



# **UMNGENI LOCAL MUNICIPALITY**

## **INTEGRATED DEVELOPMENT PLAN [IDP] REVIEW**

### **2023/2024**

May 23, 2023

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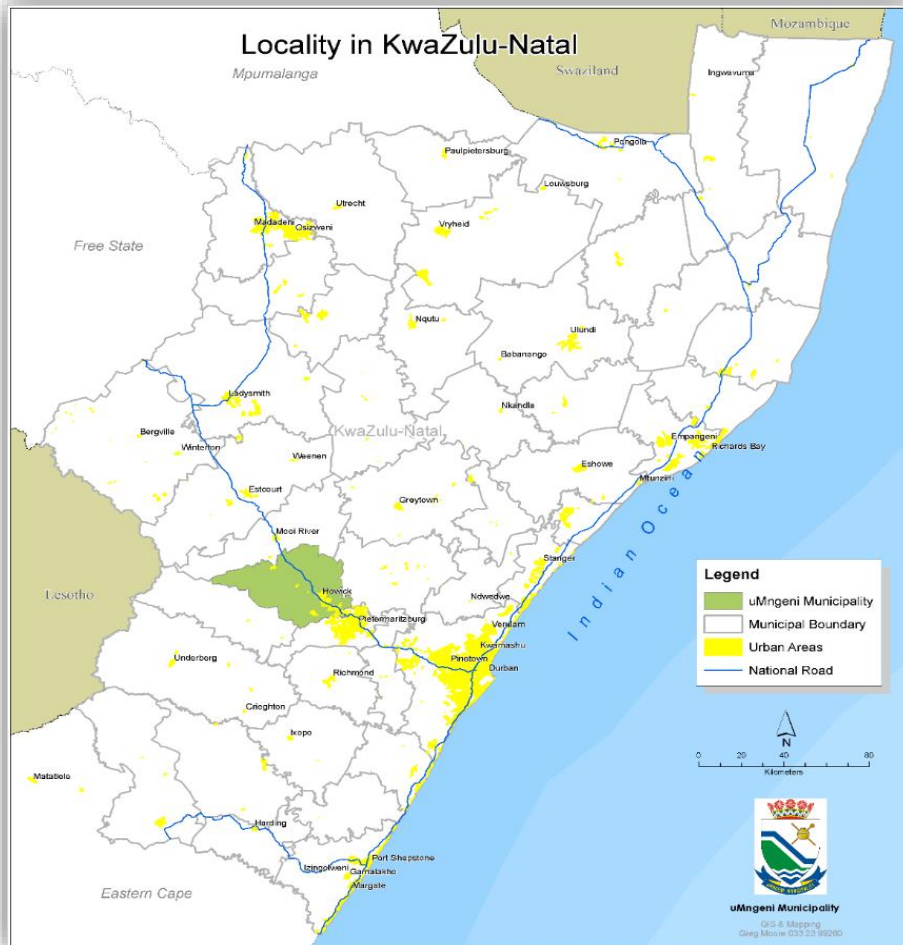
# EXECUTIVE SUMMARY

INTRODUCING UMNGENI LOCAL MUNICIPALITY



## SECTION A: EXECUTIVE SUMMARY

### WHO ARE WE?



Map 1: Locality

The uMngeni Local Municipality is an administrative area in the uMgungundlovu District of KwaZulu-Natal in South Africa. The municipality is named after the Umgeni River that runs through the municipal area. The municipality is a Category B local government organisation and one of seven municipalities that make up the uMgungundlovu District. The municipality comprises the former Transitional Local Council areas of Mpophomeni, Howick and Hilton, Worlds View Area, and a substantial amount of farmland.

It is centrally situated within uMgungundlovu District and shares a boundary with Impendle Local Municipality to the southwest, to the north and northwest is Mpofana Local Municipality and to the southeast is the Msunduzi Local Municipality which is the capital of the province and an economic hub of the district. To the east of the municipality is uMshwathi Local Municipality and to the west are the former District Management Areas of the Drakensberg that fall under the Transfrontier Development Initiative related to the World Heritage Site.

The municipality is covered by 13 wards of which 1, 2, 4, 5, 6, 7, 8, 10, 11, 12 and 13 cover the majority of Howick, Merrivale, Mpophomeni, Hilton, Cedara and Worlds View and are substantially urban in nature. The remaining wards include some urban components but are mainly rural in nature. The change in the wards structure was as a result of the 2021 ward re-demarcation which has seen the municipality gaining a new ward.

Based on the Stats SA Mid-year Population Estimates (2021), the uMngeni Municipality now has an estimated population of 120,147 people. The municipality is the third largest by population in the district of uMgungundlovu and is comprised of 51 percent females and 49 percent males. Only 30 percent of the total population have completed matric with those with a higher education at 15 percent. The working population accounts for approximately 67 percent of the total population and with an unemployment rate of 27,2 percent. The youth (15-34) unemployment rate is currently sitting at 41 percent and the lower youth unemployment (15-24) at 55.8 percent. In terms of the Independent Electoral Commission 2021 records, the municipal area has 53 547 registered voters up from 53 415 in 2019. In the 2021 local elections, the municipal area had a 57 percent voter turnout down by 11,15 percent from the 2016 local government elections.

The municipality's key economic sectors contributing to the municipal economy includes community services (30%); manufacturing (15%); finance (18%); trade (13%); agriculture (10%); transport (7%); electricity (4%) and construction (3%) respectively. Although the community services sector is the largest contributor, uMngeni has an abundance of high potential agricultural land making it ideal for further growing this economy through the forward and backward linkages of the agricultural sector to other sectors of the economy especially the manufacturing sector through agro processing. Presently, the municipality has a range of processing plants within the locality including dairy, wood, and meat processing plants.

## HOW THE PLAN AS DEVELOPED?

This plan has been developed taking into consideration the legislative mandate by municipalities as prescribed in Chapter 5 of the Municipal Systems Act whilst also utilising the COGTA IDP Framework Guide (2022). This commenced with the preparation of the IDP Process Plan which was adopted by Council on the 31 August 2022.

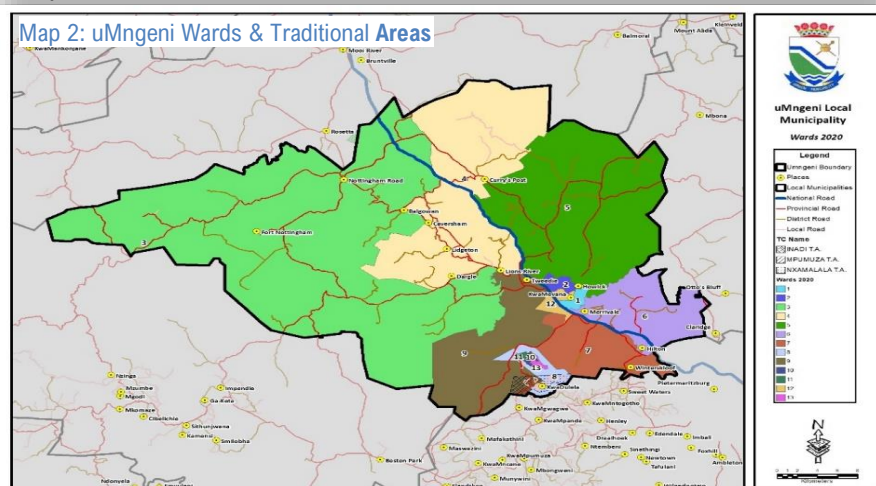
There was a strategic session which took place on the 25th – 27th January 2022 which led to the preparation of a Strategic Framework Report. This engagement facilitated by MILE included all uMngeni political office bearers from the three political parties represented in the uMngeni Council along with senior, middle management and union representatives. The Strategic Action Plan, which was the primary output of the strategic session, formed the basis for this Draft IDP's strategic approach. While not all of the initiatives in this document can be addressed realistically in the IDP, they do present Council with a framework for addressing the challenges that will help us progress.

The development of the 5th generation IDP review led by the Mayor, Cllr Chris Pappas has also included extensive engagements with various municipal stakeholders from community members to organised structures such as commercial and emerging farmers, ratepayers associations, sector departments, youth, taxi associations, NGOs etc. Councillors and their ward committees also provided important information that will assist in the prioritisation of municipal resources. A thematic approach will be used to

unpack the issues and challenges faced by these stakeholders within the municipality as it will assist in gaging key common issues that will contribute in developing a five year plan in a meaningful way. Through the IDP Representative Forum of both the local and district municipalities also engaged sector departments. This IDP Review entailed two strategic planning sessions held in December 2022 and January 2023 where the IDP was refined by political office bearers, senior administration officials and union leaders.

## NUMBER OF WARDS AND TRADITIONAL COUNCIL AREAS

The Municipality is comprised of 13 wards and four (4) Traditional Authority areas (Nxamalala, Amambuzane, Mpumuza, and Inadi TA) as illustrated in Map 2.



## KEY CHALLENGES AND OPPORTUNITIES

Table 1: Key Challenges and opportunities

KEY CHALLENGES	OPPORTUNITIES
1. Ageing Infrastructure	1. N3 Corridor
2. Poor Revenue Collection	2. Property Development
3. Electricity Theft	3. Revenue Collection
4. Organizational Inefficiencies	4. Agriculture
5. Lack of Availability of Land	5. Economic Development
6. Inequality (Social, Spatial, Economic)	6. Willing Investors
7. Political Interference	7. Leadership
8. High Unemployment Rate	
9. Ineffective Intergovernmental Relations	
10. Basic service delivery	

## WHAT COULD YOU EXPECT FROM US?

### Outputs:

- Providing basic services such as refuse removal, and electricity to residents.
- Maintaining and improving infrastructure such as roads, bridges, and public buildings.

- Collecting rates and other revenues to fund municipal operations.
- Enforcing municipal bylaws and regulations.

#### Outcomes:

- Improved quality of life for residents, including increased access to basic services and improved living conditions.
- Enhanced economic development and job creation.
- Improved environmental sustainability, such as reducing waste and promoting renewable energy.
- Increased community engagement and participation in municipal decision-making.

#### Deliverables:

- Annual reports on municipal performance, including financial reports and service delivery statistics.
- Long-term plans and strategies for improving municipal operations and service delivery.
- Budgets and spending plans that allocate resources towards key priorities.
- Public education campaigns to inform residents about municipal services, bylaws, and regulations.

### LONG TERM VISION LINKED TO THE SPATIAL DEVELOPMENT VISION IN THE SDF

A vision statement describes the organization as it would appear in a future successful state. An effective vision statement is inspirational and

aspirational for all its citizens. According to the Strategic Framework (2022), it was agreed that the current vision needs refining. A stakeholder consultation process is taking place on the new formation of the vision, the last three visions will be used as guidelines.

The spatial vision of the municipality was developed as part of the Spatial Development Framework Review and is outlined as: *“uMngeni Municipality will be characterised with spatial equity, integrated urban complex, sustained natural endowment, agriculture, and tourism.”*

### VISION AND MISSION STATEMENT

#### Vision

“By 2035, the uMngeni Municipality will be a **beacon of excellence and efficiency**, delivering **quality services, building safer communities** and **supporting sustainable socio-economic development.**”

#### Mission

“uMngeni Municipality through people focussed development will improve its skills capacity in order to deliver quality services and ensure inclusive socio-economic growth.”

### MUNICIPAL OBJECTIVES

At the Strategic Planning Session held on 19 to 20<sup>th</sup> January 2023, the uMngeni Council reaffirmed that the term of Council will be committed to

driving the following objectives in achieving its vision and mission statements:

**Objective 1 (Creating jobs and growing the economy)** - This will be accomplished by:

- Developing and implementing economic development plans and strategies that attract investment and create job opportunities.
- Supporting small medium and micro enterprises (SMMEs) by providing access to funding, training, and mentorship programmes.
- Encouraging and promoting local tourism by developing and marketing local attractions and events.

**Objective 2 (Managing waste and the environment)** - This will be accomplished by:

- Implementing waste management plans that include recycling programmes, composting and other waste reduction initiatives.
- Providing education and awareness campaigns to encourage residents and businesses to reduce waste and adopt sustainable practices.
- Implementing environmental management plans that protect and preserve natural resources, such as rivers, wetlands, and biodiversity.

**Objective 3 (Building a responsive and transparent government)** - This will be accomplished by:

- Providing accessible and user-friendly channels for communication and engagement with residents, such as online portals, social media, and public meetings.
- Ensuring accountability and transparency in decision-making processes.
- Establishing clear policies and procedures that prioritise ethical behaviour and compliance with regulations.

**Objective 4 (Building safer communities)** - This will be accomplished by:

- Establishing community policing initiatives that involve the community in crime prevention and safety.
- Improving lighting and surveillance in public spaces to deter crime.
- Providing education and training programs that focus on conflict resolution and community building.

**Objective 5 (Infrastructure development)** - This will be done by:

- Developing and implementing plans for infrastructure maintenance and improvement, such as roads, bridges, and public transportation.
- Encouraging public-private partnerships to fund and execute large-scale infrastructure projects.
- Ensuring that infrastructure plans are inclusive and take into account the needs and priorities of all community members.

## COMPETITIVE ADVANTAGES



The N3 Corridor provides easy access to the two economic hubs of South Africa, Johannesburg and Durban.



Property development in both the residential and commercial sectors is a high growth area for the municipality and provides us with revenue to improve service delivery.



The majority of our residents are loyal and provide us with consistent revenue through payment of rates and services.



The municipality has high potential agricultural land and this sector whilst the 4th largest has great potential for expansion.



Municipal leadership is blessed with a mixture of experienced and young innovative leaders who want to take the municipality to the next level.



The business environment is conducive for investment as witnessed by the increasing investment in the retail and residential sectors.



According to IHS Markit (2020), uMngeni from 2010 has had a 6,6% annual economic growth rate far exceed the national average.

## MUNICIPAL KEY PERFORMANCE AREAS

Table 2: Key Performance Areas

Key Performance Area	Overview
<b>Cross Cutting Interventions</b>	This KPA covers spatial planning, land use management, environmental conservation, and disaster management. The majority of these functions are handled by the Department of Economic Development, Planning, and Human Settlement, while disaster management is handled by the Department of Community Services and Public Safety. The Town Planning Unit is in charge of managing urban and rural land uses, developing, implementing, and reviewing SDF, LAPs, SPLUMA bylaws, and schemes, as well as enforcing and communicating with the public.
<b>Municipal Transformation and Organisational Development</b>	The functions associated with this KPA are primarily the responsibility of the Department of Administrative Support Services. These include allocating enough human capital to ensure the organization's effectiveness through recruitment, upskilling, and the development of organizational structure. The department is also in charge of Council Administration and municipal information management.
<b>Service Delivery and Infrastructure Investment</b>	The Department of Infrastructure and Public Works and Community Services and Public Safety are in charge of this KPA. On the one hand, the Department of Infrastructure & Public Works is responsible for physical infrastructure project implementation and infrastructure maintenance. The Department of Community Services and Public Safety is primarily in charge of the municipality's upkeep and maintenance, including waste management and open space maintenance.



