linking the existing nodes through activity or mobility route in a manner that promotes infill and interface development. This should be prioritized for District, Municipal and Community Development Nodes; and
- The existing nodes are still low in terms of densification. Inward densification could be encouraged within the District and Municipal Development Nodes. However, this should be supported provided that there is sufficient infrastructure capacity to warrant it.

5.1.8.2 Areas where Development Intensity Should Decrease

The following proposal is made in terms of direction for future growth:

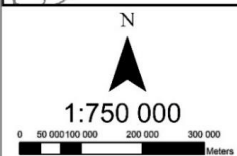
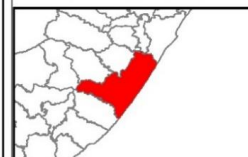
- Some of the nodes on the northern part of the municipality are surrounded by agricultural land. Expansion of these nodes to high potential agricultural land would be undesirable.
- Expansion of the nodes to environmentally sensitive areas is prohibited. This includes expansion to KZN CBA Irreplaceable zones and KZN ESA zones.



CompositeSDF



Ugu District Municipality
LOCALITY PLAN



Data Source(s)

**Municipal Demarcations Board
KZN COGTA
Ezemvelo Wildlife
AMAFA
Ugu District Municipality
Dept of Agriculture**

Disclaimer

The data presented on the maps have been acquired from various sources. The municipality does not accept any responsibility for the accuracy or completeness of these datasets.

Map 29: Ugu District SDF

5.2.1 Catalytic Projects

Catalytic projects are where a targeted intervention is used to encourage and promote much larger responses and achieve a broader transformation objective. Furthermore, a catalytic project is an intervention that has a strong leverage and/or multiplier effect by addressing a critical market failure, or by creating a strong leverage factor. A catalytic project addresses the root cause of obstacles to development, rather than symptoms. It unlocks resources and business opportunities. A catalytic project will often create a public good or a club good, but it will never create just a private good. Catalytic projects can have very different characteristics and prerequisites:

- Major financial resources needed (e.g. investment and infrastructure projects, rehabilitation of an abandoned industrial estate, creating a small business estate);
- High commitment to cooperation needed; and
- Serious and persistent political backing needed.

Ugu District Municipality has identified 26 catalytic projects that will be a driver for change in the Ugu District area of jurisdiction.

Table 83:Ugu District Catalytic Projects

No.	Project	Description
1.	Margate airport to cater for larger carriers	Upgrade of Margate airport by extending the runway
2.	Port Shepstone Technology hub (Internal Infrastructure)	Installation of new infrastructural services with emphasis on green economy (water, waste and energy conservation and recycling) leading to any development.
3.	Port Shepstone Technology hub (Innovation Centre)	Provide a space for locals for design thinking for innovation including hosting innovation brainstorming sessions, design sprints, innovation workshops. Facility for locals to concretize their product creation ideas from inception to product prototype.
4.	Dick King Parking Block	Construction of the multistorey Parkade as part of supporting the Inner-City. Rejuvenation
5.	Urban Roads & Stormwater Rehabilitation / pothole repairs	Upgrading of RNM Road Network in both carrying and widening capacity
6.	RNM Small Craft Harbor	Creation of Small Craft Harbor in line with Operation Phakisa inclusive of Boat Launching Site, Fisheries and related facilities
7.	KwaXolo Caves Adventure Phase2	Phase 2 - construction of a zipline connecting the gorge, a suspension bridge & accommodation

8.	Electricity Infrastructure upgrade	Upgrading of RNM Distribution Network to accommodate current and future development initiatives
9.	Marburg/Port Shepstone electricity interconnector	Upgrading of RNM Distribution Network to accommodate current and future development initiatives
10.	Oatlands landfill site expansion	Creation of additional airspace for waste management. Exploration of generation of alternative and renewable energy from Landfill Site
11.	Umzimkhulu Coastal River Park	River Park with promenade, picnic facilities, braai facilities, etc
12.	Port Shepstone Government Complex	Development of a One-Stop Shop Government Precinct in Port Shepstone
13.	St. Michaels to Margate Promenade	Development of Beachfront Promenade with walking, running pathways, aesthetic lighting, parking areas, restaurants & public open space
14.	South Coast Regional Conferencing	Conference facility to attract investment events & business tourism.
15.	Port Shepstone Beachfront Redevelopment	Mixed-use beachfront development with both public & private investment - prominent public art features, craft centre, water features, beach hotel & apartments.
16.	Informal Trading Infrastructure: Trading Stalls and Storage Facilities	Construction of various stalls and associated storage facilities across all 11 informal trading clusters within the municipality
17.	Umzumbe River Trail - R35m	Alerting local businesses and professionals about massive procurement opportunities from N2 development
18.	Fallow fields cultivation - Tea Tree, Moringa, Macadamia	At least 100 hectares in Amakhosi land planted with cash crops
19.	Renewable energy – KwaMachi bioethanol	A bio-diesel and bio-ethanol plant together with aquaponics and fish farm for KwaMachi
20.	Forestry Industrialization	Development of a Forestry Industrialization Framework
21.	Scottburgh Beachfront redevelopment	Revamp of the beachfront by creating an activity precinct linking the beach with the CBD
22.	Ifafa Industrial Park	Creation of a light industrial node at Ifafa
23.	Amandawe Precinct Plant	Development of a plan to guide investment in Amandawe

24.	Rural Events and Wedding Centre	African themed and upmarket events and wedding centre in KwaCele area
25.	Fish farm	Rolling out of a community fish farm in Umzumbe
26.	Turton Beachfront development	New Beach development in Turton

Source: USCDA, 2020

Table 84: Ugu MIG Budget

Ugu District Municipality								
Municipal Infrastructure Grant (MIG) Draft Budget: 2022 / 2023								
<u>MSC Code</u>	<u>MSCDescription</u>	<u>SDBIP Code</u>	<u>MIG Registration No</u>	<u>SDBIPDescription</u>	<u>Status</u>	<u>Draft budget 2022/2023</u>	<u>Source of Funding</u>	<u>Comments</u>
W	Water Services	WS/PM U4	2006MIGFDC 21111786	Kwaxolo Water Supply - Bulk Supply (AFA) MIS 229750	Construction		MIG	Balance of Award Values for Contract Numbers: UGU-07-1495-2019 & UGU-07-1496-2019
W	Capex	WS/PM U4	2006MIGFDC 21111786	Kwaxolo Water Supply - Bulk Supply (AFA) MIS 229750	Construction		MIG	
W	Water Services	WS/PM U7	2012MIGFDC 21208701	Harding Sanitation Scheme: Phase 3 (AFA) MIS 266188	Completed		MIG	Release of Retention
W	Capex	WS/PM U11	2011MIGFDC 21199135	Msikaba and Surrounds Water Supply Scheme	Contract No: UGU-07-1542-2020 Under Construction and Phase 2 at Design & Tender	R25 750 000.00	MIG	R9 176 070.00 to cover shortfall of Contract No: UGU-07-1542-2020 that is Under Construction with an Award Value of R25 750 000.00

W	Water Services	WS/PM U12		Umzinto Slum Clearance: Farm Isonti Low cost Housing Water and Sanitation Scheme	MIG AFA Business Plans submitted to DWS and SAC Approval obtained together with MIG Notification of Registration (NOR) from COGTA	R25 750 000.00	MIG	Upgrade of Existing Sewer Infrastructure from Gandinaghar to Umzinto WWTW and Bulk Supply for Farm Isonti - Phase 2
W	Capex	WS/PM U19	2019MIGFDC 21360331	Malangeni Low Cost Housing Project Stage 2	Phase 2E, 2F & 2G on Tender & Phase 2D on at Construction Stage		MIG	
W	Capex	WS/PM U22	2013MIGFDC 21214695	Pennington Waterborne Sanitation Project- Provision of Bulk Sewer & Reticulation Infrastructure - Phase 3	Planning		MIG	Replacement / Upgrade of Sewer Rising Main from Pennington WWPS3 to WTW and WWTW Upgrade

W	Water Services	ws/pmu 16		VIP Sanitation (Sanitation Backlogs on All LMs)	Construction		MIG	36 Months Contract Awarded to 30 Contractors and contract commenced in May 2021 and ongoing
		New		Opex Water Services -WS/PMU (PMU Fees - Top Slice)			MIG	5% of MIG Allocation for ALL PMU Costs including Staff Costs
W	Capex	WS/PM U13	2012MIGFDC 21207776	Water Pipeline Replacement - Phase 2	Business Plan Prepared for Submission to DWS for SAC approval and onward submission to COGTA for MIG NOR Approval		MIG	Project allocated to consultant through new panel of consultants and planning work in progress
W	Capex	WS/PM U14		Mistake Farm Supply Scheme	MIG AFA Business Plans submitted to DWS and SAC Approval obtained		MIG	Design Stage

					as well as the MIG Notification of Registration (NOR) from COGTA			
W	Capex	WS/PM U17	2015MIGFDC 21220463	KwaLembe Water Supply Scheme Extension	Detailed Design and Tender	R371 596 773.00	MIG	Planned for Phase 1 which comprise of the Weir, Abstraction Point and WTW Upgrade to commence in July 2022 and completed in September 2023 as the entire KwaLembe Scheme Upgrade has 4 Phases with a Total Cost Estimate of R371 596 773.00 planned to be completed by February 2026
W	Capex	WS/PM U24	2012MIGFDC 21210633	Margate Sanitation: Margate Pump Station 3A	Detailed Design and Tender	R0.00	MIG	Margate Sewer Reticulation and Pumpstation
		New		Water Services Laboratory and Backwash Water Recovery Facility	Planning	R0.00	MIG	
		New		Umzinto Waste Water Treatment Works	Planning	R0.00	MIG	
		New		Umzimkhulu Permanent Reinforced Concrete Berm	Detailed Design and Tender			