<b>Local Economic Development and Social Development</b>	This KPA is championed by the Department of Economic Development, Planning, and Human Settlement, with the Executive Office in charge of social insures. It has a well-established LED Unit with a Manager and three (3) LED officers. The primary function of the unit is to encourage and facilitate local economic development within the municipality. This includes assisting small businesses that approach the municipality for assistance. The unit is also in charge of business licensing.
<b>Municipal Financial Viability and Management</b>	The Office of the Chief Financial Officer is in charge of this KPA (Department of Finance). The primary function of this Department is to promote sound financial management throughout the municipality. Revenue collection, expenditure management, credit control, budget preparation and implementation, and financial reporting are all part of this responsibility.
<b>Good Governance and Public Participation</b>	This KPA is the responsibility of all municipal departments, particularly the Municipal Manager's Office. Its primary responsibilities include ensuring the proper operation of Council structures, public participation, oversight, and consultation. It adheres to Batho Pele's corporate governance principles as well as the King's Report. The KPA also includes risk management and accountability for the organization.

## HOW WILL OUR PROGRESS BE MEASURED?

The municipality performance will be measured using a number of different indicators and strategic tools, including:

1. Integrated Development Plan (IDP): Municipalities are required by law to prepare and implement IDPs, which are strategic plans that

set out the municipality's development priorities and objectives. The IDP will serve as a framework for planning and decision-making, and progress towards the objectives will be measured annually.

2. Municipal Service Delivery and Budget Implementation Plan (SDBIP): This is a planning and reporting tool used by municipalities to set targets for service delivery and budget implementation, and to track progress towards these targets.
3. Municipal Audit Outcomes: The Auditor-General of South Africa audits the financial statements of municipalities and provides an annual report on the financial management and performance of each municipality. The report includes an assessment of the municipality's compliance with relevant legislation and regulations, as well as its financial performance and service delivery performance.
4. Customer satisfaction surveys: Municipality through collaboration with relevant stakeholders will conduct surveys to measure customer satisfaction with services and to identify areas for improvement.
5. Performance Scorecards: Community Scorecards are tools that allow citizens to assess the quality of municipal services and to provide feedback on their experiences. This will provide us an

opportunity to identify areas for improvement and to involve citizens in decision-making.

Overall, the measurement of municipal performance in South Africa is a multifaceted process that involves the use of multiple indicators and tools. This is to ensure that the municipality is accountable to its citizens and to encourage the delivery of quality services.





# PLANNING AND DEVELOPMENT POLICY PRIORITIES

IMPLICATIONS OF  
GOVERNMENT POLICIES ON  
US?

## SECTION B: PLANNING AND DEVELOPMENT PRINCIPLES AND GOVERNMENT POLICIES AND IMPERATIVES

This portion of the chapter offers a summary of the government policies and imperatives that must be considered by the municipality during the integrated development planning processes. In addition, the section summarizes how the municipality has handled and applied these in its jurisdiction.

### B.1 INTERNATIONAL DEVELOPMENT PRIORITIES

#### The African Union Launched Africa 2063



Agenda 2063 is Africa's blueprint and master plan for transforming Africa into the global powerhouse of the future. It is the continent's strategic framework that aims to deliver on its goal for inclusive and sustainable development and is a concrete manifestation of the Pan-African drive for unity, self-determination, freedom, progress and collective prosperity

pursued under Pan-Africanism and African Renaissance. The genesis of Agenda 2063 was the realisation by African leaders that there was a need to refocus and reprioritise Africa's agenda from the struggle against apartheid and the attainment of political independence for the continent which had been the focus of the Organisation of African Unity (OAU), the precursor of the African Union; and instead to prioritise inclusive social and economic development, continental and regional integration, democratic governance and peace and security amongst other issues aimed at repositioning Africa to becoming a dominant player in the global arena. UMngeni aims to create job opportunities through attracting new investments, growing the economy and establishing new enterprises which resonate with the Agenda 2063.

#### New Urban Agenda

The New Urban Agenda represents a shared vision for a better and more sustainable future. If well-planned and well-managed, urbanization can be a powerful tool for sustainable development for both developing and developed countries. The New Urban Agenda highlights linkages between sustainable urbanization and job creation, livelihood opportunities and improved quality of life, and it insists on incorporation of all these sectors in every urban development or renewal policy and strategy. UMngeni has a vibrant urban complex that involves Howick, Hilton and Mpophomeni as well

as small satellite emerging urban hubs such as Nottingham Road. These should be well-managed using the New Urban Agenda toolkit.

### Sustainable Development Goals (SDGs)

The SDGs are eight international development goals that all 192 United Nations member states have committed to accomplish by 2030. The SDGs seek to promote growth by improving social and economic conditions. It establishes a forum for the entire international community to collaborate against a common goal, namely ensuring that human development reaches everybody, everywhere. The SDGs emphasize three areas of human development: growing human resources, developing infrastructure, and expanding social, economic, and political rights. If these targets are fulfilled, global poverty will be minimized, lives will be saved, and people will be able to benefit from the global economy. The following SDG goals resonate with Council's development agenda:

**Goal 1: No poverty** - Ensure access to affordable, reliable, sustainable and modern energy for all.

**Goal 2: Zero hunger** – End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

**Goal 7: Affordable and clean energy** – Ensure access to affordable, reliable, sustainable and modern energy for all.

**Goal 8: Decent work and economic growth** – Promote sustainable, inclusive and economic growth, full and productive employment and decent work for all.

**Goal 9: Industry, Innovation and infrastructure** – Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

**Goal 11: Sustainable cities and communities** – Make human settlements inclusive, safe, resilient and sustainable.

**Goal 13: Climate Action** – Take urgent action to combat climate change and its impacts.

**Goal 16: Peace, Justice and Strong Institutions** – Promote peaceful and inclusive societies for sustainable development, the provision of access to justice for all, and building effective, accountable institutions at all levels.

**Goal 17: Partnerships for the goals** – Strengthen the means of implementation and revitalize the global partnership for sustainable development.



## The Paris Accord Addressing Climate Change

The Paris Agreement is a legally binding international treaty on climate change. It was adopted by 196 Parties at COP 21 in Paris, on 12 December 2015. Its goal is to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. The pact provides a pathway for developed nations to assist developing nations in their climate mitigation and adaptation efforts, and it creates a framework for the transparent monitoring, reporting, and ratcheting up of countries' individual and collective climate goals. Yet one thing that's different in 2022 than years past is that the accord now has a completed, functioning global climate treaty. The uMngeni is involved in the Central KwaZulu Natal Climate Change Compact (CKZNCC). The municipality became a signatory and participant in the Durban Adaptation Charter in October 2015 and CKZNCC. The Municipality will attempt to strategize for sustainable development that is climate change considerate.

## B.2 NATIONAL GOVERNMENT PRIORITIES

### Constitution of the Republic of South Africa Act No. 108 of 1996

According to the Constitution, a municipality has the authority to govern the local government affairs of its community on its own initiative, subject to national and provincial legislation, as specified in the Constitution. Local government's objectives are as follows: (a) to provide democratic and accountable government for local communities; (b) to ensure sustainable service delivery to communities; (c) to promote social and economic

development; (d) to promote a safe and healthy environment; and (e) to encourage community and community organization involvement in local government matters. (2) A municipality must make every effort to accomplish these goals within its financial and administrative capacity. The Constitution further states that, a municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community.

The development of this fifth generation IDP has taken into account all of the aforementioned Constitutional mandates in an effort to create an inclusive development agenda that complies with the supreme law of the land.

### Municipal Systems Act No. 32 of 2000

The Municipal Systems Act (MSA), (Act No. 32 of 2000) plays a crucial role in the preparation of IDPs; Chapter 5 of the Municipal Systems Act specifies that each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive, and strategic plan for the development of the municipality, which:

- Links, integrates and co-ordinates plans and considers proposals for the development of the municipality.
- Aligns the resources and capacity of the municipality with the implementation of the IDP.
- Forms the policy framework and general basis on which annual budgets must be based; and

- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of the legislation.

The Act also requires municipalities to review the IDP annually. By developing this IDP, uMngeni is legally complying with the MSA.

### Medium Term Strategic Framework: 2019 – 2024

The MTSF 2019-2024 aims to address the challenges of unemployment, inequality and poverty through three pillars:

- Achieving a more capable state;
- Driving a strong and inclusive economy; and
- Building and strengthening the capabilities of South Africans.

The three pillars set out above underpin the seven priorities of this strategic framework. These priorities, which will be achieved through the joint efforts of government, the private sector and civil society, are as follows:

- Priority 1: A capable, ethical and developmental state;
- Priority 2: Economic transformation and job creation;
- Priority 3: Education, skills and health;
- Priority 4: Consolidating the social wage through reliable and quality basic services;
- Priority 5: Spatial integration, human settlements and local government;

- Priority 6: Social cohesion and safe communities; and
- Priority 7: A better Africa and world.

The uMngeni short to medium term strategic objectives are aligned to Priority 1, 2, 5 and 6 of the MTSF 2019-2024.

### Breaking New Ground – Human Settlements (2011)

BNG is a comprehensive plan for the Development of Sustainable Human Settlement (BNG), which was published by the National Department of Human Settlements, provides guidelines in the provision of sustainable human settlements. It further provides for:

- Stimulating the Residential Property Market.
- Spatial Restructuring and Sustainable Human Settlements.
- Social (Medium-Density) Housing Programme.
- Informal Settlement Upgrading Programme.
- Institutional Reform and Capacity Building.
- Housing Subsidy Funding System Reforms; and
- Housing and Job Creation.

During this Council term, the municipality intends to strengthen collaboration with other levels of government, particularly the District Municipality, in order to provide bulk infrastructure that not only supports

residential property market growth, but also improves people's living conditions through the provision of social housing.

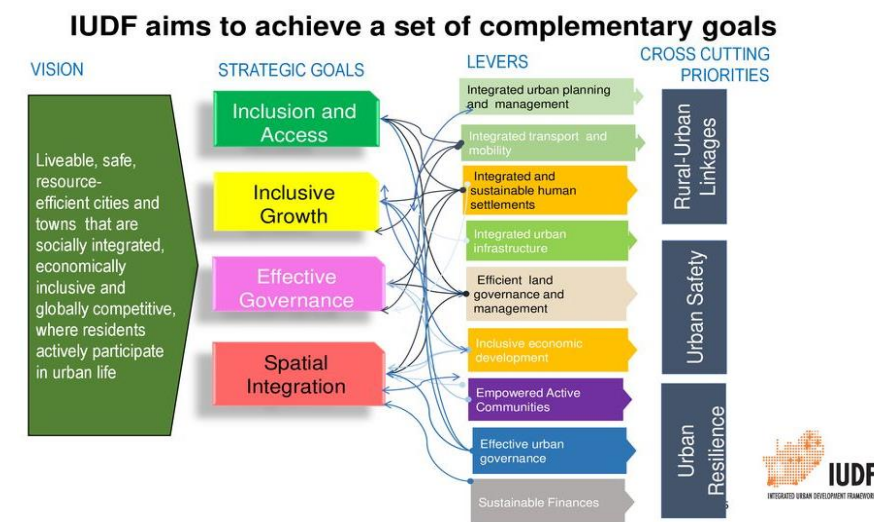
### National Land Transport Act No. 5 of 2009

The National Land Transport Act 5 of 2009 aims to provide further the process of transformation and restructuring the national land transport system initiated by the National Land Transport Transition Act, 2000 (Act No. 22 of 2000); and to provide for matters connected therewith. Furthermore, the NLTA is to provide for the transformation and restructuring of the national land transport system. The NLTA regulates and governs the transportation of passengers for reward. UMngeni is a strategically located and resourced with major arterial routes within the province which includes N3, R622 and R103.

The municipality will prioritise the development of an Integrated Transport Plan. The plan would work towards progressively implementing a municipal wide public transport network. In order to improve public transportation experience of the uMngeni residences, Council will ensure that (1) Bus shelters will be erected to keep commuters dry, and taxi ranks will be kept clean and functional by working with taxi associations to ensure that roads along critical routes are maintained, (2) The enhancement of and capacitating of the traffic department will be done to ensure that all public transportation vehicles, such as taxis, private vehicles and metered taxis, are roadworthy, (3) Attempt to subsidize public transportation for the

unemployed and aged and (4) Partnerships with taxi groups and bus companies will be formed.

### Integrated Urban Development Framework (IUDF)



The Integrated Urban Development Framework (IUDF) is a response to our urbanisation trends and the directive by the National Development Plan (NDP) to develop an urban development policy that will cater for the increasing numbers by ensuring proper planning and necessary infrastructure to support this growth. In other words, it is government's policy position to guide the future growth and management of urban areas. The vision of the IUDF is liveable safe resources sufficient cities and towns that are socially integrated, economy inclusive, and globally competitive where residents actively participate in urban life.

The framework has four strategic goals: (1) Spatial integration, (2) inclusion and access, (3) growth and (4) governance. These strategic goals are further interconnected with nine policy levers for strategic priorities, and they include integrated urban planning and management, integrated transport and mobility, integrated sustainable human settlements, integrated urban infrastructure, efficient land governance and management, inclusive economic development, empowered active communities, effective urban governance, and sustainable finances.

The IUDF responds to the post-2015 Sustainable Development Goals (SDGs), to Goal 11: Making cities and human settlements inclusive, safe, resilient, and sustainable. It also builds on various chapters of the National Development Plan (NDP) and extends Chapter 8 'Transforming human settlements and the national space economy' and its vision for urban South Africa; "By 2030 South Africa should observe meaningful and measurable progress in reviving rural areas and in creating more functionally integrated, balanced and vibrant urban settlements". For this to happen the country must:

- Clarify and relentlessly pursue a national vision for spatial development;
- Sharpen the instruments for achieving this vision;
- Build the required capabilities in the state and among citizens; and
- The IUDF's overall outcome – spatial transformation – marks a New Deal for South African cities and towns, by steering urban growth

towards a sustainable growth model of compact, connected and coordinated cities and towns.

The Municipality aims to resource its urban complexes into effective urban areas with sustainable infrastructure, human settlements and economic development.

### **Spatial Planning and Land Use Management Act No. 16 Of 2013**

SPLUMA came into effect on the 2nd of August 2013 as per Government Gazette, dated 5th of August 2013 and subsequently enacted on the 1st of July 2015. The KZN Spatial Development Framework is a plan brought about the KZN Planning Commission on the spatial analysis and desired outcome of the spatial mechanisms of the province. To achieve the goals and objectives of the PGDS, the provincial SDF has been developed to spatially express the PGDS and provide spatial context to the proposed strategic interventions.

SPLUMA requires municipalities to adopt Spatial Development Frameworks (SDF) and Land Use Schemes (LUS) and empowers them to approve applications for the rezoning and subdivision of land, township establishments, amendments, and suspension of restrictive conditions of title. The uMngeni Council will embark on a new SDF that will form part of the 5th generation IDP whilst also reviewing the Scheme. SPLUMA requires all local governments to establish a Municipal Planning Tribunal (MPT) structure, relevant delegations, and procedures to ensure compliance with the Act. UMngeni is currently a member of the Joint Municipal Planning



Tribunal within the uMgungundlovu District, but there are plans to establish an independent uMngeni Tribunal in light of the fact that the majority (approximately 70%-80%) of planning applications heard by the Tribunal emanates within our jurisdiction.

### National Development Plan Priorities

The South African Government adopted the National Development Plan with a long-term vision stretching to 2030. It aims to achieve this by growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. The primary objective of the plan is to eliminate poverty and reduce inequality by 2030. The plan contains strategies on a range of key issues including employment, infrastructure, foreign trade, education, health, housing, social protection, and safety. The NDP proposes creating 11 million jobs by 2030, which should reduce the unemployment rate to 6% by 2030. The implementation of the NDP solely depends on uMngeni Municipal IDP to unpack, align, and action the vision of the NDP. This will be done by prioritising infrastructure development, creating conducive environment for employment and providing safety spaces for our communities. The contribution to creating more job opportunities will be done through partnerships with the private sector.

### National Spatial Development Framework (2020)

According to NSDF (2020), uMngeni Municipality has been identified in the NSDF as part of the National Resource Risk Areas due to its exposure to the

critical water resources that are under severe stress. Expanding settlements poses a serious risk to the quantity and quality of the water supplied by these areas to the country as a whole. The municipality's current intervention with respect to its being identified as a water resource risk area has been to develop the Mpophomeni Nodal Plan which was funded by COGTA. Due to some unplanned growth and development in and around Mpophomeni, sewerage flow has resulted into sewage flows into the Midmar Dam which has regional importance in terms of water supply.

The purpose of this is to formalize some settlements through the development of higher-level designs that address contamination concerns while also creating a layout that protects residents' health and safety while emphasizing the township itself. Implementation of the Plan's recommendations will have to take precedence during this term of Council.



The soon to be developed 20-year long-term Spatial Development Framework (SDF), which includes the Spatial Development Plan, a five-year



implementation plan for the SDF long-term plan, will incorporate national spatial development imperatives.

### State of the Nation Address (2023)

The State of the Nation Address sets out the South African government's key policy objectives and deliverables for the year ahead, highlights achievements, flags challenges and outlines interventions to unlock development interventions for the coming financial year for all spheres of government. The following key issues were outlined by the President of the Republic:

- Building a new consensus;
- Growing the economy and jobs;
- Protecting lives and livelihoods;
- Ensuring a just transition;
- Fighting corruption;
- Making communities safer;
- Accelerating land reform;
- An employment stimulus to create jobs and support livelihoods;
- Making government work;

### Climate Change Resolution

Climate Change phenomenon, often called global warming, is caused by the release of greenhouse gases (carbon dioxide, water vapour, nitrous oxide, methane, and fluorinated gases) into the atmosphere mostly by man's activities, and to a lesser extent by volcanic eruptions. These activities include fossil burning (for energy generation), deforestation, fertilization, farming, oil drilling, waste generation, etc. The greenhouse serves as a blanket that traps heat within the atmosphere which was meant to escape to space to ensure energy balance. The effects of the trapping are called climate feedbacks. Essentially what is happening is that climate change is triggering certain changes on planet Earth that then leads to more climate change. It becomes a vicious cycle. And these feedbacks have increasingly high risk of happening the higher the temperature level is. A 1.5°C change is considered likely to stabilize the climate and limit these feedbacks. But if we see temperature levels much beyond that, it is likely we would trigger many of these feedbacks.

There will be some climate change at this point, no matter what we do. We have experienced 1.1°C of global warming already, and its associated implications. So, at 1.5°C, we could still expect to see more climate change. In terms of feedback, a loss of forest for an example would lead to more global warming because the barren land would become warmer. We need to avoid this by stabilizing the climate. And a temperature above 1.5°C, we shall lose the ability to stabilize the climate. Carbon capture is another way of managing carbon. This entails industries capturing carbon at the point where it is emitted, and then either store it underground or use it in a

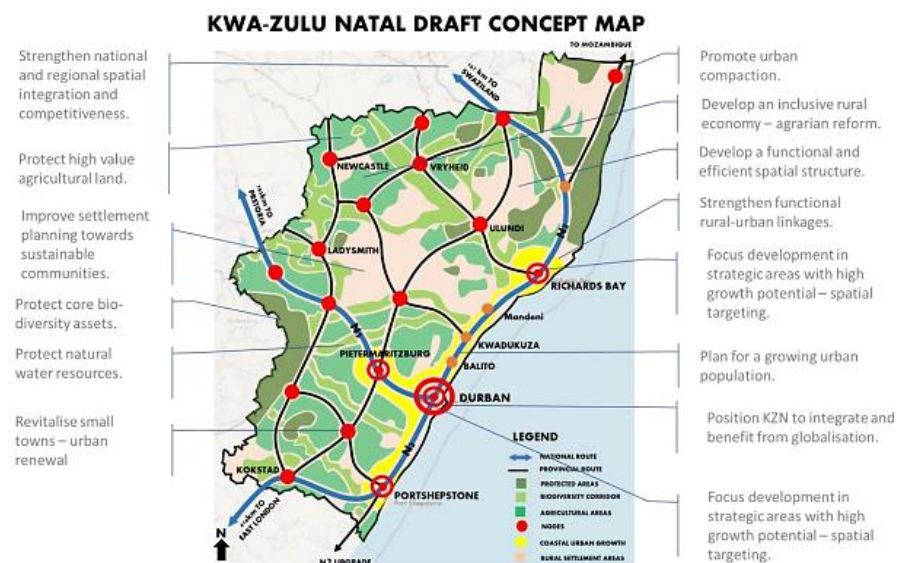
product. We also need to take CO2 out of the atmosphere. The easiest way to do that is reforestation, since plants absorb carbon. Reforestation of barren land helps mop up CO2. The resolutions that the municipality has taken include the development of a climate change response strategy which will cover the following items:

- Identification of major causes and priority impacts of climate change in uMngeni Municipality;
- Recommendations on means of addressing issues identified as priority impacts of Climate Change in uMngeni Municipality with specific reference to health, water, agriculture, energy, and tourism sectors, etc;
- Recommending tools for achieving sustainable development objectives whilst simultaneously responding to climate change impacts;
- Setting realistic climate change targets for clean energy which officials are required to report on;
- Setting realistic land care targets for protection of wetlands and catchment areas; and
- Encouraging better management of land by traditional leaders through Strengthened Intergovernmental Relations (IGR) structure with Ingonyama Trust Board (ITB).

## B.3 PROVINCIAL GOVERNMENT PRIORITIES

### KZN Spatial Development Framework

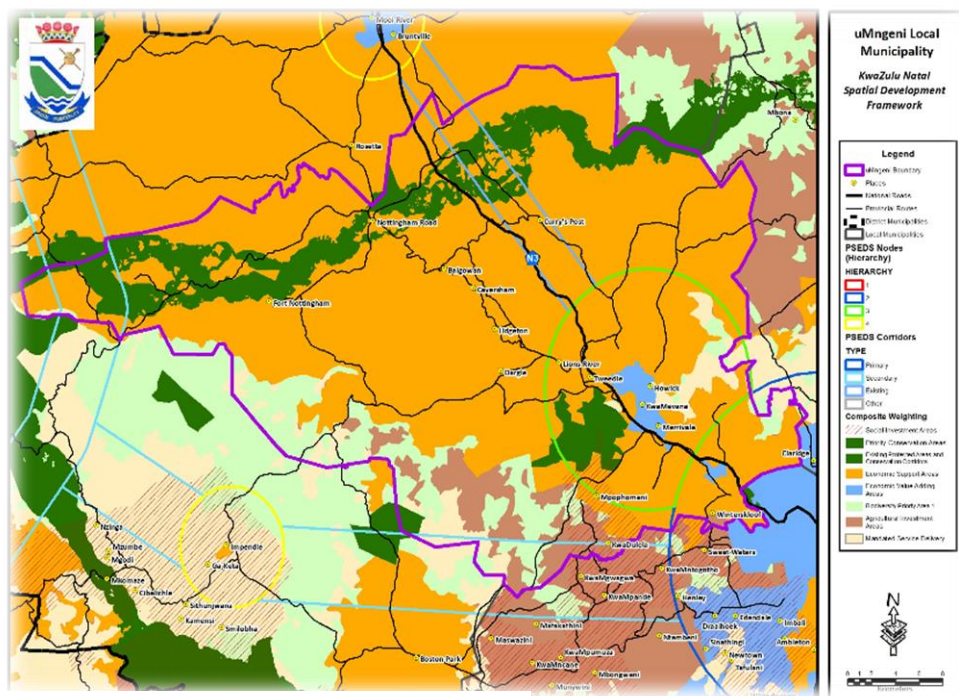
The Department of Co-operative Government and Traditional Affairs



Map 3: KZN Draft SDF

(CoGTA) is currently developing a Provincial Spatial Development Framework. This will entail the re-look and upscaling the 2016 KZN SDF. It is currently a Draft Plan with no legal status as such the 2016 KwaZulu-Natal Provincial Growth and Development Strategy (KZN PGDS) is still a relevant point of reference in terms of the spatial direction of KwaZulu-Natal (KZN) as a “Prosperous Province with a healthy, secure, and skilled population, living in dignity and harmony, acting as a gateway by 2035. However, from the concept map, uMngeni is situated where focus should be on protecting

core bio-diversity assets and the protection of natural water resources. This will require an increase in human resource allocation for land use management at the municipal level.



Map 4: KZN SDF - uMngeni

## KZN Growth and Development Strategy

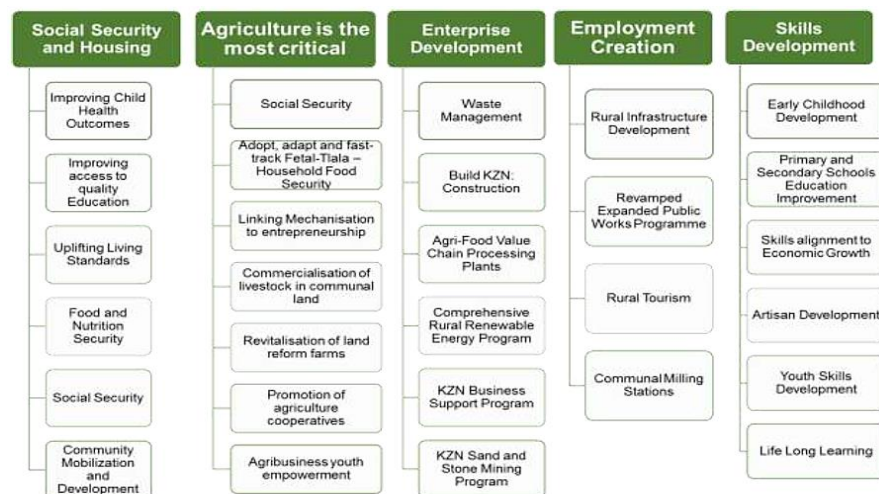


The Revised 2016 KwaZulu-Natal Provincial Growth and Development Strategy (KZN PGDS) bolsters the province's commitment to achieving the vision of KwaZulu-Natal (KZN) as a "Prosperous Province with a healthy, secure and skilled population, living in dignity and harmony, acting as a gateway to Africa and the world". The plan recognises that environmental vulnerability, social need, and economic development are not evenly distributed, and spatial disparities will always exist due to the spatial distribution of natural resources, historical imperatives, and cultural factors. The PGDS provides a long-term vision for KZN, presenting the situational overview along with the strategic analysis of the province. This strategy



focuses on sustainable growth and development through addressing social, economic, environmental, infrastructural, governance and spatial issues.

The most relevant pillars for uMngeni include the strategic goals which are inclusive economic growth, human resource development, human and community development, environmental sustainability, infrastructure development, governance and policy and spatial equity along with thirty-one objectives, of which new amendments of strategies have occurred such as to enhance spatial economic development, waste management capacity



and expand the application of green technologies to achieving this.

### Provincial Growth and Development Plan (PGDP) 2018

The Provincial Growth and Development Plan (PGDP) is the implementation framework for the PDGS and therefore has the same strategic goals. The plan develops a theory of change for the implementation of the PGDS

outlining broad actions to be undertaken and performance indicators. The PGDP framework has Action Working groups (AWGs) which are platforms for stakeholders to participate in the ongoing refinement and implementation of the PGDP. The first generation of the PGDP was first adopted in August 2012, later updated in 2015 and recently been revised 2018. The main purpose of this PGDP is to translate the PGDS into an implementation plan which will provide a sound platform for departmental, sectoral and stakeholder annual performance planning and therefore to guide resource allocation. In this transition from strategy to plan, the focus is on driving implementation in a coordinated and integrated manner, where progress can be measured against predetermined targets and where roles and responsibilities have been confirmed within established lines of accountability. The vision is aimed to be achieved by the year 2035. PGDS also underscores the general spatial intentions of the strategy and serves as provincial guiding principles which should, ideally, be pursued within all levels of spatial planning at district and local level in alignment with the provincial spatial development strategy.

### Provincial Poverty Masterplan (2014)

In 2014, the office of the Premier of KwaZulu-Natal conducted a provincial poverty masterplan. The main purpose of the plan was to identify areas that are affected by the highest level of multidimensional poverty. The plan further suggested several interventions which were grouped by five (5) pillars and twenty-nine (29) game changers. These are reflected on the figure below. Although uMngeni is not part of the municipalities that were

identified as poverty stricken but the scourge of poverty does exist in Ward 1 of uMngeni. In fact, the ward is one of the most poverty-stricken wards within uMgungundlovu District.

### **Provincial Spatial Economic Development Strategy (PSEDs) 2017**

PSEDs sets where government directs its investment and development initiatives, capitalize on complementarities, facilitate consistent, focused decision making, bring about strategic co-ordination, interaction, and alignment. The strategy recognizes the agriculture, tourism, manufacturing, and service sectors as the four key drivers of the KZN economy. The focus areas of the strategy are then mapped out showing the areas of highest existing and future development potential for each of the four-key economic drivers of the economy. According to the amended PGDS 2035, uMngeni is located on the KZN multi-sectoral route, therefore the municipality must adhere to provincial guidelines which are: (1) Strengthening governance and service delivery, (2) Economic development and job creation; (3) Integrating investment in community infrastructure; and (4) Fighting poverty and protecting vulnerable groups in society.

Howick/ Hilton/ Mpophomeni are identified as Level 3 Nodes and Nottingham Road is identified as Level 4 Node. This generally acknowledge the existing formal town with the requisite infrastructure that was developed to make the service centres or growth points within its local economy. The

National Route (N3) from Durban via uMngeni to Johannesburg is acknowledged as Existing Corridor.

- Howick Town is identified as the Value Adding Area.
- Midmar Dam is a Priority Conservation Area.
- Biodiversity Priority Area 1 are found along the Impendle Municipal Boundary.
- Economic Support Areas are identified within the farmlands of the municipality.
- The nodal areas (Howick, Mpophomeni, Nottingham Road, Fort Nottingham, Lidgetton and Dargle) are identified as Priority Intervention Area 1.
- The PSEDs further stated that additional important developmental issues within uMngeni are High Value Agriculture for Export, Battlefields and Cultural Heritage Tourism Routes, Agro-Processing incorporating Biofuels, Small Town Regeneration, Rural Service Centres, ECD Centre Development, Cultural Villages and School Greening.
- The municipality must establish a high-quality environment with associated required physical and infrastructure. The municipality ought to be committed to work with Department of Rural Development and Land Reform (DRDLR) in ensuring that Land Reform contributes to economic development and poverty alleviation, particularly in rural areas.

[illegible]

The State of the Province Address (SOPA) is a speech made by the Premier or provincial head of KwaZulu Natal annually. The event usually marks the official opening of the Provincial Parliament. The speech is delivered in front of members of the provincial executive, including the Speaker, Deputy

- Basic Services
- Job Creation
- Growing the Economy
- Growing SMMEs and Cooperative
- Education and Skills Development
- Human Settlement and sustainable livelihood
- Build a Peaceful Province
- Build a caring and incorruptible government

The Spatial Development Framework is a process through which a municipality prepares a strategic spatial development plan for a medium to long term period to facilitate effective implementation of the IDP.