		New		Mkholombe Waterborne Sanitation	Planning	R0.00		
		New		Mthamvuna Abstraction and Water Treatment Upgrade (Planning)	Planning			
		2022/2023		Infrastructure Asset Management	Planning			
		2022/2023		Repairs & Maintenance of Water Infrastructure	Planning			
		2022/2023		Repairs & Maintenance of Sanitation Infrastructure	Planning			
		2022/2023		Umdoni South Bulk Water Augmentation	Planning			
		2022/2023		Umzimkhulu Bulk Water Augmentation Scheme - Phase 2	Planning			
		2022/2023		Harding Weza Bulk Regional Scheme	Planning & Design			
				Vulamehlo Cross-Border Water Supply Scheme	Design & Procurement			
			2012MIGFDC 21210633	Margate Sanitation and Sewer Reticulation	Design & Procurement			
				Park Rynie Sanitation Phase 2 & Sewer Reticulation	Design & Procurement			
				Upgrade of Umbango Waste Water Treatment Works	Design & Procurement			
				Upgrade of Melville Waste Water Treatment Works	Design & Procurement			
				Kwalatshoda Water & Sanitation	Planning			
				Upgrade of Greenfields Waterborne Sanitation and Sewer Reticulation	Planning			
				Upgrade of Mazakhele and Harding Sanitation Phase-3 Waterborne Sanitation and Sewer Reticulation	Planning			
				Upgrading of Bulk Water Supply from Bhobhoyi WTW to Umzimkhulu Reservoirs	Planning			

				Upgrading of of Umzimkhulu Northern Systems Bulk Water Supply	Planning			
				Drilling of New Boreholes and Refurbishment of Existing Boreholes and Spring Protection Systems	Planning			
				Upgrading of uMthamvuna to Port Edward Bulk Water Supply	Planning			
				Upgrading of Marburg and Merlewood Bulk Water Supply	Planning			
				Upgrading of Willowglen Water Pump Station, Bulk Water Pipelines and Storage Reservoir(s) at Amahlongwa	Planning			
				Bulk Water Infrastructure and Water Reticulation Pipes with communal stand pipes at KwaMgayi	Planning			
				Upgrade of Scottburgh (South, Central & Freeland Park) Bulk Waterborne Sanitation and Sewer Reticulation System	Planning			
				Upgrade of kwaDweshula Bulk water infrastructure and Water Reticulation	Planning			
				Upgrading of KwaNyuswa Phase 2 Bulk Water Supply System and Water Reticulation	Planning			
				Upgrading of KwaMbotho Water Supply System	Planning			
				Upgrading of KwaFodo Water Supply System	Planning			
				Upgrading of Umzinto (Umzinto Heights, Nkonka & Hazelwood) Bulk Water Supply Infrastructure and Storage Reservoirs	Planning			
				Upgrading of Hlokozi Water Treatment Works and Refurbishment of Existing Infrastructure	Planning			
				Upgrading of KwaHlongwa	Planning			
				Water Treatment Works and Refurbishment of Existing Infrastructure	Planning			

				Upgrading of Bulk Water Supply Infrastructure on the KwaNositha and Game Reserve Systems	Planning			
				Upgrading of Bulk Water Infrastructure, Storage Reservoir and Water Reticulation at Amandawe and KwaCele Systems	Planning			
				Umzinto Waste Water Treatment Works and Outfall Sewers Upgrade and Rehabilitation	Planning			
				Upgrading of Assisi Water Treatment Works and Refurbishment of Existing Infrastructure	Planning			
						R423 096	R277 374	
						773.00	000.00	

**ALLOCATION &
COMMITMENT
SUMMARY**

Financial year	2021/22	2022/23	2023/24
Total MIG Allocation	R255 524 000.00	R277 374 000.00	R290 417 000.00
Total Committed	261 301 000.00	277 374 000.00	R290 417 000.00

PROPOSED PROJECTS UNDER WSIG

Table 85: Ugu District Proposed WSIG Projects

ITEM	ACTIVITY	UNIT	RATE	AMOUNT	LOCAL MUNICIPALITY	TARGET
A	Pressure Management	No.	R416 667	R7 500 000	Ray Nkonyeni	8
					Umuziwabantu	3
					Umzumbe	3
					Umdoni	4
B	Existing zone integrity verification and re-commissioning of existing PRVs/ pro-active maintenance	No.	R154 762	R6 500 000	Ray Nkonyeni	17
					Umuziwabantu	9
					Umzumbe	7
					Umdoni	9
C	Active Leakage Control through specialised leak detection and repairs	km	R11 200	R7 000 000	Ray Nkonyeni	240
					Umuziwabantu	105
					Umzumbe	105
					Umdoni	175
D	Cluster metering of standpipes	No.	R112 069	R6 500 000	Ray Nkonyeni	23
					Umuziwabantu	19
					Umzumbe	7
					Umdoni	9
E	Allowance for reservoir outlet and district meter installation	No.	R416 667	R5 000 000	Ray Nkonyeni	2
					Umuziwabantu	6
					Umzumbe	4
					Umdoni	0
F	Allowance for reservoir inlet and district meter installation	No.	R392 857	R5 500 000	Ray Nkonyeni	2
					Umuziwabantu	6
					Umzumbe	4
					Umdoni	2
G	Allowance for reservoir inlet& outlet control valves refurbishment	No.	R392 857	R5 500 000	Ray Nkonyeni	6
					Umuziwabantu	4
					Umzumbe	2
					Umdoni	2
H	None-Revenue-Water: Strategic Approach awareness	No.	R406 250	R6 500 000	Ray Nkonyeni	4
					Umuziwabantu	7
					Umzumbe	2

ITEM	ACTIVITY	UNIT	QTY	RATE	AMOUNT	LOCAL MUNICIPALITY	
1	Replacement of aging pipeline in Ramsgate (+- 75 - 160mm Ø)	Km	1,37	R1 458 000,00	R2 000 000,00	Ray Nkonyeni	R16 000 000,00
2	Replacement of aging pipeline in Shelly Beach (+- 50 -200mm Ø)	Km	2,76	R2 174 000,00	R6 000 000,00	Ray Nkonyeni	
3	Replacement of aged pipeline in Nodalane (+- 200mm Ø)	Km	3,61	R2 217 000,00	R8 000 000,00	Ray Nkonyeni	
3	Replacement of aging pipeline in Pennington (75 - 200mm Ø)	Km	3,07	R2 283 000,00	R7 000 000,00	Umdoni	R30 000 000,00
4	Replacement of pipeline in the Scottburgh (75 - 200mm Ø)	Km	4,44	R2 254 000,00	R10 000 000,00	Umdoni	
5	Replacement of pipeline in the Umzinto system (63 - 250mm Ø)	Km	4,05	R2 472 000,00	R10 000 000,00	Umdoni	
6	Replacement of pipeline in the Ndelu pumping main (250mm Ø)	Km	1,21	R2 472 000,00	R3 000 000,00	Umzumbe	
7	Replacement of KwaNyuswa 1 (90mm Ø)	Km	1,16	R1 292 000,00	R1 500 000,00	Umuziwabantu	R4 000 000,00
8	Replacement of pipeline in KwaFodo system (40 - 75mm Ø)	Km	0,87	R1 147 000,00	R1 000 000,00	Umuziwabantu	
9	Replacement of pipeline in Harding System (75 - 315mm Ø)	Km	0,57	R2 618 000,00	R1 500 000,00	Umuziwabantu	
PIPELINE REPLACEMENT PROPOSED BP TOTAL			23,11		R50 000 000,00	R50 000 000,00	
						Umdoni	3
	TOTAL				R50 000		

Pipeline Replacement – BPs

Refurbishment - BPs

ITEM	ACTIVITY	DESCRIPTION	UNIT	QTY	BUDGET COST	LOCAL MUNICIPALITY
WATER SERVICES: MECHANICAL & ELECTRICAL WASTEWATER TREATMENT WORKS & PUMP STATIONS						
1	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Margate 4A (Pump , motor and MCC panel)	No.	1	R1 333 333,33	Ray Nkonyeni
2	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Margate WWTW (motor , blowers ,Gearbox pump , Panel)	No.	1	R2 000 000,00	Ray Nkonyeni
3	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Shelly Beach WWTW (arerator, motor , gearbox ,MCC, Clarifiers).	No.	1	R1 333 333,33	Ray Nkonyeni
4	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Uvongo WWTW(aerator motor , gearbox , mcc , Clarifiers)	No.	1	R2 000 000,00	Ray Nkonyeni
5	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Margate WWTW (aerator, motor , gearbox , mcc. Clarifiers	No.	1	R1 333 333,33	Ray Nkonyeni
6	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Ramsgate WWTW (aerator ,motor gearbox, pump ,Clarifiers).	No.	1	R1 333 333,33	Ray Nkonyeni
7	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Palm beach WWTW	No.	1	R666 666,67	Ray Nkonyeni
8	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Eden wilds WWTW (aerator , motor, gearbox , pump , Clarifiers)	No.	1	R666 666,67	Ray Nkonyeni
						R12 400 000,00

9	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Murchison WWTW (aerator ,motors, gearbox , dosing pump , Clarifiers	No.	1	R1 733 333,33	Ray Nkonyeni	
10	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Kwambonwa WWTW (sludge pump , motor , panel)	No.	1	R1 333 333,33	Umuziwabantu	
11	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Mazakhele pump station no 2 (Pump , MCC panel and Motor)	No.	1	R1 333 333,33	Umuziwabantu	
12	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Electric hoist replaces motors × 1	No.	1	R133 333,33	Umuziwabantu	
13	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Electrical cables, Panel cables and contactors, Slip rings, Generator batteries etc.	No.	1	R266 666,67	Umuziwabantu	
14	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	MCC room and security gates/ doors	No.	1	R533 333,33	Umuziwabantu	
15	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Umdoni 1 wwps: 13.5 kW	No.	1	R400 000,00	Umdoni	
16	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Pennington 2: 7.5 kW	No.	1	R266 666,67	Umdoni	
17	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Pennington 3: 7.5 kW	No.	1	R266 666,67	Umdoni	
							R3 600 000,00
							R9 106 666,67

18	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Pennington WWTW (Aerator, motor, panel, clarifiers and Sludge pump)	No.	1	R2 000 000,00	Umdoni
19	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Umzinto WWTW, Aerator, gearbox, motor, panel	No.	1	R2 000 000,00	Umdoni
20	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Scottburgh WWTW, Aerator, gearbox, motor, panel	No.	1	R2 666 666,67	Umdoni
21	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Barbara wwps: 7.5 kW	No.	1	R293 333,33	Umdoni
22	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Raymond wwps: 7.5 kW	No.	1	R293 333,33	Umdoni
23	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Freeland Park pump: 13.5 kW	No.	1	R293 333,33	Umdoni
24	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Malangeni WWPS: 7.5 kW	No.	1	R293 333,33	Umdoni
25	Refurbishment of aged infrastructure (Mechanical & Electrical equipment)	Ghandinagar WWPS: 48 kW	No.	1	R333 333,33	Umdoni
SANITATION SUB TOTAL					R25 106 666,67	
WATER SERVICES: MECHANICAL & ELECTRICAL WATER TREATMENT WORKS & PUMP STATIONS						

1	Refurbishment of aged infrastructure	Umthavuna Raw water pump station Low lift pumps x (90kw - 100Kw)	No.	1	R2 666 666,67	Ray Nkonyeni
2	Refurbishment of aged infrastructure	Umthavuna pump station high lift pumps x2off (630kw) (repairs)	No.	1	R2 000 000,00	Ray Nkonyeni
3	Refurbishment of aged infrastructure	Umthamvuna high lift motor (630kw)	No.	1	R1 600 000,00	Ray Nkonyeni
4	Refurbishment of aged infrastructure	Umthavuna actuators X2	No.	1	R133 333,33	Ray Nkonyeni
5	Refurbishment of aged infrastructure	Umthamvuna panel, mornitoring sensor online repairs	No.	1	R333 333,33	Ray Nkonyeni
6	Refurbishment of aged infrastructure	Pump for Florida pump station. X1	No.	1	R466 666,67	Ray Nkonyeni
7	Refurbishment of aged infrastructure	Nodalane water pump station x1	No.	1	R400 000,00	Ray Nkonyeni
8	Refurbishment of aged infrastructure	ST helen Low lift pump 90KW no(5&6)X1	No.	1	R1 333 333,33	Ray Nkonyeni
9	Refurbishment of aged infrastructure	ST Helen Higt lift motor 640KW X2	No.	1	R266 666,67	Ray Nkonyeni
10	Refurbishment of aged infrastructure	South booster pump and motor replacement 2 x 110 kw 4 pole	No.	1	R200 000,00	Ray Nkonyeni
11	Refurbishment of aged infrastructure	Umthamvuna wtw (M&E online repairs)	No.	1	R266 666,67	Ray Nkonyeni
12	Refurbishment of aged infrastructure	Shobeni pump station	No.	1	R200 000,00	Ray Nkonyeni
13	Refurbishment of aged infrastructure	Nkulu pump station	No.	1	R160 000,00	Ray Nkonyeni
14	Refurbishment of aged infrastructure	ShobaMdlazi pump station	No.	1	R133 333,33	Ray Nkonyeni
15	Refurbishment of aged infrastructure	Berner rest pump station (18.5KW)	No.	1	R106 666,67	Ray Nkonyeni

R12 226 666,67

16	Refurbishment of aged infrastructure	ST helen Low lift pump no(1,2,3&4) impller and weir plate	No.	1	R160 000,00	Ray Nkonyeni	
17	Refurbishment of aged infrastructure	South booster pump online repair (Bhobhoyi)	No.	1	R266 666,67	Ray Nkonyeni	
18	Refurbishment of aged infrastructure	Bhomela pump station	No.	1	R200 000,00	Ray Nkonyeni	
19	Refurbishment of aged infrastructure	Bhobhoyi Generator 650kva Repairs	No.	1	R666 666,67	Ray Nkonyeni	
20	Refurbishment of aged infrastructure	Madlala pump station (upsizing a pump and panel)	No.	1	R666 666,67	Ray Nkonyeni	
21	Refurbishment of aged infrastructure	KwaNyuswa low lift pump phase one: 15 kW - HD60H x 2	No.	1	R666 666,67	Umuziwabantu	R4 400 000,00
22	Refurbishment of aged infrastructure	KwaNyuswa low lift pump phase one , 15 kW HD60HX Rotating element x1	No.	1	R666 666,67	Umuziwabantu	
23	Refurbishment of aged infrastructure	KwaNyuswa low lift pump phase two 45 kW X 1	No.	1	R533 333,33	Umuziwabantu	
24	Refurbishment of aged infrastructure	KwaNyuswa phase 3 booster pump x 1 (7.5 kW)	No.	1	R266 666,67	Umuziwabantu	
25	Refurbishment of aged infrastructure	KwaFodo low lift: 3.75 kW X 1	No.	1	R266 666,67	Umuziwabantu	
26	Refurbishment of aged infrastructure	KwaFodo high lift: 10 kW - 134PP - Rotational element	No.	1	R266 666,67	Umuziwabantu	
27	Refurbishment of aged infrastructure	KwaMbotho low lift 3.7 kW GR	No.	1	R266 666,67	Umuziwabantu	
28	Refurbishment of aged infrastructure	KwaMbotho high lift: HD115H	No.	1	R266 666,67	Umuziwabantu	
29	Refurbishment of aged infrastructure	Banzini pump station Booster pump station (Multistages pump)x1	No.	1	R266 666,67	Umuziwabantu	

30	Refurbishment of aged infrastructure	Lifting equipment (Gantry)	No.	1	R400 000,00	Umuziwabantu	
31	Refurbishment of aged infrastructure	Mobile Generator 600 kVA x 1	No.	1	R266 666,67	Umuziwabantu	
32	Refurbishment of aged infrastructure	Electrical cables, Panel cables and contactors, Slip rings, Generator batteries etc.	No.	1	R133 333,33	Umuziwabantu	
33	Refurbishment of aged infrastructure	Bearing heater Machinery	No.	1	R133 333,33	Umuziwabantu	
34	Refurbishment of aged infrastructure	Ndelu WTW low lift pump: 7.5 kW	No.	1	R266 666,67	Umndoni/Umzumbe	R8 266 666,67
35	Refurbishment of aged infrastructure	Vulamehlo wtw low lift: 37 kW, Motor , panel, Valves and gaages	No.	1	R2 400 000,00	Umndoni/Umzumbe	
36	Refurbishment of aged infrastructure	Vulamelo high lift: 110 kW	No.	1	R533 333,33	Umndoni/Umzumbe	
37	Refurbishment of aged infrastructure	Odeke PS: 30 kW	No.	1	R133 333,33	Umndoni/Umzumbe	
38	Refurbishment of aged infrastructure	Ixobho PS pump: 45 kW	No.	1	R320 000,00	Umndoni/Umzumbe	
39	Refurbishment of aged infrastructure	Ixobho PS motor: 45 kW	No.	1	R320 000,00	Umndoni/Umzumbe	
40	Refurbishment of aged infrastructure	Umzinto heights pump: 2.2 kW	No.	1	R93 333,33	Umndoni/Umzumbe	
41	Refurbishment of aged infrastructure	Hilltop PS pump: 2.2 kW	No.	1	R93 333,33	Umndoni/Umzumbe	
42	Refurbishment of aged infrastructure	Kelso high level pump: 2.2 kW	No.	1	R93 333,33	Umndoni/Umzumbe	
43	Refurbishment of aged infrastructure	Sezela PS: 55 kW	No.	1	R333 333,33	Umndoni/Umzumbe	
44	Refurbishment of aged infrastructure	Hazelwood PS: 75 kW	No.	1	R440 000,00	Umndoni/Umzumbe	