May 23, 2023

funding amongst other things. The district SDF thus provides a tool to guide spatial planning and development that promotes coordination and alignment amongst the local municipalities of the district.

### **uMgungundlovu District Growth and Development Plan (DGDP)**

The uMgungundlovu District Municipality Growth and Development Plan (UMDM GDP) is intended to focus and coordinate activities of all stakeholders to attain the envisaged vision for growth and development of the district. Additionally, the intent of UMDM GDP is also directed towards assisting the district municipality to align to the Provincial Growth and Development Plan (PGDS) strategic goals and to direct long term growth and development strategy. UMDM GDP proposes a developmental vision which is divided into two separate but dependent sections. The two sections relate to prosperity and equity and is supported by 7 goals and 16 strategies. The municipality has over the years responded to the UMDM GDP goals and strategies by doing the following:

- Development of an Agricultural Sector Strategy that aims to explore the diversification of the agricultural sector while also providing key measures to promote agricultural production especially amongst emerging farmers.
- The municipality developed a Business Retention and Expansion Strategy in collaboration with TIKZN, with the aim of increasing trade and investment. However, this strategy must be implemented.
- The municipality employs citizens as part of the EPWP and CWP to increase government-led job growth.

- Promoting the alignment of skills to economic development, the municipality will need to perform a municipal skills assessment to determine the availability of skills needed by the local economy.
- In cooperation with other spheres of government, the municipality has recruited many graduates for internships over the last five years in order to promote youth ability growth.
- The municipality has made great strides in facilitating the building of sustainable human settlements through the provision of basic infrastructure and services in collaboration with all spheres of government
- The municipality has an ICT Governance Framework aimed at providing information and communications technology infrastructure to support institutional and municipal growth and development needs.
- The municipality through the town planning department has developed policies like the SDF that encourage the productive use of land whilst managing pressures on biodiversity.
- Through the Central KZN Climate Change Compact, an MOU has been prepared between uMngeni, UMDM and eThekweni Metro to assist with the climate change strategy for the municipality.
- The municipality continuously participate in all government IGR structures to ensure alignment of all government and private sector programmes.

### **District Development Model (One Plan)**

The District Development Model (DDM) is a South African government initiative aimed at improving service delivery and development planning by

aligning government departments and entities at the district level. Municipalities can align with the DDM plan by following these steps:

1. Understand the DDM: Municipalities need to have a good understanding of the DDM and how it works in their district. This involves understanding the roles and responsibilities of various government departments and entities involved in the DDM, as well as the objectives and targets of the DDM plan.
2. Participate in DDM structures: Municipalities need to actively participate in the DDM structures in their district, including the District Coordination and Implementation Committees (DCIC) and the Technical Task Teams (TTT). These structures provide a platform for different government departments and entities to work together in planning and implementing development projects.
3. Align municipal plans with the DDM: Municipalities need to align their Integrated Development Plans (IDPs) with the DDM plan. This involves identifying the priorities and objectives of the DDM plan and ensuring that these are reflected in the municipality's IDP.
4. Coordinate service delivery: Municipalities need to coordinate their service delivery efforts with other government departments and entities involved in the DDM. This includes sharing information, resources, and expertise to ensure that services are delivered efficiently and effectively.
5. Monitor and evaluate progress: Municipalities need to monitor and evaluate their progress in implementing the DDM plan. This involves tracking key performance indicators, identifying challenges and areas for improvement, and reporting on progress to the relevant DDM structures.

Overall, aligning with the DDM plan requires uMngeni to work collaboratively with other government departments and entities to ensure that development planning and service delivery are coordinated and effective. The municipality has been actively participating in the development of the uMgungundlovu One Plan.



A blue pen with a silver clip is positioned diagonally across the frame. The background is a document featuring a bar chart with several blue bars of varying heights. The overall image has a light blue, semi-transparent overlay.

# SITUATIONAL ANALYSIS

**WHERE ARE WE IN TERMS OF DEVELOPMENT?**

## SECTION C: SITUATIONAL ANALYSIS

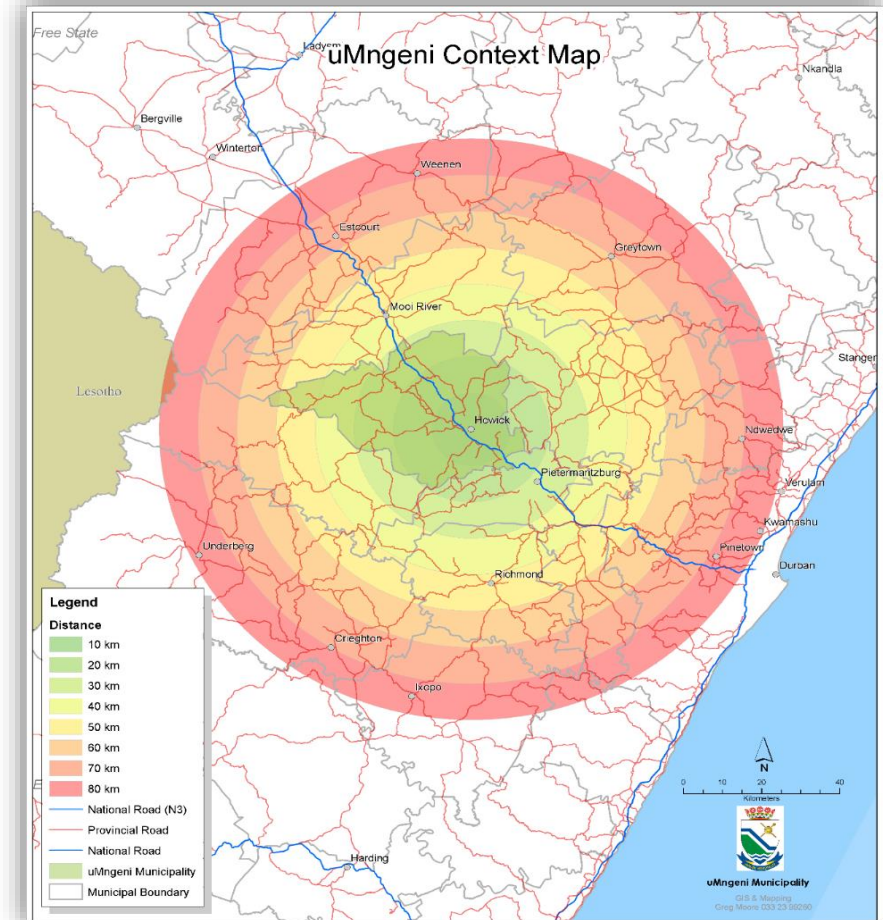
### 1. SPATIAL ANALYSIS

#### 1.1 Regional Context

The uMngeni is geographically located at the centre of KwaZulu Natal and the uMgungundlovu District region. Map 6 indicates the following in relation to the regional context of the Municipality:

- It is located within 30km from Pietermaritzburg. This is the main urban centre of uMgungundlovu District and Capital City of KwaZulu-Natal Province.
- It is located within 60km of Mooi River and Richmond towns. These are the local service centre of uMgungundlovu District.
- It is 70km away from the towns of Greytown and Estcourt. These towns are located within uMzinyathi and uThukela District Municipalities.
- The remaining notable centres which are within an 80km radius from uMngeni are Weenen, Underberg, Creighton, Ixopo, Ndwedwe and Pinetown.

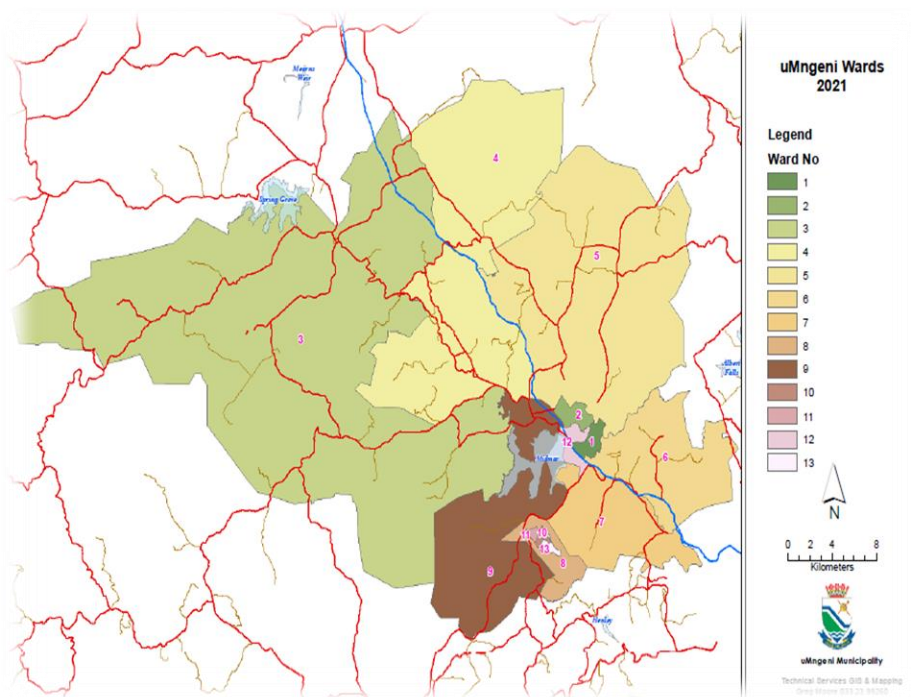
This location is advantageous to the trading opportunities for the area especially if the area capitalizes on being a manufacturing hub within the regional context. The uMngeni is the prominent agricultural region within uMgungundlovu District. This is further supported by the existence of the infrastructure such as the National (N3) Route which connects the municipal area with the national economic hubs. The Municipality is 400km away from Johannesburg and 100km away from Durban which are important economic hubs of South Africa.



Map 6: Regional Context

## 1.2 Administrative Entities

Map 8: Administrative Entities



The municipality is divided into 13 wards, with urban, semi-urban, and rural areas represented. Howick, Merrivale, Mpophomeni, Hilton, and Worlds View are urban areas; Lidgetton and Nottingham Road are semi-urban neighbourhoods; and the remainder of the municipality is rural, with the bulk of farmland being privately held. Howick is the municipality's major urban area and seat of government. Additionally, Ingonyama Trust owns various land parcels that surround Mpophomeni Township. The uMngeni Municipality includes the former Transitional Local Council areas of Howick, Hilton, Mpophomeni, Worlds View, and Nottingham Road, as well as a significant area of farmland. The municipal

territory encompasses an area of 1,564 square kilometers. It is an inland municipality with a number of significant rivers running through it. Among them is the uMngeni River.

## 1.3 Land Ownership

Land ownership within uMngeni municipal area is diverse but dominant holder of land is private. This implies that the majority of the properties are owned by individuals and private companies. Government land ownership would cover the primary dams in uMngeni i.e., Midmar, Albert Falls, Government Schools, Government Facilities and Cedara College. Adjacent to Mpophomeni are areas owned by Ingonyama Trust. Forestry companies such as Mondi own substantial areas of farmland. Some of the Mondi land holdings adjacent to the N3 in Hilton have been earmarked for substantial urban development which will boost the economy of the area.

### 1.3.1 Municipal Owned Land

The land owned by uMngeni Municipality includes residential, public open spaces, industrial, commercial, and other uses. The majority of the Municipality's land is residential, accounting for 56 percent of the total. Slow delivery of housing projects and opportunistic members exploiting idle land have resulted in significant land invasions in the municipality. In order to address the key of lack of availability of land, the municipality has developed strategies to address this which includes possibilities of disposing land for self-build by communities.



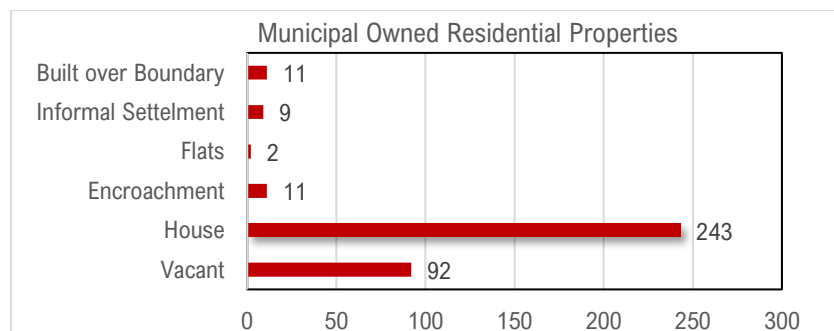
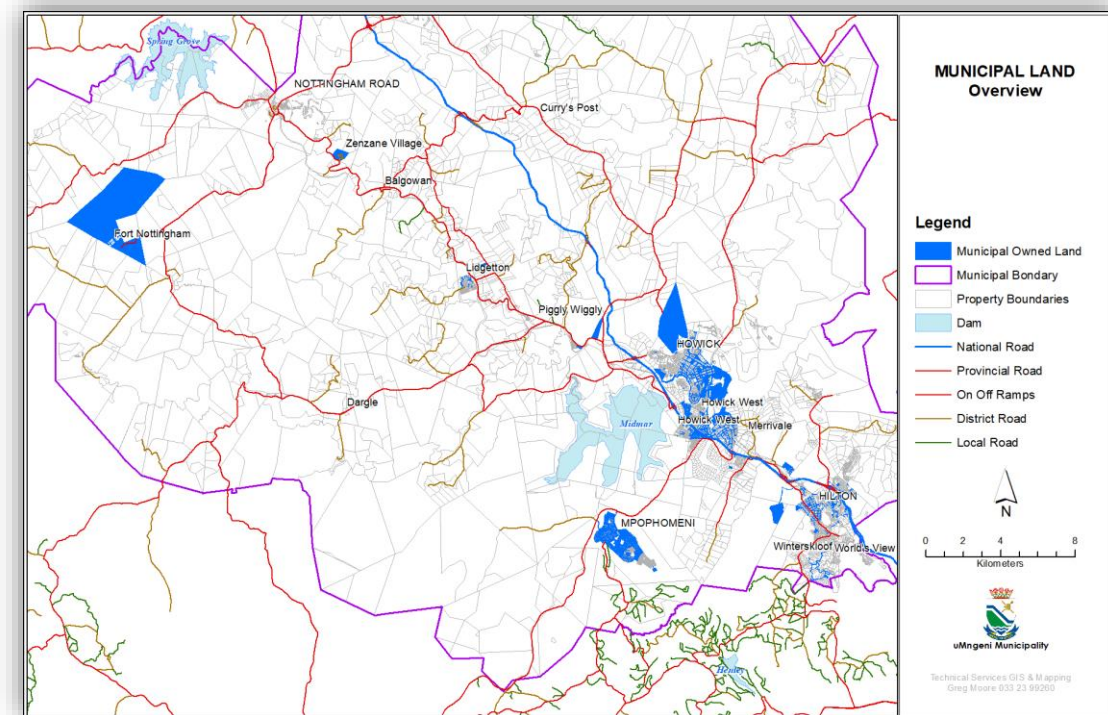


Table 3: Municipal Owned Land Summary

Use	No
Residential	368
Townlands & Roads	134
Open Space	86
Municipal Services	47
Worship	17
Industrial	5
Commercial	2
Schools	2
Total	661