45	Refurbishment of aged infrastructure	Cedars PS: 110 kW	No.	1	R533 333,33	Umndoni/Umzumbe
46	Refurbishment of aged infrastructure	Pilani PS: 75 kW	No.	1	R440 000,00	Umndoni/Umzumbe
47	Refurbishment of aged infrastructure	Kwacele PS: 90 kW	No.	1	R466 666,67	Umndoni/Umzumbe
48	Refurbishment of aged infrastructure	Pennington 1 pump: 7.5 kW	No.	1	R293 333,33	Umndoni/Umzumbe
49	Refurbishment of aged infrastructure	Mtwalume PS pump: 7.5 kW	No.	1	R293 333,33	Umndoni/Umzumbe
50	Refurbishment of aged infrastructure	Willowglen pump: 55 kW	No.	1	R333 333,33	Umndoni/Umzumbe
51	Refurbishment of aged infrastructure	Nyavini ps pump: 75kW	No.	1	R480 000,00	Umndoni/Umzumbe
52	Refurbishment of aged infrastructure	Magwaza PS pump: 45 kW	No.	1	R400 000,00	Umndoni/Umzumbe
WATER SUB TOTAL					R24 893 333,33	
REFURBISHMENT BUDGET					50 000 000,00	

CHAPTER 6: FINANCIAL PLAN

6.1 Municipal Budget Overview

In terms of section 16(1) of the MFMA, the Council of the municipality must for each financial year approve an annual budget for the municipality.

6.1.1 South African Economy and Inflation Targets

The analysis of the current South African Economy and Inflation targets must be done when preparing the credible budget for 2018 / 2019 to 2020 / 2021 financial years. South Africa has experienced a period of protracted economic weaknesses which diminishes private investment across all sectors of

economy due to declining in businesses and consumer confidence. The prerequisite for increased revenue to expand service delivery are rapid growth, investments, and job creation. These economic challenges will continue to exert pressure on municipal revenue generation and collections levels hence a conservative approach is advised for revenue projections. Therefore, municipalities will have to improve their efforts to limit non-priority and to implement stringent cost containment measures.

Macroeconomic performance and projections that must be considered when preparing 2018/2019 Medium Term Revenue and Expenditure Framework (MTREF) municipal budgets are captured in Table 86 below:

Table 86: Macroeconomics Performance and Projections

Economic Indicator	2018 / 2019	2019/ 2020	2020 / 2021	2021/2022
Consumer Price Inflation (CPI)	5.3%	5.4%	5.5%	
Real Growth Domestic Product (GDP) Growth	1.5%	1.8%	2.1%	

Source: Ugu District Municipality Draft Budget, 2021

Also, the South African Reserve Bank (SARB) has tried to contain an inflation to a target band of 3% - 6% despite economic challenges facing South Africa.

6.1.2 Proposed Tariffs Increments for 2022 / 2023

The municipalities are encouraged to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3% to 6% target band. Therefore, municipalities are required to justify all increases in excess of the projected inflation target for 2021/2022 in their budgets. Local government confronts tough fiscal choices in the face of financial and institutional problems that results in service delivery breakdowns and unpaid bills. These trends can be offset by improving own revenue collection, working more efficiently and implementing cost containment measures. The tariffs increment is proposed at 6.5% in 2021 / 2022 financial year. The justification for the increment of 6.5% is the fact that the projected Consumer Price Inflation for 2021 / 2022 is 5.3% in terms of Macroeconomic performance. It is still below the maximum targeted inflation rate of 6%. Furthermore, the justification is the fact of the ESKOM and Water Boards tariffs are as follows:

- ESKOM is 15.5%; and
- Water Boards is 5%.

The proposed tariffs increase is far less than ESKOM and Water Boards tariffs increment of which the municipality is also expected to incur in provision of basic services to the community. Income Budget for 2018 / 2019 – 2020 / 2021 According to 2018 Division of Revenue Bill recently approved by Parliament together with National Budget in February 2018, the allocations to uGu District

Municipality have been made per schedule reflected in Table 87 for 2018 / 2019 to 2023/2024. The Municipal Infrastructure Grant (MIG) and Water Services Infrastructure Grant (WSIG) has been reduced substantially. In respect of internal revenue, a recently recent Adjustment Budget has been used as a base for 2018 / 2019 budget by talking into account an inflation of 5.3% in 2018 / 2019 financial year.

Table 87: Draft Income Budget

Income Description	2018 / 2019	2019 / 2020	2020 / 2021	2021/22	2022/23	2023/2024
Equitable Share	R 435,877,000	R 461,838,000	R 503,224,000	R 524 364 000	R 559 208 000	R 568 161 000
Municipal Infrastructure Grant	R 235,888,000	R 241,038,000	R 255,284,000	R 255 524 000	R 277 374 000	R 290 417 000
Water Services Infrastructure Grant	R 55,000,000	R 95,000,000	R 100,225,000	R 72 000 000	R 60 000 000	R 70 000 000
Financial Management Grant	R 1,865,000	R 1,865,000	R 1,800,000	R 1 750 000	R 1 950 000	R1 950 000
Expanded Works Programme Grant	R 3,250,000	R 0,00	R 0,00	R 3 611 000		
Rural Roads Assets Management Grant				R 2 721 000	R 2 856 000	R2 859 000
Water Income	R 276,879,596	R 291,831,094	R 307,881,804	R 477 943 710	R 509 528 985	R 529 720 380
Sanitation Income	R 97,282,020	R 102,535,249	R 108,174,688	R 85 213 955	R 89 474 653	R 93 948 386
Interest on Investments	R 2,535,182	R 2,672,082	R 2,819,046	R10 786 012	R 11 325 313	R11 891 579
Interest on overdue accounts	R 508,485	R 535,943	R 565,420			
Rental and Other Income	R 1,091,486	R 1,150,426	R 1,213,670	R8 080 536	R 8 484 563	R8 908 791
Total Revenue	R 1,110,176,769	R 1,198,465,794	R 1,281,187,628	R 1 442 344 215	R 1 515 201 514	R 1 577 856 135

Source: Ugu District Municipality Draft Budget, 2021

6.1.3.1 Analysis of the Conditions of Grants

The equitable share serves as a subsidy to the municipalities to cater for the following three components: Basic Services Component; Institutional Component; and Community Services Component. In terms of 2018 Division of Revenue Bill which was approved in February 2018 together with the National Budget by Parliament provided the following allocation of Equitable Share:

Table 88: Allocation of Equitable Share

Description	Allocation Per DORA	Amount
Basic Services	79,5%	416 869 380
Institutional	8,2%	42 997 848
Community Services	12,3%	64 496 772
TOTAL		524 364 000

Source: Ugu District Municipality Draft Budget, 2022

N.B. An equitable share over the medium term is allocated to compensate for the rising costs of providing free basic services to the growing number of indigent households. This covers the likely above inflation increases in the costs of bulk water and electricity. This also allows for faster increases in the allocations to poorer and rural municipalities through the redistributive components of the equitable share formula.

6.1.3.1.1 Basic Services Component

The allocation of equitable share to this component helps the municipalities to provide free basic water, sanitation, electricity and refuse removal to households that fall below affordability threshold. However, in respect of uGu District municipality we only provide free basic water and sanitation. This must cover free 6kl of water provided to poor households per month. However, at uGu every household is getting free 6kl of water per month irrespective being indigent or non-indigent. Since government only subsidises only indigent households, it means the municipality funds free 6kl of water for non-indigents households through internally generated revenue, which currently is difficult to collect which give more financial strain to the municipality.

N.B. The affordability formula measure (i.e. used to determine how many households need free basic services) is based on the level of two state old pensions. From the recently approved National Budget by Parliament, it resolved that from 01 April 2018 to 30 September 2018, the state old age pension will be R1690.00 and from 01 October 2018 to 31 March 2019 will be R1700.00. It means that the poverty or affordability threshold from 01 April 2018 to 30 September 2018 will be: $R1690 \times 2 = R3380$ per month; meaning that from this period all households who's their total income per household of above R3380 per month must pay for municipal services. From 01 October 2018 to 31 March 2019 the poverty or affordability threshold will be: $1700 \times 2 = R3400$ per month. Following Statistics South Africa (STATS

SA) has calculated that 59% of all households in South Africa fall below poverty or affordability threshold.

The basic services component provides a subsidy of R383.12 per month in 2018/2019 financial year for the costs of providing basic services to the poor households. The subsidy provides funding to poor households for free 6kl of water and sanitation based on the levels of services per National Policy. The monthly subsidy of R383.12 is allocated to the poor households as follows in terms of recently approved Division of Revenue Bill together with National Budget in February 2018:

Table 89: Monthly Allocations per Households Below Poverty Level

Monthly Costs Components	Operations	Maintenance	Total
Electricity costs	R73.46	R8.16	R81.62
Water costs	R112.90	R12.54	R125.45
Sanitation costs	R86.19	R9.58	R95.77
Other costs	R72	R8.03	R80.28
TOTAL	R344.81	R38.31	R383.12

Source: Ugu District Municipality Draft Budget, 2021

N.B. When budgeting for 2021/22 for Free Basic Water and Sanitation to poor households, the following formula must be applied: Free Basic Water and Sanitation = R383.12 X Number of indigents households' X 12 Months. However, our challenge is that the municipality is giving all households free 6kl of water on a monthly basis which gives financial strain or pressure to the municipality. Also, those who are able to pay for services are not paying.

As a result of this the municipality becomes unable to provide sufficient funding for the following:

- 8% of Value of Infrastructural Assets for Repairs and Maintenance of Infrastructure; of which currently the value of our completed Infrastructural Assets (i.e. Water and Sanitation) using 2016/17 audited Annual Financial Statements (AFS) is R2,358,985,132.00; meaning in 2021/22 financial year at minimum we should budget for R188,718,810.60 which is impossible in the current situation;
- Replacement of Aging Infrastructure.

In terms of 2018 Division of Revenue Bill as approved by Parliament together with the budget, it has been proposed at minimum the Equitable Share subsidy allocated to uGu District for poor households must be broken down per local municipality in terms of spending as follows for 2021/22 financial year:

Table 90: Equitable Share per LM

Municipality	Water	Sanitation	Total
UMdoni	R36,593,000	R27,936,000	R64,529,000
Umzumbe	R32,346,000	24,694,000	R57,040,000
UMuziwabantu	R24,176,000	R18,456,000	R42,632,000
Ray Nkonyeni	R83,235,000	R63,543,000	R146,778,000

Source: Ugu District Municipality Draft Budget, 2021

6.1.3.1.2 Institutional Component

To provide basic services to the households, the municipality must be able to run basic administration. Most municipalities should be able to fund their majority of administration costs with their own revenue. But because poor households are not able to contribute in full towards administration costs of the municipality, the equitable share includes an institutional support component to meet the municipalities halfway. The subsidy of equitable share towards administration costs is limited to 8.2% of the Equitable Share. Therefore, in 2018/2019 financial year, government will subsidise uGu District with only R35,741,914.00 (i.e. 8.2%) towards its Administration Costs. Any additional costs must get from its internal revenue. However, an additional subsidy of R6.6 million which does not form part of the Equitable Share Formula will be made available in 2018/2019 financial year to subsidise Councillors Remuneration. Any additional costs must come from internal revenue.

6.1.3.1.3 Community Services Component

This component from Equitable Share Formula, subsidises services that benefits communities rather than individual households (i.e. which are provided for in the basic services component). Such services include these services e.g. municipal health services, fire services etc.). Therefore, in 2021/2022 financial year, equitable share subsidy for uGu District Municipality towards these services is only limited to R53,612,871.00 (i.e. 12.3%). Any additional costs must come from internal revenue.

6.1.3.2 Municipal Infrastructure Grant (MIG)

The MIG allocation for 2021/2022 financial year will be R255 524 000. This means that the projects to be implemented during 2021/2022 financial year must be limited to annual allocation of R255 524 000. The amount of R255 524,000 must equate to the service providers appointed as well. Therefore, no commitment exceeding R255 524,000 must take place. The Project Management Unit (PMU) must manage projects with due diligence by ensuring the following:

- Professional Fees for each project are limited to 14% of the total project costs;
- The variation orders are prevented as there will be no funds available to cover them;

- iii. The initial scope of work is thoroughly analysed and checked to ensure that it cover all work to be performed;
- iv. The MIG Implementation Plan is implemented in accordance with the Cash Flows per actual trench received;
- v. The actual expenditure per project must not exceed the actual trench received per quarter;
- vi. The budget for each project must be managed and monitored in accordance with actual cash allocation received per trench per quarter;
- vii. If needs be blacklist all non performers;
- viii. Making sure that retentions are invested and not utilised in other projects;
- ix. Ensure that consultant or engineer is held responsible and accountable for any deficiencies in the performance of the contractors;
- x. Discourages cessionary agreements; etc.

The 2020 Division of Revenue Bill as approved by Parliament together with the National Budget has broken down the MIG allocation to uGu District Municipality to be utilised or spent at minimum per Local Municipality as follows for 2020/2021 financial year:

Table 91: MIG Allocation per LM

Municipality	Minimum Projects Allocations
UMdoni	126 575 751.90
Umzumbe	0.00
UMuziwabantu	3 446 644.10
Ray Nkonyeni	62 725 404
Whole of the District	20 000 000

Source: Ugu District Municipality Draft Budget, 2021

N.B., It means that in each LM there must be project(s) funded by MIG at minimum amounted to the amounts above, to be implemented during 2018/2019 financial year. In order to ensure efficient operations in respect of water and sanitation provision, the PMU must transfer all completed projects to Operations and Maintenance Unit of which such unit must have clear Operations and Maintenance Plan(s) for all completed projects.

6.1.3.3 Water Services Infrastructure Grant (WSIG)

The WSIG allocation for 2021/2022 financial year will be R72 350 000. This means that the projects to be implemented during 2021/2022 financial year must be limited to annual allocation of R72,350,000. The amount of R72,350,000 must equate to the service providers appointed as well. Therefore, no commitment exceeding R72,350,000 must take place. The Project Management Unit must follow the same as MIG projects above in managing projects implemented using WSIG. Also, Operations and Maintenance Unit must have a clear Operations and Maintenance Plan(s) for completed projects to ensure efficiency in water and sanitation provision. The 2022 Division of Revenue Bill as approved by

Parliament together with the National Budget has broken down the WSIG allocation to uGu District Municipality to be utilised or spent at minimum per Local Municipality as follows for 2021/2022 financial year:

Table 92: WSIG Allocation per LM

Municipality	Minimum Projects Allocations
UMdoni	2 000 000
Umzumbe	0.00
UMuziwabantu	0.00
Ray Nkonyeni	23 000 000
Whole of the District	47 350 000

Source: Ugu District Municipality Draft Budget, 2022

N.B. At least each LM must have a project(s) implemented during 2021/2022 financial year under WSIG at minimum amounts per schedule above.

6.1.3.4 Expanded Public Works Programme Targets

In terms of 2018 Division of Revenue Bill as approved by Parliament together with the National Budget, uGu has been allocated a target of 1,058 employments through EPWP.

6.1.3.5 Capital Projects Funded by Internal Revenue

Looking at the current financial situation of the municipality it is most unlikely that the municipality will be able to fund any capital project during 2021 / 2022 from internal revenue. Therefore, it is advisable that all capital projects must be funded only by allocated Capital Grants due to spending pressures facing the municipality.

6.1.4 Operating Expenditure Budget 2018 / 2019 – 2020 / 2021

Table 93 gives a brief overview of the 2018 / 2019 – 2023/ 2024 operating expenditure budget.

Table 93: Operating Expenditure Budget

Description	2018/2019	2019/2020	2020/2021	2021/22	2022/23	2023/2024
Employee Related Costs	R 356 742 873.16	R 375 650 245.44	R 395 559 708.45	R 391 315 705	R412 838 069	R 435 544 162
Remuneration of Councillors	R 11 508 644.67	R 12 118 602.84	R 12 760 888.79	R 10 663 937	R 11 410 413	R 12 209 142

Debt Impairment	R 3 159 000.00	R 3 326 427.00	R 3 502 727.63	R 12 458 000	R 13 080 900	R 13 735 945
Depreciation and Asset Impairment	R 85 462 491.00	R 89 992 003.02	R 94 761 579.18	R220 000 00	R 209 000 000	R 198 550 000
Finance Charges	R 15 654 318.44	R 16 483 997.32	R 17 357 649.18	R 12 458 000	R 13 080 900	R 13 734 945
Bulk Purchases	R 79 000 000.00	R 83 187 000.00	R 87 595 911.00	R 140 322 581	R 147 338 710	R 154 705 645
Other Materials	R 17 427 953.61	R 18 351 635.15	R 19 324 271.81	R 4 732 146.86	R 4 968 754.20	R 5 217 191.91
Contracted Services	R 105 266 947.61	R 110 846 095.83	R 116 720 938.91	R 153 752 612	R 161 440 242.60	R 169 512 254.73
Transfers and Subsidies	R 19 280 430.00	R 20 302 292.79	R 21 378 314.30	R 20 069 649	R 21 073 131	R 22 126 788
Other Expenditure	R 107 717 939.23	R 113 426 990.01	R 119 438 620.48	R 252 480 273.58	R 265 104 287.26	R 278 359 501.62
Total Operating Expenditure	R 801 220 597.72	R 843 685 289.40	R 888 400 609.73	R1 020 252 904.44	R 1 259 335 407.06	R 1 303 695 575.26

Source: Ugu District Municipality Draft Budget, 2021

6.1.4.1 Employee Related Costs (including councillor allowances)

The Salary and Wage Collective Agreement for the period 01 July 2021 to 31 June 2022 is yet to be concluded. The process is under consultation, therefore in the absence of other information from South African Local Government Bargaining Council (SALGBC) communication will be provided at a later stage. However, the municipality must make budget allocation for the increment in 2021 / 2022 financial year.

N.B. Therefore, the salary and wages increment is proposed at 5.5% in 2021 / 2022 financial year. The increment of 5.5% is based on the following:

Table 94: Proposed Salary and Wage Increment

Basis	%
Forecasted CPI per Macroeconomic Performance	4.2%
Assumed Adjusting Factor during negotiation processes	1.3%
Proposed Increment	5.5%

Source: Ugu District Municipality Draft Budget, 2021

The proposed increment of 5.5% is based on both Employees, Section 54/56 Employees and Councillors.