Table 4: Municipal Owned Residential Land

Use	No
Vacant	92
House	243
Encroachment	11
Flats	2
Informal Settlement	9
Built over Boundary	11
Total	368



Map 9: Spatial Location of Municipal Owned Land

## 1.4 Land Reform

Redistribution, restitution, and tenure security are all possible through land reform. Additionally, it creates employment possibilities and income distribution for historically marginalized groups, such as women and youth. Numerous land claims have been submitted under UMngeni. However, only a small number of these claims resulted in functioning projects. Additionally, there are a number of

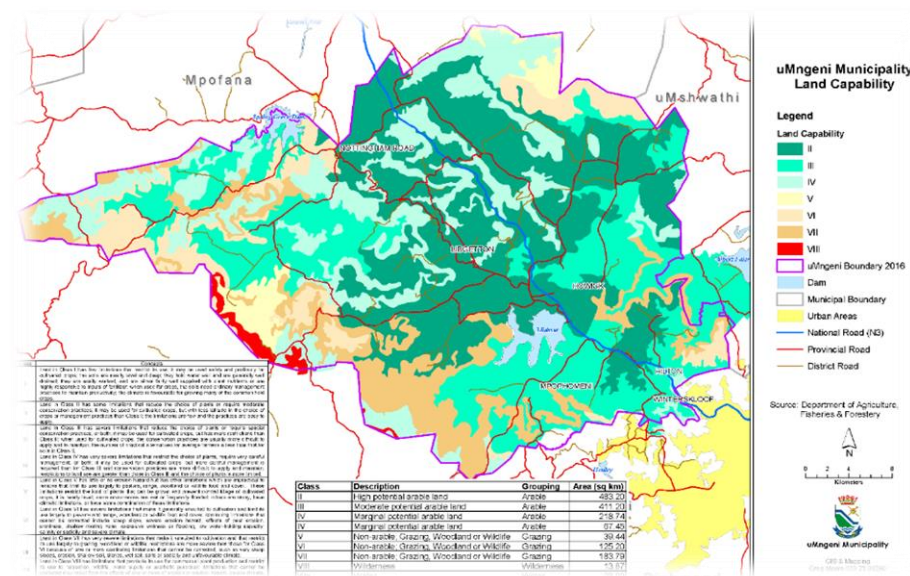
gazetted restitution claims within the municipal territory. After acquiring land, a rollout program called the Recapitalization and Development Program aids communities in developing farming abilities. However, due to the lack of reliable statistics on the Recapitalisation and Development Programme's success, the program's influence on uMngeni is currently unknown. There was a total of 209 Gazetted Restitution Claims and seven transferred claims.

## 1.5 Land Capability

The municipality comprises of the following land capabilities in respect of soil classifications:

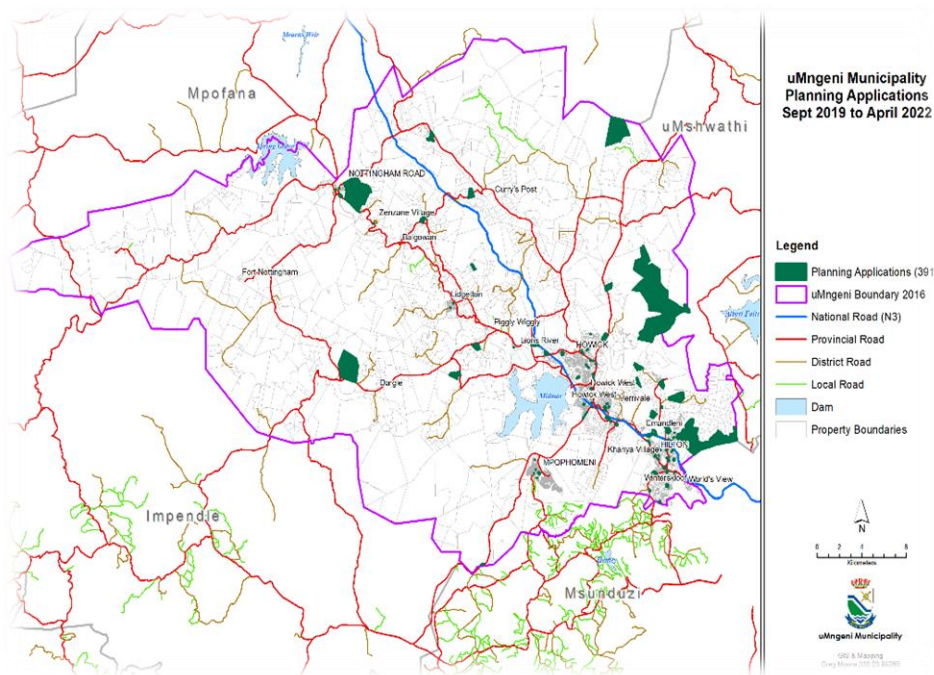
- II High potential arable land;
- III Moderate potential arable land;
- IV Marginal potential arable land;
- V Non-arable, grazing, woodland and wildlife;
- VI Non-arable, grazing, woodland and wildlife;
- VII Non-arable, grazing, woodland and wildlife;
- VIII Wilderness; and
- WA Water.

In terms of land capability, there are eight classifications; however, no land within the municipality is classified as Class I, but substantial areas are classified as Class II, indicating that there are some limitations to farming that can be overcome through proper agricultural practices. On the municipality's extreme northern and western edges, related to the Karkloof Nature Reserve and areas within the uKhahlamba Drakensberg Park buffer zone, there are a few Class VII and VIII areas where cultivation should not take place.



Map 10: Land Capability

## 1.6 Private Sector Developments



Map 11: Development Planning Application Patterns

Applications under the Spatial Planning and Land Use Management Act (SPLUMA) were lodged and processed in the municipality from 2016 to 2022. During that time, the municipality received a large number of planning applications, the vast majority of which were processed and approved by the Joint Municipal Planning Tribunal. Map 11 depicts the spatial location of planning applications lodged and processed within the uMngeni from September 2019 to April 2022. The map indicates that there is a high demand for development

throughout the municipality, with the majority of applications lodged being subdivision applications. Developers have expressed interest in the areas of Howick, Hilton, Nottingham Road, and some rural areas in the Municipality's west and east. This demand is accompanied by increased demand for bulk infrastructure and the need for better planning alignment between the uMngeni and other spheres of government.

## 1.7 Environmental Analysis

### 1.7.1 Agriculture Potential Areas

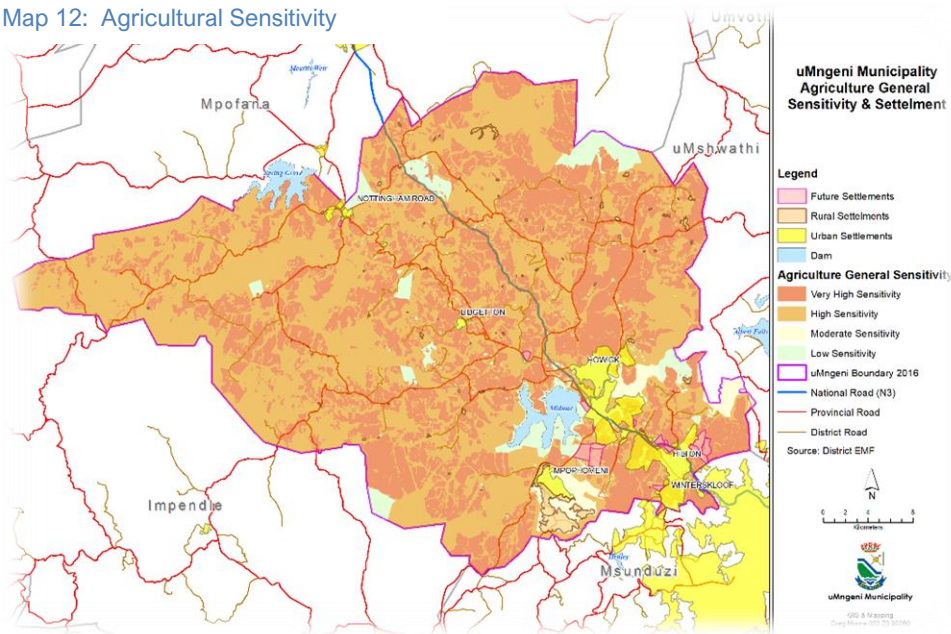
The uMngeni Municipality has vast lands with high agricultural potential and is dominated by commercial farming activities. In terms of land use, Statistics South Africa (2020) through its 2017 census for commercial agriculture identified uMngeni municipality as having 159 commercial farms. The district of uMgungundlovu municipality was found to have a total of 217352 hectares under agricultural activities, accounting for about 11.9 percent of the total Provincial commercial agricultural land. UMngeni is the fourth largest landholder of agricultural land; contributing about 9295 hectares of arable land, 17004 hectares of grazing land, 1 296 hectares under forests/woodlands and 312 hectares characterized as other thus totalling 27907 hectares classified as agricultural land.

Out of the total arable land, uMngeni has 4759 hectares under crop production, 4091 hectares of cultivated pastures, 422 hectares is temporally fallow and 22 hectares of land under protective cover (i.e. green houses). Regarding grazing land, 13929 hectares of land is mainly for livestock grazing whilst 3 075 hectares is for game grazing or browsing. Much of the commercial farms in the

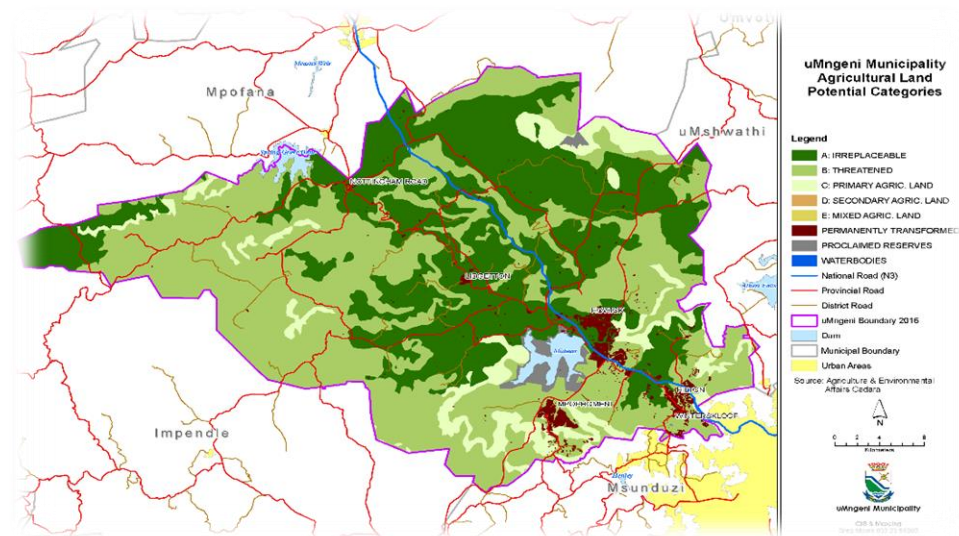


municipality in terms of land use by ownership are privately owned (79%) followed by leased/renter from other (21%) and lastly about 0.01 percent is leased or rented from traditional administration. There is a need to further grow commercial farming especially in suitable lands under traditional administration and empower previously disadvantaged communities.

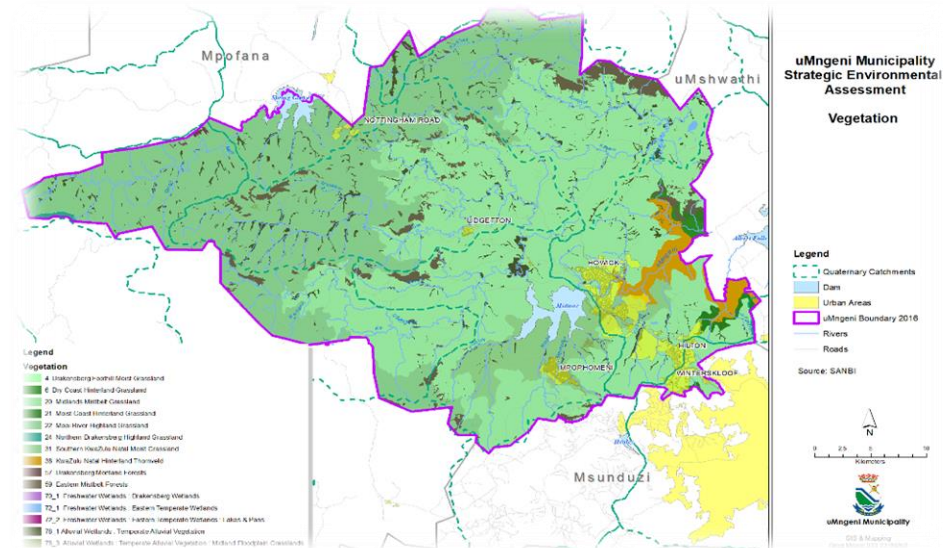
Map 12: Agricultural Sensitivity



Map 13: Agricultural Land Potential



Map 14: Vegetation Types



### 1.7.2 Biodiversity (Including Protected Areas)

Biodiversity is “the variability among living organisms from all sources including, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part and also includes diversity within species, between species, and of ecosystems” (The National Environmental Management: Biodiversity Act, No. 10 of 2004). This encompasses various plant and animal life from the smallest organisms to biophysical landscapes in the world or of a particular habitat. It is a critical building block of all life that has a significant influence on economic and social development. Thus, planning without understanding threats and opportunities of this environmental sector could lead to, amongst other things, the degradation of human socio-economic wellbeing. This section seeks to portray the identified high biodiversity areas, extent and the historical extent of biodiversity within the uMngeni Municipality.

#### Vegetation

Vegetation, which serves several critical functions in the biosphere and the greater environment ranging from controlling the flow of numerous biogeochemical cycles to regulating local and global energy balance, is vital in protecting different habitats, their types and species compositions. Understanding their local extent and which vegetation types are threatened and in need of protection is essential in municipal planning, environmental management and biodiversity protection.

Historical data indicate that prior to development and exotic afforestation, the uMngeni Municipality was extensively covered by Valley Bushveld Southern Tall Grassland, Ngongoni Veld, and Natal Mist Belt Ngongoni Veld (Acocks, 1988).

Preceding the arrival of the first white settlers, the region was, likely, covered with large areas of forest (Wanger, 1976) and grassland, where dryness or repetitive burning prevented a closed woody community from forming.

Currently, the Municipality contains several different species of vegetation. For the purposes of this study all vegetation types existing within Municipality have been grouped according to their associated biome. These are Forest, Grassland, Water Bodies, Savannah, and Azonal vegetation. Biomes provide the basic template for defining the extent of species-specific habitat that potentially supports a wide variety of biodiversity (UMDM EMF Status Quo Report, 2017).