6.1.4.1.1 Employees Salary Budget

The employees' salary and wages for the 2021 / 2022 financial year is R 391 315 705 as reflected in Table 6.1.4.1.1.1 below. The employees' salary and wage budget take about 95.34% of internal revenue of the municipality. The municipality will be engaging different strategies to bring the salary and wage budget down such as:

- Re-engineering of the organisational process (e.g. combining some units, freezing of some positions if they become vacant);
- Reduction of excessive overtime and S&T Travelling claims;
- Reduction of the excessive acting of employees to high positions;
- Elimination of the acting of employees on unfunded positions etc.

Table 95: Employee Salary Budget

Description	Monthly 2020/21	2018 / 19 Budget	2019/20	2020/21	2021/22	2022/23
Gross Actual Current Employees – Cost of warm bodies per payroll for the month of May 2021 as a base	R 27 017 683.30	R 324 212 199.60	R 375 650 245.44	R 395 559 708.45	R 391 315 705	R 412 838 069
Proposed Increment of 5.5%		R 28 530 673.56	R 20 660 763.48	R 20 105 783.96	R 21 522 363.78	R 22 706 093.8
Filling of Critical Vacant Posts from Organogram		R 2 500 000.00				
Total		R 356 742 873.16				

Source: Ugu District Municipality Draft Budget, 2021

6.1.4.1.2 Councillors Remuneration and Traditional Leaders

The Councillors and Traditional Leaders remuneration for the 2021 / 2022 financial year amounts to R 11 508 644.67 as reflected in Table 96 below.

Table 96: Councillors and Traditional Leaders Remuneration

Description	Monthly 2020/21	2018 / 19 Budget	2019/20	2020/21	2021/22	2022/23
Gross Actual Current Employees – Cost of warm bodies per payroll for the month of March 2018 as a base	R 650 251.43	R 7 803 017.16	R 12 760 888.79	R 10 663 937	R 11 410 413	R 12 760 888.79
Proposed Increment of 5.5%		R 686 665.51	R701 848.88	R586 516.54	R627 572.72	R701 848.88
Filling of Deputy Mayor Vacancy		R 938 962.00				
Sitting Allowance for Traditional Leaders						
Tools of Traditional Leaders		R 80 000.00				
Travelling Claims for Councillors		R 200 000.00				
Total		R 11 508 644.67	R13 462 737.67	R11 250 453.54	R12 037 985.72	R13 462 737.67

Source: Ugu District Municipality Draft Budget, 2021

6.1.4.2 Other Expenditure

Table 97 provides a summary of other operation expenditure of the municipality.

Table 97: Other Operational Expenditure

Expenditure Description	2018 / 2019	2019/20	2020/21	2021/22	2022/23
Youth Development Programme	R 1 870 496.00	R0.00	R 100 000	R 107 000	R 114 490
Rights of a Child	R 210 795.00	R 200 000	R 10 000	R 10 700	R 11 449
Gender Programmes	R 539 096.00	R 200 000	R 30 000	R32 100	R 34 347
Elderly	R 98 670.00	R 0.00	R 20 000	R 21 400	R 22 898
People Living with Disability	R 448 500.00	R150 000	R 30 000	R32 100	R 34 347
HIV / AIDS	R 457 470.00	R150 000	R 30 000	R32 100	R 34 347

Sports and Recreation Programmes	R 5 249 677.00	R 0.00	R 0.00	R 0.00	R 0.00
Poverty Alleviation Programme (i.e. EPWP)	R 9 345 495.00	R 250 000	R 800 000	R 856 000	R 915 920
Community Initiatives Support	R 448 500.00	R 0.00	R 0.00	R 0.00	R 0.00
Public Participation	R 2 500 000.00		R 100 000	R 107 000	R 114 490
SMME Development Support	R 500 000.00	R 20 000	R 200 000	R 210 000	R 220 500
Cooperatives Development Support	R 500 000.00	R 70 000	R 100 000	R 105 000	R 110 250
Mayoral Bursaries	R 500 000.00	R 0.00	R 0.00	R 0.00	R 0.00
Community Skills Development	R 8 500 000.00	R 0.00	R 0.00	R 0.00	R 0.00

Source: Ugu District Municipality Draft Budget, 2021

6.1.5 Capital Budget 2021 / 2022

The 2018 / 2019 Capital Budget amounts to R 314 000 000.00 as reflected in Table 98 below.

Table 98: Capital Budget

Municipality	Minimum Funded Projects	MIG	Minimum Funded Projects	WSIG	Total Capital Projects
Umdoni	R 126 575 751.90		R 2 000 000		R 128 55 751.90
Umzumbe	R 0.00		R 0.00		R 0.00
Umuziwabantu	R 3 446 644.10		R 0.00		R 3 446 644.10
Ray Nkonyeni	R 62 725 404		R 23 000 000		R 85 726 404
Whole of the District	R 20 000 000		R 47 350 000		R 62 350 000
Total 2021 / 2022 Allocation	R 212 747 800		R 72 350 000		R 285 097 800
Plus, PMU fees limited to a Maximum of 5%	R 42 776 200				R 42 776 200
Grand Total Grants Funded	R 255 524 000		R 72 350 000		R 327 874 000
Capital Expenditure Internally Funded					R 48 450 000
Total Capital Budget	R 255 524 000		R 72 350 000		R 376 324 000

Source: Ugu District Municipality Draft Budget, 2021

6.2 Five-Year Financial Plan

The five-year financial plan is prepared in terms of Section 26 (h) of the Local Government: Municipal Systems Act and Planning and Performance Regulations 2001, which stipulates that a financial plan must be prepared as part of the Integrated Development Plan (IDP). The financial plan includes an Operating Budget, a Capital Investment

Programme, and the Sources of Funding for the Capital Investment Programme, financial strategies and programmes, various financial management policies adopted by Council, key financial targets, key performance indicators, and a budget according to the IDP priorities. The 2017 / 2018 – 2021 / 2022 Financial Plan is attached as Annexure 9

CHAPTER 7: ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

The Ugu District Municipality adopts a reviewed Performance Management Policy and Procedural Framework annually for the purpose of ensuring proper planning, implementation, monitoring and evaluation of performance management within the municipality. The policy also outlines the structural processes of accountability. The policy aims at ensuring improvement in the Organisational and Individual Performance Management system of Ugu District Municipality, which eventually would contribute to improving effectiveness and efficiency of the municipality in terms of delivering services to the community.

The municipality has merged OPMS and SDBIP processes to ensure consistent alignment in the implementation. This is in line with the legislation as the Municipal Systems Act (MSA), 2000

requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP). **The 2020 / 2021 Scorecards and SDBIP are attached as Annexure 14.**

Performance Management Cycle

The Standard Operating and Procedure (SOP) Manual encompasses planning, implementation, monitoring and evaluation and incorporates the alignment of an organisational performance management system with an individual performance system is illustrated in the diagram below.

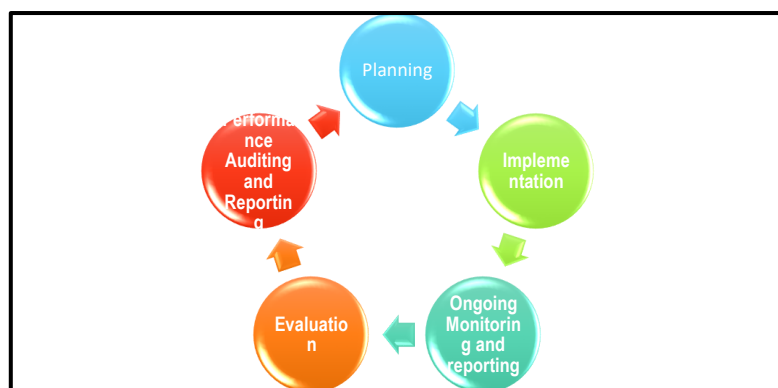


Figure 58: Performance Management Cycle

7.1 Organisational Performance Management System

The implementation of OPMS involved four main tasks which are namely:

- Creation of the Organisational Scorecard;
- Preparation of Service Delivery Budget Implementation Plan;
- Preparation of the Annual Performance Plans, Performance Agreements and Personal Development Plans for the Municipal Manager and the Managers that report to the Municipal Manager; and
- Compilation of Portfolios of Evidence.

The first step is concerned with the creation of the Organisational Scorecard which is the log-frame template that includes:

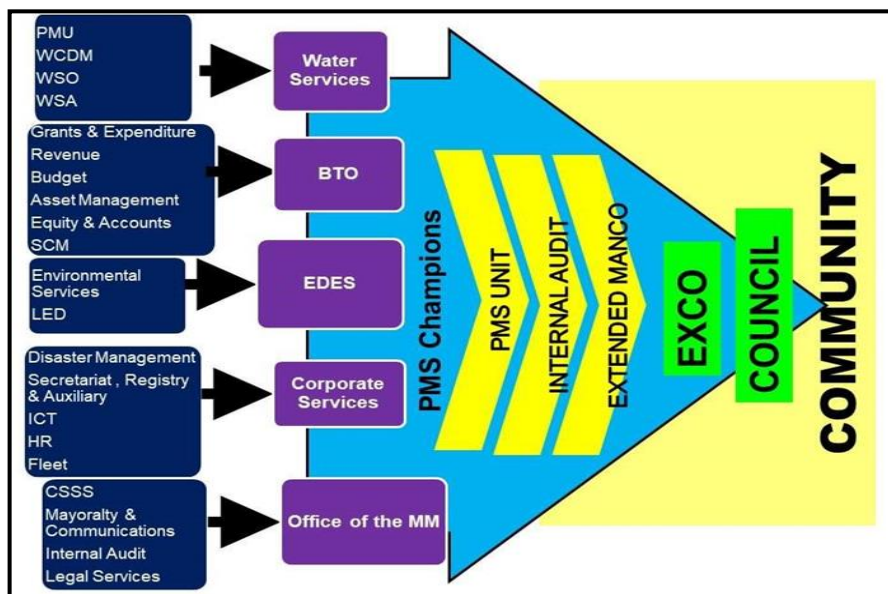
- A unique consecutive number for each Performance Measure/ Indicator.
- National Key Performance Areas (KPA).
- Strategic Objectives per KPA.
- Measurable Objective (s)/ Output (s) per Strategic Objective.
- Performance Measure (s)/ Indicator (s) per Measurable Objective/ Output.
- Demand data (Number of households requiring the service).
- Baseline data (The status quo at the start of the year).
- Backlog data (Demand minus baseline).
- Quarterly targets for the backlog that will be addressed in the year under review.
- The Department that is responsible for the output.
- The estimated financial implication.
- The Wards that will benefit from the services delivered.

The scorecard is used to monitor the performance of the Municipality and is used to cascade responsibility down to the Municipal Manager and Managers accountable to the Municipal Manager who prepare more detailed implementation plans in the form of the SDBIP and Performance Plan which also informs their Performance Agreements. Steps involved with the Preparation of S57 Managers' Performance Agreements; Annual Performance Plans & Personal Development Plans are:

1. Step 1: Preparation of the Municipal Manager and Managers accountable to the Municipal Managers' Performance Agreements.
2. Step 2: Preparation of the Municipal Manager, Managers accountable to the Municipal Managers' Annual Performance Plans
3. Step 3: Preparation of the Municipal Manager and Managers accountable to the Municipal Managers' Personal Development Plans.

The fourth and last step is the compilation of Portfolio of Evidence which is concerned with the verification of all the information supplied. The time frames and summary of the tasks involved in the implementation of OPMS in the Ugu District Municipality is illustrated in Figure 59. The reporting process commences from a departmental level from where it flows to the strategic level, political level and on to the community, the users of the services. The entire process is driven by the PMS unit in the

Figure 59: PMS Structure



Office of the Municipal Manager and coordinated in co-operation with the PMS Champions in each Department.

7.1.1 Departmental Level

The reporting initiated at the section / unit level and flows all the way to the organisational level as each month of the financial year a sectional meeting is held in all the departments where the supervisors / officers' report to their respective Managers who then submit a consolidated section report to their respective General Managers of departments. The Managers submit their reports and give monthly progress on the implementation of their set objectives on their performance contracts at departmental meetings which are also held on a monthly basis. The General Managers then consolidate the sections' reports into the Departmental Report. At this point, the General Managers work with the PMS champions at their department to coordinate the compilation of portfolio of evidence files. The General Managers submit reports, which include recommendations, to the relevant portfolio committees on a monthly basis. On a quarterly basis, the General Manager consolidates the monthly reports into a quarterly report and together with the PMS champions compiles the POE file and submits to the PMS unit by the 05th of the first month after the end of each quarter.

7.1.2 Strategic / Organisational Level

The PMS unit on receipt of departments' quarterly performance reports scrutinizes the reports and consolidates them into the organizational performance report accompanied by the POE files. The PMS unit then sends the reports together with the POE files to the internal audit unit for auditing no later than the 10th of the first month after the end of each quarter. Once the PMS receives feedback from the internal audit unit, it channels the comments to the right departments through the PMS Champion and once there is an agreement between the departments and the PMS unit regarding the report, it is then

sent to the Accounting Officer for interrogation and scrutiny. The Accounting Officer uses the MANCO and Extended MANCO for this purpose, which doubles up as a pre-quarterly review session. Once the reports and POEs are audited vigorously, MANCO interrogates the quarterly organisational performance report. In the process members of the MANCO concentrate on monitoring progress towards the achievement of performance targets and KPIs. After this is done recommendations are formulated which are aimed at taking corrective action if necessary. Before the 30th of every month after the end of each quarter, the quarterly review session is then held which includes the Extended MANCO, the PMS champions and the EXCO.

7.1.3 Political Level

In the quarterly performance review sessions, the quarterly performance reports are evaluated critically by the EXCO members. This evaluation is aimed at determining to what extent the performance targets and KPIs are positively impacting on the development objectives. Recommendations are then formulated around corrective actions in this regard if necessary. The quarterly municipal performance report, together with recommendations, is then forwarded to the council.

7.2 Service Delivery and Budget Implementation Plan

The SDBIP facilitates the process of holding management accountable for their performance. It provides the basis for measuring performance in the delivery of services.

7.2.1 Legislative Mandates

The SDBIP is essentially the management and implementation tool which sets in-year information, such as quarterly service delivery targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services and the inputs and financial resources to be used (MFMA Circular 13).

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.

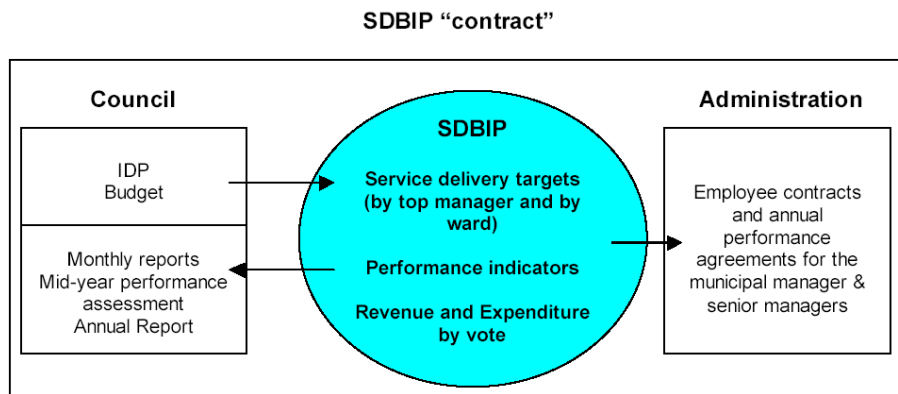


Figure 60: SDBIP-IDP Link

Source: MFMA Circular No. 13, 2005

The SDBIP is a layered plan, with the top layer dealing with consolidated service delivery targets and linking these targets to management. The next layer will detail each output and activities for each output that are linked to middle and junior management. Much of this detail will be included in Performance Plans. The top layer cannot be revised without Council's approval of an adjustments budget; however, the lower level can be continually revised.

The SDBIP is an implementation plan approved by the Mayor and not Council, after Council has approved the budget. The Ugu District used the five (5) components as proposed by National Treasury for the SDBIP, which are:

- Ward Information.
- Monthly projections of revenue to be collected by source.
- Quarterly projections of service delivery targets and performance indicators for each Vote.
- Monthly projections of operating and capital expenditure and revenue for each Vote.

Detailed capital works plan broken down by Ward over three (3) years

7.2.2 Monitoring Performance

In terms of monitoring performance, the PMS engages in three main tasks which are:

- Measuring Performance.
- Compilation of Quarterly Performance Reports at a Departmental level;
- Compilation of Consolidated Quarterly, Half-Yearly and Annual Performance Reports at a Municipal level

Municipal Managers and Managers accountable to the Municipal Manager are responsible for Quarterly Performance Reports at a Departmental level. These reports are submitted to officials responsible for Organisational Performance Management Systems and Individual Performance Management Systems. The individual's performance is monitored throughout the financial year. The Departmental Performance Reports will be consolidated to represent the Municipal Performance Reports and monitoring will be performed against the targets set in the Organisational Scorecard.

In compiling the Municipal Performance Report, the departmental management and the Municipal MANCO team should evaluate the effectiveness of current programmes and strategies for delivery in order to determine whether they are on track for delivering the desired outcomes. Key characteristics include:

- Keeps track, oversight, analyses, and documents progress.
- Focuses on inputs, activities, outputs, implementation processes, continued relevance, likely results at outcome level.
- Answers what activities were implemented, and results achieved.
- Alerts managers to problems and provides options for corrective actions.
- Self-assessment by programme Managers, Supervisors, community stakeholders, and donors.