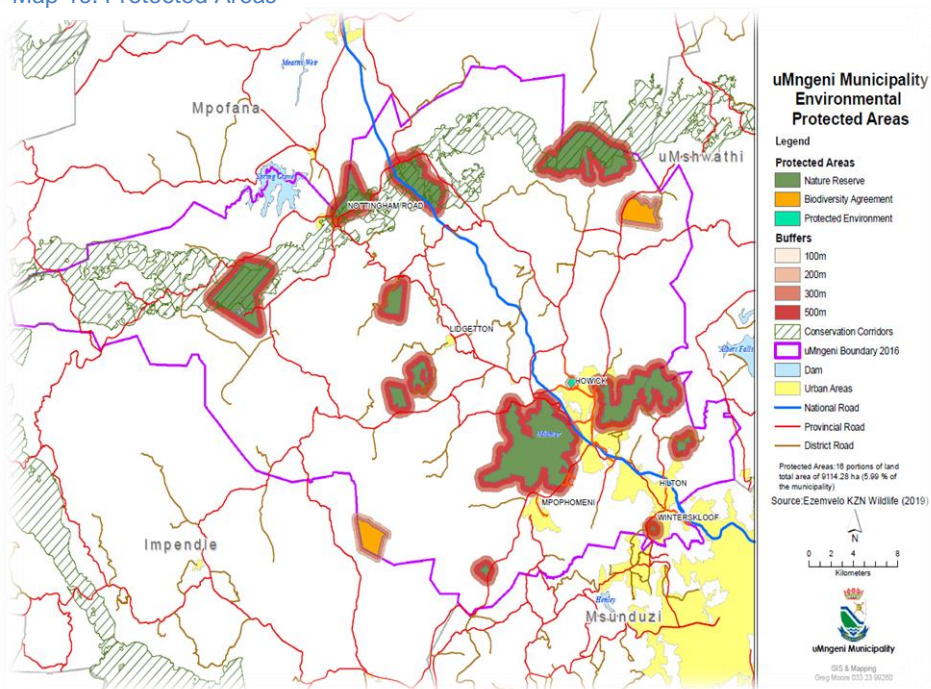
The status quo indicates that most part of vegetation has been transformed (52%) to make space for residential and economic-related activities such as agriculture. The remaining extent to date of vegetation includes Midlands Mistbelt Grassland (44%), Mooi river Highland Grassland (38%), and Moist Coast Hinterland Grassland (6%) among other vegetation types. This does not include the areas where Alien Invasive Species have encroached. Specific veld types also known as bioregion have been identified in the Municipality. These communities of vegetation have been identified by EKZNW at a provincial scale by considering physiographic and climatic conditions of an area.

Owing to their scale of detection, these communities do not take into account the microclimate and local physiographic changes. They do however, provide a broad overview of the conditions, limits and opportunities in the Municipality. Critical Biodiversity Areas within the uMngeni shows high sensitivity mostly at the western part of the Municipality and very less transformation has occurred so far at least on the western part of the Municipality. This is the same area where



the uKhahlamba Drakensberg Heritage Site buffer extends to. The worrying concern is that most of this land is privately owned. This makes it difficult to protect the biodiversity in this area. The active participation of Environmental Management Inspectors (EMIs) to create awareness and enforce regulations would play a critical role in protecting these areas. Although some other parts of the uMngeni Municipality is highly transformed, there is still a need to find ways of protecting the remaining areas of high sensitivity in other areas as well to avoid the significant impact of biodiversity and species habitat.

Map 15: Protected Areas



## Protected Areas

Protected areas are areas of land that is, protected by law (National Environmental Management: Protected Areas Act, No. 57 of 2003) for the purpose of managing and conserving biodiversity. Owing to their diversified nature due to site-specific, varied purposes and values, a number of Acts have in the past provided for and/or currently provide for the declaration of an area as being of biodiversity or cultural importance and requiring protection. This includes the National Forest Act, Mountain Catchment Act, World Heritage Convention Act, Marine Living Resources Act, Environmental Conservation Act, National Parks Act, and the various Provincial Conservation Ordinances and Acts among others all recognise a Protected Area requiring protection and management under the Protected Areas Act (NEMPA).

The uMngeni Municipality has a number of formally protected areas ranging from Protected Environments, Biodiversity Stewardship Sites to Nature Reserves. A total area of 9114,28 ha (approximately 6% of the municipal land) is protected. To this point there is no scientific analyses conducted to understand the pressures that would affect specific objective of each Protected Area. However, as the Municipality's intention is to promote sustainable development, a reasonable buffer is proposed around each Protected Area. Through this buffering system the Municipality is acknowledging the fact that land use surrounding the Protected Area may have significant impact to the species population in the Protected Area through noise, visual and pollution among other things. Consideration of this buffer system in the project, programmes and municipal spatial planning would play a critical role in preserving these areas and the status of its designation.

Further to this buffer system the uMngeni Municipality should acknowledge a recently proposed buffer of the uKhahlamba Drakensberg Park World Heritage Site (UDP WHS) which extends into the uMngeni Municipality. This is an area with international recognition supporting important biodiversity and ecosystems assets. Through this recognition, the UDP WHS has become listed as a Ramsar Site thereby supporting wetlands of international importance. Thus, there is a need for the Municipality to improve connectivity to this space to allow for species movement, gene flow, and ecological and climate change processes, among other things.

### 1.7.3 Hydrology and Ground Water

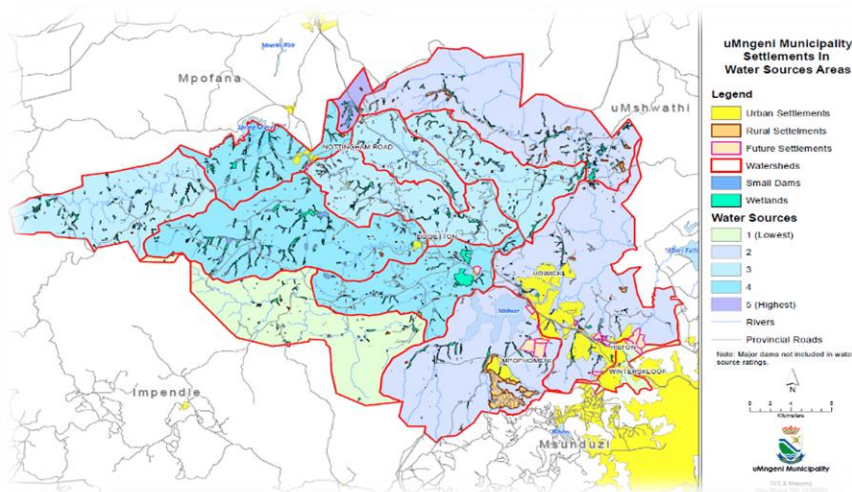
The uMngeni Municipality is very well watered with many perennial rivers and streams and a large number of farm dams as well as the two major impoundments: Midmar and Albert Falls dams. It is important to note that most of the municipality drains into the uMngeni River and thus falls under the uMngeni Integrated Catchment Management Plan. Rivers occurring within the Municipality include the major river for the Durban-Pietermaritzburg region via the uMngeni River as well as the Lions, Mpofana, Karkloof, Dargle, Gudu, Mthinzima, Gqishi, Nguku, Kusane, Gwens Spruit and Elands with the Mooi River forming a portion of boundary between the uMngeni Municipality and Mpofana Municipality.

The headwaters of the uMngeni River straddle the boundary between uMngeni and Impendle Municipalities. The major storage dam for the regional economy viz. Midmar Dam located uMngeni as well as a portion of the Albert Falls Dam, which also plays an important role in the assurance of bulk water supply for the

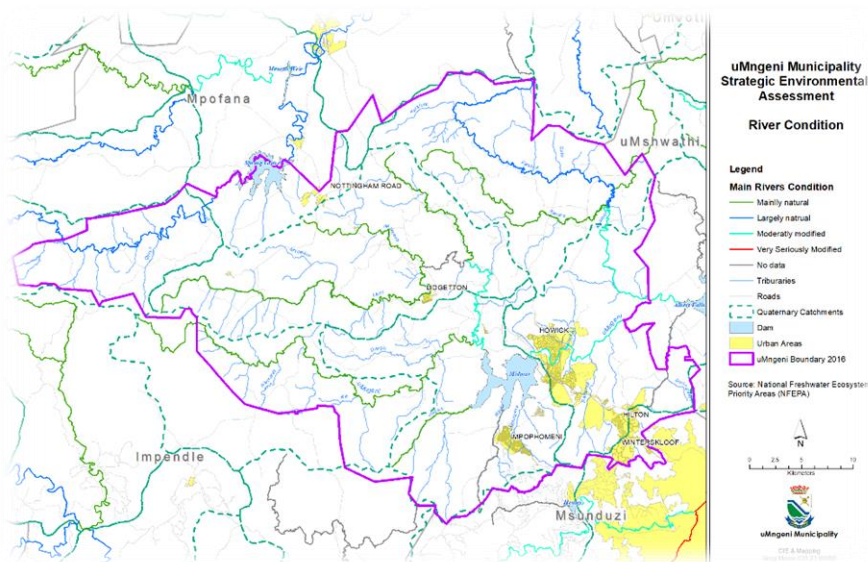
region. Midmar Dam is a critical storage dam with good water quality that needs to be retained to avoid a drastic increase in water treatment costs. Therefore, the majority of uMngeni jurisdiction occurs within the strategic quaternary catchment for water supply for the Durban-Pietermaritzburg economy. The Spring Grove Dam located within Mpofana and uMngeni Mooi River which is required to augment the existing water supply for the region.

The quality of water in the water sources of the uMngeni Municipality is generally fair, but there is a need to address the continuous depositing of solid waste from households and business including effluent from aging sewer infrastructure into streams. The Inguka and Mthinzima River which discharge into the Midmar dam are typical examples of polluted streams due to effluent from aging infrastructure and solid waste deposition (Mpophomeni Nodal Plan, 2020). If this process continues unchecked, it will affect water quality in the Midmar Dam. The uMngeni River shows less signs of ecological disturbance before the dam but the water quality status after the dam is worrying as it passes through the town of Howick and other concentrated residential areas (NEFPA, 2011). Although the effluent and solid waste elements are lower in uMngeni River before the dam, livestock farming and dairy farming activities existing in the catchment has a potential to affect water quality as they release solid livestock waste and general dairy farming waste from intensive dairy farming above the dam.

Map 16: Water Sources



Map 17: River Condition



### 1.7.4 Climate Change

By 2050, the uMgungundlovu district is projected to be affected by higher annual average temperatures, which will adversely affect water and food security. Evaporation rates will also likely increase and agricultural outputs may reduce.

According to research, the uMgungundlovu District Municipality area is one of three climate change hotspot areas in South Africa, with clear warming trends occurring between 1950 and 1999. In September 2011, the UMDM commissioned the development of a climate change response strategy based on this and the threats posed by changing climates. The study concluded with a forecast of climate change trends in the uMgungundlovu region. To model climate change scenarios, the consultants used General Circulation Models (GCMs). Although it is well understood that the use of GCMs has levels of uncertainty that limit their usefulness because they cannot be deemed to be completely accurate, these models are the best scientific approaches to projecting climate change that currently exist. With the GCMs that are currently considered plausible and widely used, it is only possible to project scenarios for the intermediate and distant future time periods, namely 2045 to 2065 and 2080 to 2100, using the 1970–1991-time period as the current time period.

According to climate projections, the uMgungundlovu District Municipality (UMDM) in KwaZulu-Natal, South Africa, will see a warmer future with uncertain changes in mean annual rainfall, but an increased number of flash floods and storm events due to an increase in short-duration rainfall. With floods, severe storms, and wildfires already among the most common hazards in the district,



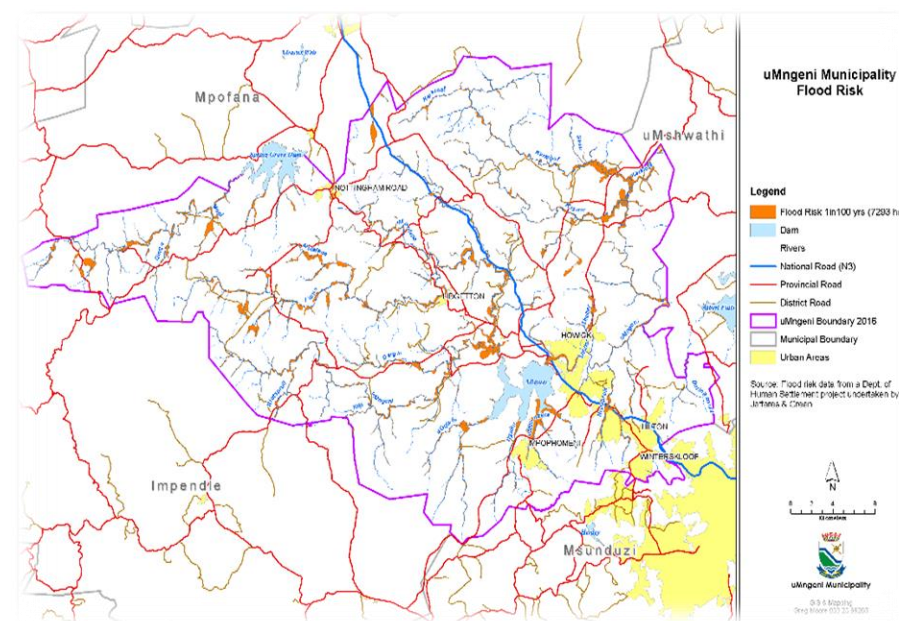
the projections are concerning because they indicate an increased risk of these climate-driven events, and do not rule out the possibility of an increase in drought events. The projections are particularly concerning for the UMDM's areas and populations, as many are already vulnerable to these hazards due to non-climate-related factors such as: (i) low-cost and informal housing near river watercourses or on flood plains within catchments; ii) substandard housing on steep hillsides; iii) under-resourced fire stations; iv) high-density housing. Climate-driven events are expected to become more frequent and intense, increasing the vulnerability of affected communities in the district, where adaptive capacity is low.

### Flood Risk Areas

The hydrological risks of flooding in rivers and flood plains are determined by flood lines, which indicate the likelihood of flooding. For the uMngeni Municipality, a flood risk assessment was carried out using GIS analysis and the overlaying of aerial photos of flood lines and settlement patterns and reflected map 18 below.

With the exception of some areas in Lidgetton West and Howick on the Shelter and Rietspruit rivers, most urban settlements are not in flood-prone areas. Flood-prone areas, which include Lidgetton, Siphumelele, and parts of Mpophomeni. Due to the topography and the location of houses in flood-prone areas, these are mostly flood-prone, which has in the past resulted in the effects of natural disasters. Planning principles must always be used in the placement of housing settlements to ensure that these areas are not affected in any way by future flooding caused by climate-related disasters.

Map 18: Flood Risk Areas



### 1.7.5 Strategic Environmental Assessment

The Strategic Environmental Assessment (SEA) is a planning and environmental management tool used in terms of the National Environmental Management Act, No. 107 of 1998, as amended, to integrate environmental factors and sustainability goals into the mainstream of development policy and decision making. It is recommended by the Department of Forestry, Fisheries and the Environment (DFFE) and the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs (KZN EDTEA) as a sector plan to the IDP. It follows the same process as the IDP but focusses on environmental

issues. It should integrate sustainability considerations into the various phases of the IDP.

The SEA is a priority for the uMngeni Municipality, particularly in guiding environmental sustainability in the development of the Integrated Development Plan (IDP) and other sectoral plans. This is especially true because the IDP requires the Municipality to consider the implications of a wide range of alternatives and actions at an early stage in the planning process, and the Draft SEA which has been supported by uMngeni Council is well positioned to assist in this regard. Its goal is to assist the Municipality in determining the most appropriate environmental and socioeconomic actions to minimize environmental impacts. While the uMngeni Municipality is still in the process of finalizing its Spatial Development Framework Plan (SDF) to include additional environmental information, it currently lacks the SEA to advise development actions by minimizing negative impact and maximizing positive impact on both socio-economic and environmental dimensions.

The Municipality adopt this tool as a planning and environmental management tool to achieve sustainable development by addressing environmental issues in land development planning prior to development and policy implementation. The adoption and use of the SEA vary both geographically and with regard to the levels and sectors of decision making that are addressed. The Municipality aims to use the SEA approach to address environmental issues by considering the consequences of a wide range of alternatives and actions at the planning phase. It is strategic in nature, and its propensity is to put emphasis in identifying appropriate development for various areas which will be employed in this case to identify most appropriate type of development based on the environment,

rather than constraining development through the mitigation of impacts. As part of the Municipal goal to promote both equity and public participation (Promote participatory governance and multi-stakeholder engagements), the SEA will therefore assist the Municipality to take a proactive approach by requiring planning decisions to be made in a more rational and transparent manner.

The SEA's role is to determine the most appropriate type of development by mitigating consequences throughout the planning stage. It does, however, form part of the Municipal SDF, assisting the Municipality in considering a range of possibilities during the policy and planning stages.

## 1.8 Agricultural and Environmental Trends and Analysis

### 1.8.1 Agricultural Trends and Analysis

A substantial amount of land within the uMngeni Municipality is generally classified as having high potential for agriculture with 28 percent of this land currently in use with key activities being forestry, dairy farming, and livestock and grazing. The worrying concern is that the underutilised agricultural land corresponds with both tourism favourable areas and high biodiversity areas. There is a need to design acceptable limits for high biodiversity area and the need for tourism development to aid socio economic development. Although uMngeni has 28 percent of agricultural land currently in use, most of it has suffered a lot from poor land use management practices and subdivision of land to make space for tourism activities foregoing agricultural use. Considering that high potential agricultural land has become a scarce and a deteriorating resource, it should be prioritised as it is with the Department of Agriculture. These two industries are major components in economic generation and poverty

alleviation. A situation where each scratch and or replacing of the other should be avoided through proper environmental planning and consideration of alternatives.

Agriculture remains both significant and dominant in terms of space and contribution to the local economy especially in terms of being one of the key drivers of economic growth, development and employment creation. Consequently, enormous opportunities exist within this sector to safeguard food security, create labour intensive employment, reduce unemployment and encourage further product diversification (uMngeni, 2019). However, agricultural development needs to be mindful of the environment impacts associated with it, with the continuous intensified competition between demand for land for sustaining human activities and the availability of natural resources. Accompanied by this is the impact of climate change on the environment which causes alterations in the weather conditions (floods, droughts) which in turn, alter crop yield patterns affective agricultural production. This change in weather patterns is anticipated to put pressure on agriculture and increase food insecurities. Consequently, agriculture in the municipality needs to ensure practices that support a broader range of social, economic and environmental benefits that promotes sustainable use of natural resources. Further details of the agricultural scenario and proposed activities within uMngeni can be sourced from the Agricultural Sector Plan that was adopted by Council and included under Annexure I.1.

### 1.8.2 Environmental Trends and Analysis

The location of the Municipality is within the strategic quaternary catchment for water supply for the Durban-Pietermaritzburg economy (uMngeni, 2019). The national spatial development framework identifies the municipality as one of the strategic water resource management regions and suggests development within the area should be well managed to avoid any negative impacts and restoration prioritised. Furthermore, the framework highlights the municipality as one of the high-risk water and land development competition catchments requiring long-term intergovernmental action.

Wetlands are crucial aspect of the environment owing to their critical role in ecosystem water management and biodiversity conservation. They have been identified as one of the prominent ecological infrastructures capable of controlling flood, soil erosion, and toxicant while also poses good grazing land for livestock. They are natural filters, spouge material capable of both storing and purification of water. High levels of loss and degradation due to grazing and settlements, among other things, have reduced the capacity of this ecological infrastructure to provide these free essential ecological services. Hence, the remaining wetlands need to be conserved and restored where possible.

The uMngeni Municipality Strategic Environmental Assessment (SEA) has identified key environmental issues, focus areas, threats and opportunities associated with development trends and land use practices. It has identified limits of acceptable change and desired state of the environment, threat and opportunity associated with the Municipal environmental goals; established control measures which the Municipality can integrates when developing



policies, programmes or plans. A number of strategies have been suggested to address the potential impact on the environment as a result of development pressures, this includes key indicators that can be used for progress monitoring. The SEA is attached under Annexure I.1.

## 1.9 Agriculture and Environmental: SWOT Analysis and Key Challenges

### 1.9.1 Agriculture & Environmental SWOT Analysis

Table 5: Spatial & Environmental Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>- High potential agricultural land.</li> <li>Water catchment areas provide water resource to communities and the business sector.</li> <li>The municipality has an authorized Environmental Management Officer (EMO).</li> <li>The N3 corridor is part of an important national and provincial.</li> <li>Favourable climatic conditions for most crops.</li> <li>Good soils for cultivations.</li> <li>Dedicated farmers who want to grow and improve.</li> <li>There is a variety of crops and livestock produced, ensuring that</li> </ul>	<ul style="list-style-type: none"> <li>Most small-scale farmers are situated far from formal markets.</li> <li>Most small-scale farmers are not registered.</li> <li>Lack of co-operation between small-scale farmers.</li> <li>Lack of security for commercial farmers, which discourage investment in the region.</li> <li>Exorbitant land rates and therefore, low incentive for commercial farmers to continue operations.</li> <li>Subdivision of agricultural land is of concern as small subdivisions have in the past proved to be unsustainable and therefore have an impact on the agricultural potential.</li> </ul>

<p>various markets are penetrated, within and outside the municipality.</p> <p>The Municipality has extremely high-value ecosystem goods and services as a result of the area's indigenous forests and grasslands.</p>	<p>Informal housing specifically on the banks of rivers, near highways and in the Howick West area.</p>
OPPORTUNITIES	THREATS
<p>The municipal government should seek, along with existing stakeholders and government partners, to provide support with access to credit markets, skills development.</p> <p>Education on general environmental and disaster issues.</p> <p>The establishment of marketing and farming co-operatives, installation of small-scale agro-processing facilities and access to commercial markets</p> <p>Farmers venturing into niche markets such as berries, avocados, mushrooms, and viticulture, which yield high financial returns.</p> <p>Partnerships between commercial and small-scale farmers for mentorship.</p> <p>There is a number of steep rivers across the uMngeni which highlight a possible area for water generated</p>	<p>Political involvement of administrative and support services meant for farmers.</p> <p>Low farmer participation in initiatives.</p> <p>Exorbitant rates on agricultural farmland.</p> <p>Lack of surety of small-scale farmers to acquire financial assistance.</p> <p>Potential impact of climate change on small-scale farmers.</p> <p>Wetlands degraded, both in terms of quality and functionality, as a result of uncontrolled development along the streams.</p> <p>Nguka and Mthinzima stream heavily disturbed due to waste and</p>

<p>electricity (e.g. Hydro-electrical projects) development.</p> <p>There is also an opportunity to improve the Green Drop status once the SEA has been finalised and appropriate areas identified.</p> <p>Wetland rehabilitation projects provide an opportunity to improve wetland functionality and hence increase the goods and services they provide.</p> <p>Public works programmes, such as Working for Water, could create jobs to assist in cleaning the water and alien plant removal.</p> <p>Opportunities for employment through IASP programme and Wetland rehabilitation projects.</p>	<p>sewerage leaking from aging infrastructure.</p> <p>Legal and illegal discharges of treated and/ or untreated wastewater together with poor sanitation in concentrated settlement and rural areas contributes to faecal contamination in rivers, dams and estuaries.</p> <p>Pollution from known and unknown sources affecting water quality and hence availability.</p>
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## 1.9.2 Agriculture & Environmental Key Challenge

### AGRICULTURE & ENVIRONMENTAL ANALYSIS

<b>Key challenge</b>	Illegal and uncontrolled developments along streams
<b>Description</b>	Major source of water for the region in the Midmar Dam and it may be heavily impacted by pollution from uncontrolled land uses. This pollution reduces water quality, which affects the health of aquatic ecosystems and limits the availability of clean water for agricultural and domestic use. In addition, the increasing demand for water in the region, due to population growth and economic development, has put additional strain on water resources.

## 1.10 Disaster Management

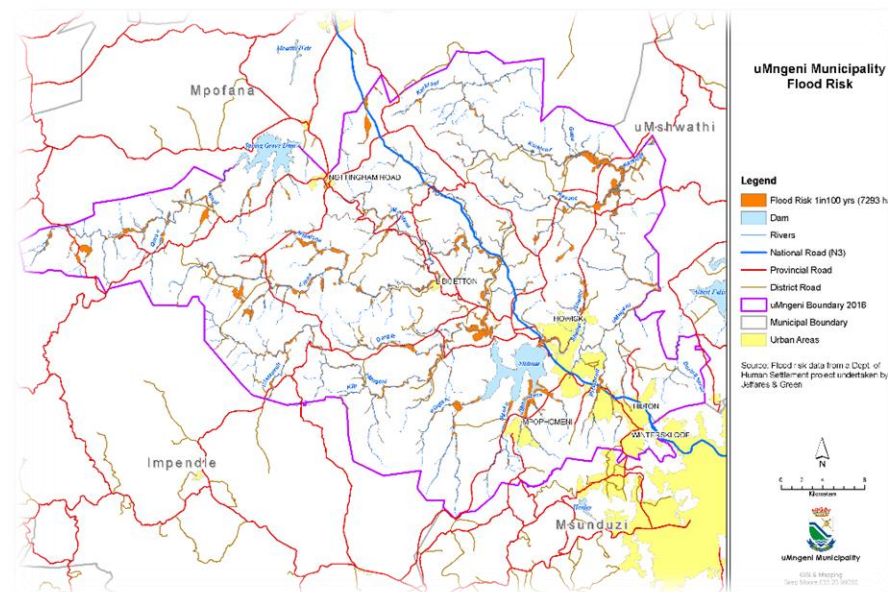
### 1.10.1 Status of Municipal Institutional Capacity

Section 43 (3) of the Disaster Management Act states that a district municipality must establish its disaster management centre after consultation with local municipalities in its area and may operate such centre in partnership with those local municipalities. Disaster management is a collaborative effort. A Disaster Management Centre is housed at UMDM and the district's administrative center in Pietermaritzburg, with satellite offices in uMngeni. The Community Services and Public Safety.

### 1.10.2 Risk Assessment

A hazard is a natural phenomenon that has the potential to negatively affect human life, property, or activity to the point of causing a disaster. A risk is the expected damage or loss caused by any hazard, whereas a hazard is the potential occurrence, in a specific time and geographic area, of a natural phenomenon that has the potential to negatively affect human life, property, or activity to the point of causing a disaster. When a hazard (such as an earthquake, flood, or cyclone) causes injuries, loss of life and livelihood, displacement, and homelessness, and/or destruction and damage to infrastructure and property, it is called a disaster.

Map 19: Flood Risk Areas



The identified high-risk hazard within uMngeni is drought and house fires with a risk profile that is medium. As illustrated on Map 18, the municipality has areas that are flood prone due to either topography or poor location of settlements. Areas that have been affected by floods includes Lidgetton West, some areas in Mpophomeni and Siphumelele which is located in a valley. Enforcement of existing municipal policies especially in vulnerable and unplanned areas will reduce risk to people and property. The municipality maintains an incident log that contains all relevant data about major incidents. Further details on the risk assessment within uMngeni are contained in the Disaster Management Plan that's included as an Annexure 1.2.2 to this document.

### 1.10.3 Risk Reduction and Prevention

Improved municipal capacity will result in a more effective and coordinated response to fire incidents. Because most of these incidents are caused by a lack of knowledge or negligence, raising awareness among vulnerable communities is critical. Inherent fire protection is provided by structural or passive fire protection measures. Building inspections will ensure that fire safety is built into the design of all new and refurbished commercial buildings, with an emphasis on fire prevention and protection. Passive fire protection keeps a building's structure stable during a fire and keeps escape routes safe, giving people enough time to get out and firefighters enough time to get in. To prevent or reduce the likelihood of a fire that could result in death, injury, or property damage, structural measures such as a fire hydrant improvement program will be implemented, as well as to reduce the damage caused by a fire.

### 1.10.4 Response and Recovery

The goal of emergency response is to provide immediate assistance in order to keep people alive, improve their health, and boost their morale. Providing specific but limited assistance, such as assisting with transportation, temporary shelter, and food, to establishing semi-permanent settlement in camps and other locations are examples of such assistance. It may also entail making preliminary repairs to damaged infrastructure. During the response phase, the focus is on meeting people's basic needs until more permanent and long-term solutions can be found. During this stage of the disaster management cycle, humanitarian organizations are frequently present. The recovery phase's goal is to return the affected area to its original state. Recovery efforts differ from response efforts in that they focus on issues and decisions that must be made after immediate

needs have been met. Actions such as rebuilding destroyed property, re-employment, and the repair of other critical infrastructure are at the forefront of recovery efforts. For each type of disaster, the Department should have a detailed response plan in place. The response plan should specify the actions to be taken at various times as well as the District responsible person. Response actions for disasters that can be predicted (such as floods) will begin 72 hours prior to the occurrence. Response actions for disasters that cannot be predicted (e.g., a disease outbreak) will begin immediately after the disaster occurs. Each type of disaster should have a response plan in place.

### 1.10.5 Training and Awareness

Training, capacity building, and public awareness campaigns are all important tools for disaster recovery and reduction. Volunteer Units are not a legally enforceable requirement. Volunteer Units serve as a vital link between municipalities and their surrounding communities. As a result of the lack of Volunteer Units, disaster management cooperation between the municipality and the communities is limited. To achieve the disaster management legislation's goals, an adequate number of trained personnel is required. The municipal Disaster Management Plan includes the creation of a volunteer programme.

### 1.10.6 Funding Requirements

A budget provision of R700,000 has been made for disaster management in the municipal budget for the financial year 2023/2024. This budget will be utilised as a response to disaster issues that may arise in the coming year.

### 1.10.7 Ecosystem-based Disaster Risk Reduction (EcoDRR)

Ecosystem-based disaster risk reduction (Eco-DRR) is the sustainable management, conservation, and restoration of ecosystems to reduce disaster risk, with the goal of achieving sustainable and resilient development, according to the International Conservation of Nature. Well-managed ecosystems, such as wetlands, forests, and coastal systems, act as natural infrastructure, reducing physical exposure to many hazards and increasing people's and communities' socio-economic resilience by sustaining local livelihoods and providing essential natural resources like food, water, and building materials. Ecosystem management not only improves natural infrastructure and human resilience to hazard impacts, but it also generates a slew of other social, economic, and environmental benefits for a variety of stakeholders, all of which feed back into lower risk.

### 1.10.8 Disaster Management SWOT Analysis

Table 6: Disaster SWOT Analysis

STRENGTHS	WEAKNESSES
<b>Established competences for environmental &amp; disaster management.</b>  Disaster Management Plan in place and reviewed regularly.  Voluntary participation from affected communities.  Municipality makes budget provision for disaster management.	Poor access roads to informal and rural areas during disasters.  Location of settlements in flood prone areas.  Disaster response.  Natural disasters including floods, frost, drought and hail.  Lack of coordination with Ingonyama Trust for settlement poses risk of

Community facilities in most wards available for occupation by affected in case of disaster or alert .	locating people in disaster prone areas.
OPPORTUNITIES	THREATS
Capacity building.  Formalising partnerships.	Climate change generally poses a major threat to water resource availability.  Uncontrolled informal settlements  Natural disasters.  Mushrooming of unauthorised buildings.