7.2.3 Performance Evaluation

Performance evaluation involves three main tasks which are:

- Define Evaluation Objectives
- Review Information Collected during Monitoring
- Document Findings and Formulate Recommendations

Evaluation is a periodic, in-depth analysis of programme performance. It relies on data generated through monitoring activities as well as information obtained from other sources (e.g., studies, research, in-depth interviews, focus group discussions, surveys etc.). Evaluations are often (but not always) conducted with the assistance of external evaluators. Section 47 of the Municipal Systems Act requires the MEC responsible for Local Government to submit an Annual Report on the performance of municipalities in the province to the Provincial Legislature, the Minister responsible for Local Government and the National Council for Provinces. In order to comply with this requirement, all municipalities are required to submit Annual Performance Reports to the MEC. Key characteristics include:

- A Periodic assessment at important milestones such as the Half- Yearly and Annual Performance Reports or a Five-Year Review.
- In-depth analysis compares planned to actual achievements.
- Focuses on outputs in relation to inputs, results in relation to cost, processes used to achieve results, overall relevance, impact, and sustainability.

- Answers why and how results were achieved. Contributes to building theories and models for change.
- Provides Managers with strategy and policy options.
- Internal and/or external analysis by programme Managers, Supervisors, community stakeholders, donors, and/or external evaluators.

The core evaluation concerns to assess programme performance are:

- **Relevance:** Does the programme continue to meet our needs?
- **Effectiveness:** Are we achieving the desired results?
- **Efficiency:** Are the results cost-effective?
- **Outcome:** Does it have an impact in the community?
- **Sustainability:** Can the results be sustained after withdrawing support?
- **Alternative Strategies:** Are there better alternatives to achieve the desired results?

So, in essence, although organizational and individual performance management are linked, as the latter cannot be meaningfully developed without the former, it is important to manage these two fields of performance management as two separate systems. Once organizational objectives (Integrated Development Plan) and targets have been set for the Municipality, municipal department's and sections, it is possible to cascade them down to individuals within the sections through the use of individual performance plans. In turn, the achievement of individual, section and municipal department objective, contribute towards the achieving the overall objectives of the Integrated Development Plan.

CHAPTER 8: ANNEXURES

Table 8.1: Ugu District Status Quo of Sector Plans

Table 99: Annexures

N o.	Sector Plan	Completed?	Adopted?	Adoption Date	Next Review
1	Agricultural Plan	Yes	Yes	June 2018	June 2019
2	Air Quality Management Plan	Yes	Yes	Sept 2018	Sept 2019
3	Anti-Fraud & Anti-Corruption Strategy	Yes	Yes	March 2019	March 2020
4	Business Continuity Plan	Yes	Yes	June 2018	June 2020
5	Capital Investment Plan	No	No	June 2018	June 2019
6	Coastal Zone Management Plan (CZMP)	Yes	Yes	June 2018	June 2019
7	Communication Strategy	Yes	Yes	June 2018	June 2019
8	Disaster Management Plan	Yes	Yes	June 2017	March 2021
9	District Fire Safety Plan	Yes	Yes	June 2018	June 2021
10	District Growth and Development Strategy	Yes	No	June 2018	June 2019
11	Fire and Rescue Strategy	Yes	Yes	June 2018	June 2021
12	Employment Equity Plan	Yes	Yes	Next FY	June 2019
13	Energy Master Plan (Electricity Master Plan)	No	No	N/A	N/A
14	Environmental Management Framework	Yes	No	June 2018	June 2020
15	Five Year Financial Management Plan	Yes	Yes	May 2018	May 2019
16	Fraud Prevention Strategy	Yes	Yes	Sept 2018	Sept 2019
17	Fraud Response Plan	Yes	Yes	Sept 2018	Sept 2019
18	Human Resource Development Strategy	Yes	Yes	Dec 2014	Dec 2019
19	Human Resource Plan	Yes	Yes	22 Nov 2016	Nov 2019
20	ICT Disaster Recovery Plan	Yes	Yes	26 March 2020	March 2021

2 1	ICT Strategy	Yes	Yes	30 October 2020	August 2021
2 2	IDP Process Plan/ IDP Framework Plan	Yes	Yes	August 2020	Aug 2021
2 3	Integrated Waste Management Plan	Yes	Yes	Oct 2018	Oct 2019
2 4	Land Use Management Framework (LUMF)	Yes	Yes	June 2018	June 2019
2 5	Litigation Risk Management Strategy	Yes	Yes	23 Mar 2018	March 2019
2 6	Local Economic Development Strategy	Yes	Yes	June 2018	June 2019
2 7	Organizational Performance Management Plan	Yes	Yes	July 2018	July 2021
2 8	Public Participation Strategy	Yes	Yes	26 Jan 2017	N/A
2 9	Integrated Transport Plan (ITP)	Yes	Yes	June 2006	June 2019
3 0	Service Delivery and Budget Implementation Plan	Yes	Yes	24 June 2020	28 April 2021
3 1	Spatial Development Framework	Yes	Yes	28 May 2020	June 2021
3 2	Water Services and Sanitation Master Plan	Yes	Yes	June 2006	June 2021
3 3	Water Services Development Plan	Yes	Yes	2020	2019
3 4	Workplace Skills Plan	Yes	Yes	22 Feb 2018	Feb 2019

Source: Ugu DM, 2021

Table 100: Ugu District Policy Schedule

N o.	Policy	Completed?	Adopted?	Adoption Date	Next Review
1	Applications User Management Policy	Yes	Yes	30 October 2020	October 2021
2	Asset Disposal Policy	Yes	Yes	26 July 2017	May 2019
3	Asset Management Policy	Yes	Yes	26 July 2017	May 2019

4	Basic Water Services Policy	Yes	Yes	24 May 2018	May 2019
5	Borrowing Policy	Yes	Yes	30 July 2015	June 2020
6	BTS Policy	Yes	Yes	27 Nov 2014	June 2020
7	Budget Policy	Yes	Yes	24 May 2018	May 2019
8	Bursary Policy	Yes	Yes	27 Feb 2014	June 2020
9	Car Allowance Policy	Yes	Yes	29 Oct 2015	June 2020
10	Cash and Investment Policy	Yes	Yes	30 July 2015	June 2020
11	Corporate ICT Governance Framework	Yes	Yes	30 October 2020	August 2021
12	Death of Staff Member Policy	Yes	Yes	30 May 2013	June 2020
13	Emerging Contractors Policy	Yes	Yes	June 2018	June 2020
14	Facilities Management Policy	Yes	Yes	23 Mar 2017	30 March 2019
15	Fixed Asset Management Policy	Yes	Yes	24 May 2018	May 2019
16	Fleet Management Policy	Yes	Yes	25 Nov 2015	June 2021
17	Funding and Reserves Policy	Yes	Yes	30 July 2015	June 2019
18	Geographic Information Systems Policy	Yes	Yes	28 May 2020	June 2021
19	ICT Governance Charter	Yes	Yes	30 October 2020	August 2021
20	ICT Operations Policy	Yes	Yes	30 October 2020	October 2021
21	ICT Security Policy	Yes	Yes	30 October 2020	October 2021
22	ICT User Management Policy	Yes	Yes	30 October 2020	October 2021
23	Illegal Connections Policy	Yes	Yes	25 Sept 2015	June 2020

24	Incentives and Rewards Policy	Yes	Yes	25 Sept 2014	June 2020
25	Indigent Support Policy	Yes	Yes	24 May 2018	May 2019
26	Informal Sector Policy	Yes	No	June 2018	June 2020
27	Insurance Policy and Insurance Handling Procedure	Yes	Yes	26 July 2017	June 2020
28	Irregular and Fruitless Expenditure Policy	Yes	Yes	29 Aug 2013	June 2020
29	Land Policy	Yes	Yes	27 Nov 2014	June 2021
30	Litigation Risk Management Policy and Procedure	Yes	Yes	23 Mar 2018	March 2019
31	Organisational Performance Management Systems Policy and Procedure framework	Yes	Yes	June 2018	June 2019
32	PAIA Policy and Procedure Manual	Yes	Yes	June 2018	June 2021
33	Records Management Policy	Yes	Yes	27 Nov 2014	June 2021
34	Recruitment & Selection Policy	Yes	Yes	17 June 2020	June 2021
35	Registry Procedure Manual	Yes	Yes	27 Nov 2014	June 2021
36	Risk Management Policy and Commitment Charter	Yes	Yes	23 Mar 2017	June 2020
37	Security Policy	Yes	Yes	23 Mar 2017	June 2021
38	SMME Policy	Yes	Yes	June 2018	June 2020
39	Subsistence and Travel Policy	Yes	Yes	29 May 2014	May 2019
40	Supply Chain Management Policy	Yes	Yes	Aug 2018	August 2019
41	Termination of Service Policy	Yes	Yes	June 2018	June 2020
42	Training Policy	Yes	Yes	30 May 2014	May 2020
43	Virement Policy	Yes	Yes	24 May 2018	May 2019

44	Public Participation Policy	Yes	Yes	26 September 2019	September 2021
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Source: Ugu DM, 2021

Table 101: Ugu District By-Law Schedule

No.	By-Law	Completed?	Adopted?	Adoption Date	Next Review
1	Public Health By-Laws	Yes	Yes	25 May 2017	June 2020
2	Air Quality By-Laws	Yes	Yes	Sept 2013	June 2020
3	Water and Sanitation By-Laws	Yes	Yes	17 Sep 2009	June 2020
4	Ugu District Fire and Safety By-Laws	Yes	Yes	26 Feb 2015	June 2021
5	Ugu Disaster Management By-Laws	Yes	Yes	26 Feb 2015	June 2021

Source: Ugu DM, 2021