## 2. DEMOGRAPHIC AND SOCIO-ECONOMIC INDICATORS

### 2.1 Demographic Indicators

#### 2.1.1 Population Size

The analysis of the uMngeni Municipality demographics dataset reveals interesting insights about the population dynamics in the region. Firstly, there has been a consistent growth in the overall population from 1996 to 2021, with the most substantial increase occurring between 2011 and 2021. This population growth can be attributed to various factors such as natural growth, migration, and urbanization. As the population continues to expand, it is crucial for the municipality to plan and allocate resources effectively to meet the needs of its residents.

Secondly, the age distribution within the municipality indicates a predominantly young population. The age cohorts of 0-4, 5-9, and 25-29 have the highest population counts in 2021, suggesting a relatively youthful demographic profile. This trend has implications for the provision of education, healthcare, and other services tailored to the needs of children, adolescents, and young adults. Additionally, the declining population in age cohorts 45-49 and above indicates an aging population, which may require specific support and healthcare services for the elderly. The significant growth observed in the 30-34 age cohort and above (excluding 80-84) from 2016 to 2021 suggests a potential increase in the working-age population, which can have economic and social implications for the municipality.

Age Cohorts	1996	2001	2011	2016	2021
0 - 4	5551	5911	8038	11512	10108
5 - 9	6058	6612	7256	10397	10549
10 - 14	6795	7129	7273	10661	9398
15 - 19	7497	7638	8785	10433	9296
20 - 24	7119	7018	9208	10587	8245
25 - 29	6338	7428	9345	9804	10694
30 - 34	5400	5990	7578	8963	12236
35 - 39	4831	5285	7061	7120	11755
40 - 44	4859	4337	5665	6645	9352
45 - 49	3434	3816	4606	5357	6665
50 - 54	2524	3325	3747	3637	4935
55 - 59	2104	2290	3409	4180	3898
60 - 64	1668	2095	3065	3531	3686
65 - 69	1511	1514	2230	2102	3397
70 - 74	1140	1370	2018	1544	2995
75 - 79	945	973	1484	2001	2938
80 - 84	451	752	1088	822	
85 +	2273	408	856	570	
<b>Total population</b>	<b>69742</b>	<b>73891</b>	<b>92710</b>	<b>109867</b>	<b>120147</b>

CHILDREN  
WORKING AGE  
ELDERLY

Source: Stats SA Mid- Year Population Estimate (2021)

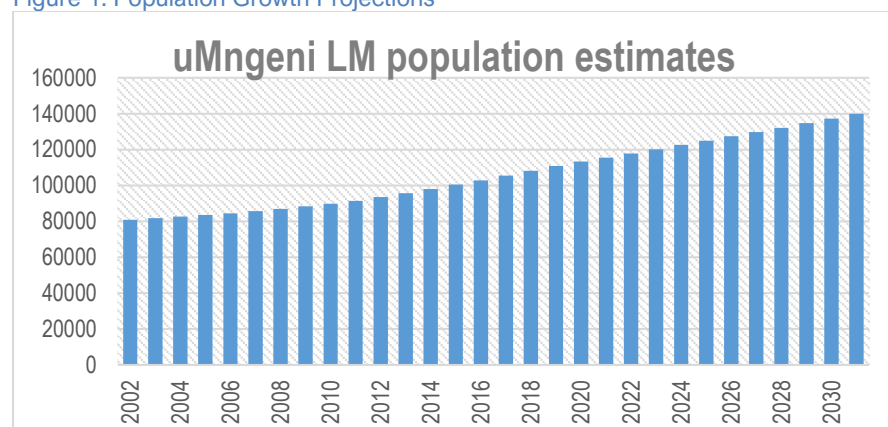
#### 2.1.2 Population Projections

For planning purposes, it is critical to have current and, if possible, prospective population figures for a local municipality. Population estimates



are a critical component of any modern society's output. To plan, budget, and meet the people's demands requires population estimates. International organizations, as well as those operating in the country's private sector, will require population estimates in order to monitor, plan, budget, and distribute resources. Whilst small area estimates and projections contain an element of uncertainty, when derived with a careful selection of data sources and methods, it can produce a foundation for suitable estimation. The graph below outlines the uMngeni population projections up to 2030.

Figure 1: Population Growth Projections

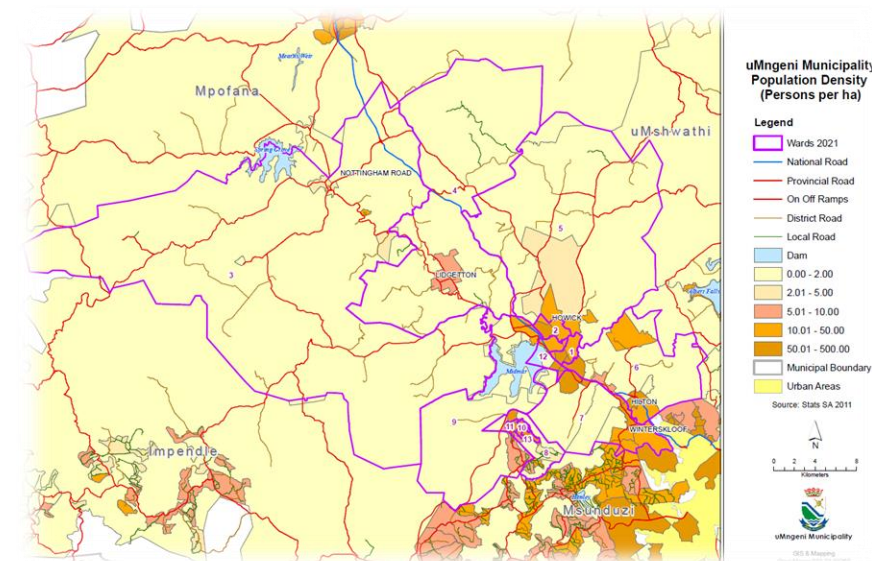


Source : Stats SA Mid-Year Population Estimate (2021)

Increased demand for bulk infrastructure and social amenities will be the result of this growth. The population and settlement growth trends of uMngeni must be continuously monitored for long-term sustainability, which includes quantifiable economic repercussions.

### 2.1.3 Population Distribution

The proportional distribution of the population over the available land area is referred to as population distribution. The term "population density" refers to the number of people per square kilometre of land (square kilometres).

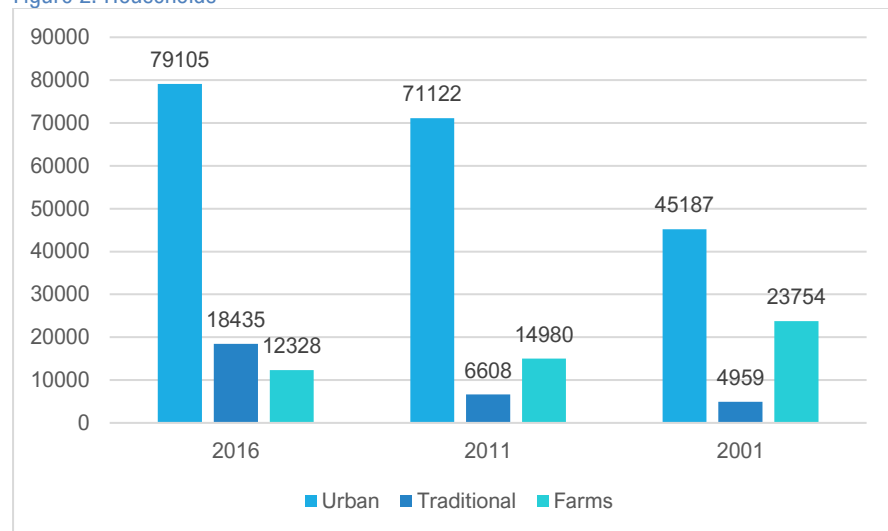


Map 20: Population Density

The areas that form part of the municipality's urban edges have the highest densities. Wards 10 and 11 in the municipality have the highest population density, ranging from 1744 to 7652 people per km<sup>2</sup>. Ward 1 has the second highest population density, ranging from 1053 to 1743 people per km<sup>2</sup>, while wards 3, 4, 5, 6, and some areas of ward 9 have the lowest population density, ranging from 11 to 53 people per km<sup>2</sup>, as is typical in rural settlements.

From 76 percent in 1996 to 87 percent in 2016, the household population distribution for formal housing has steadily increased. In addition, informal households have decreased from 15 percent in 1996 to 8 percent in 2016.

Figure 2: Households

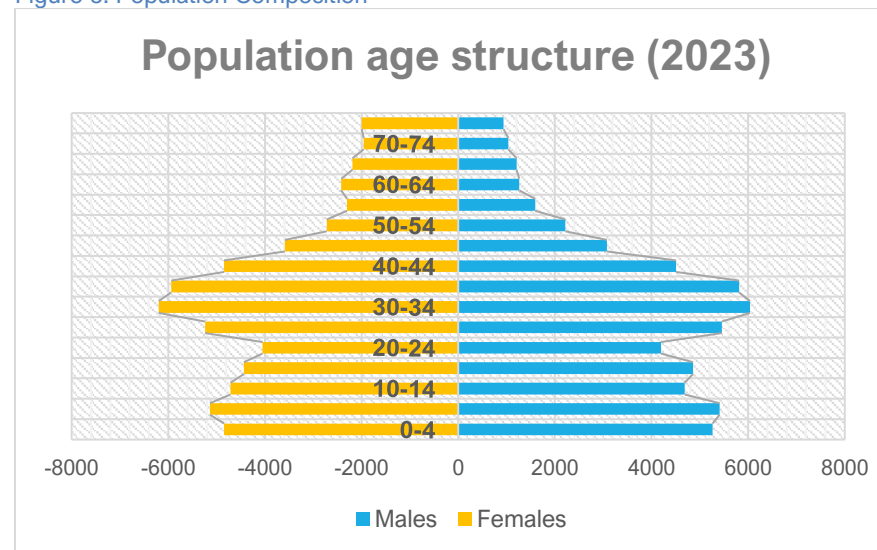


Source: Statistics South Africa (Census 2001, 2011 and Community Survey 2016 dataset)

From the 2011 census enumeration, urban population indicated to be where most people are distributed within uMngeni, this may also be relatively attributed to municipal pull factors. It is not only within urban areas that the population is increasing, but also within traditional areas as well. However, on the contrast, the population within farms has been decreasing from the enumeration 2001.

#### 2.1.4 Population Composition

Figure 3: Population Composition



Source: Stats SA Mid- Year Population Estimate (2021)

According to Stats SA data compared to other age groups, the uMngeni Municipality has a large youth population age group 15-34 (40 471) which accounts for 36.2 percent of the population, while the young age group 0-14 (30 055) accounts for 29.6 percent, followed by the age group 35-60 (36 603) accounting for 24.5 percent and the lowest number of persons recorded is observed in the age group 60+ (13 015) sitting at 9.6 percent. The municipal labour force (those aged 15-64) makes up 60.7 percent of the population.

There is generally a greater number of females residing in uMngeni as opposed to males. The gender ratio of the population is the key determinant of the population dynamic; hence they influence the current and future

needs of the municipality. According to 2011 Census data there are 93.7 males to every 100 females. The male population have shown some decrease from 2001 where there were 97.6 males per 100 females.

The population dependency ratio has increased from 50/100 in 1996 to 56/100 in 2016 which is rather high. The dependency ratio relates the number of children (0-14 years old) and older persons (65 years or over) to the working-age population (15-64 years old).

### Youth Population

The uMngeni youth make up 36.1 percent of the total population as depicted in the figure below which presents both opportunities and challenges for youth development. Between 2011 and 2016, the uMngeni youth population increased by 9.2 percent.

The youth population (15-24 years old) made up 19 percent of the uMngeni population, with 80 percent of them being black Africans. IsiZulu is the mother tongue of 75 percent of uMngeni youth, with English coming in second at 19 percent. The majority of uMngeni youth were born in South Africa, with the remainder born in the SADC region, but most of them are South African citizens (99.5 %). Ward 1 had the highest concentration of people born in the SADC region in 2011, with approximately (16.3%) residing there.

Youth Education - According to the 2016 Community Survey, 79.7 percent of 16–17-year-olds have completed grade 9 or higher, which is slightly

higher than South Africa's rate (77.3%). 64.3 percent of youth aged 20-24 have completed matric/matric equivalent or higher, which is about 20 percent higher than the rate in uMgungundlovu (59.9%) and 10 percent higher than the rate in KwaZulu-Natal (53.3%). 50.1 percent of youth aged 15-24 attended an educational institution a little less than the rate in uMgungundlovu: 52.8 percent.

Youth family and living environment - According to the 2016 Community Survey, 10 percent of uMngeni youth did not have access to electricity at home, 6.5 percent lived in informal dwellings, and another 21.1 percent lived in overcrowded households. Approximately 56.6 percent of young people access the internet through their cell phones, while 15 percent use community centres. Only 25 percent of 15-19-year-olds live with both parents, while 63.5 percent live with at least one biological parent.

Youth poverty - According to Census 2011, 55.5 percent of the youth live in income-poor households. The multidimensional poverty can be found in 27.6 percent of the uMngeni youth with a 0.137 Youth Multidimensional Poverty Index.

Youth Economic Opportunities – According to Census 2011, the youth unemployment rate (aged 15-24) was 44.4 percent using the official definition of unemployed, which states that ‘a person is unemployed if he or she is (a) unemployed, (b) available to work, and (c) actively seeking work’. Females made up 49 percent of the employed youth population, while males made up 40 percent. 76.4 percent of the youth were employed in the formal

sector, with the remainder employed in the informal sector. In uMngeni, 29 percent of the youth live in households without an employed adult.

Youth health and wellness - Even with eye glasses, 4.1 percent of youth have difficulty seeing, which is 1.5 times the rate in uMgungundlovu (2.8%) and about 20 percent higher than the rate in KwaZulu-Natal (3.5%).

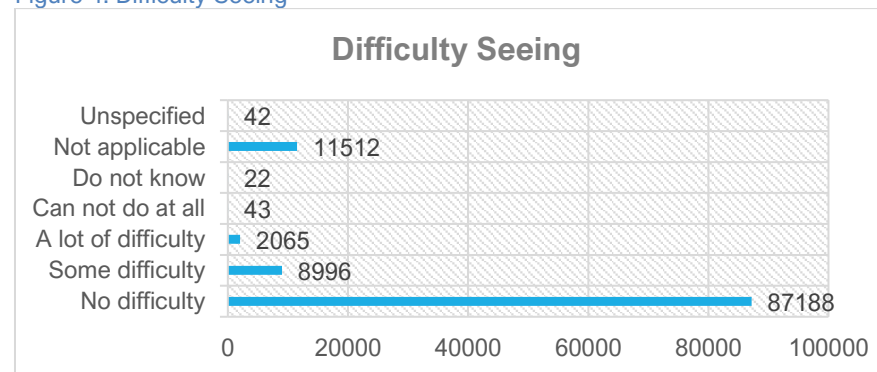
### 2.1.5 Population Living Disabilities



#### Seeing

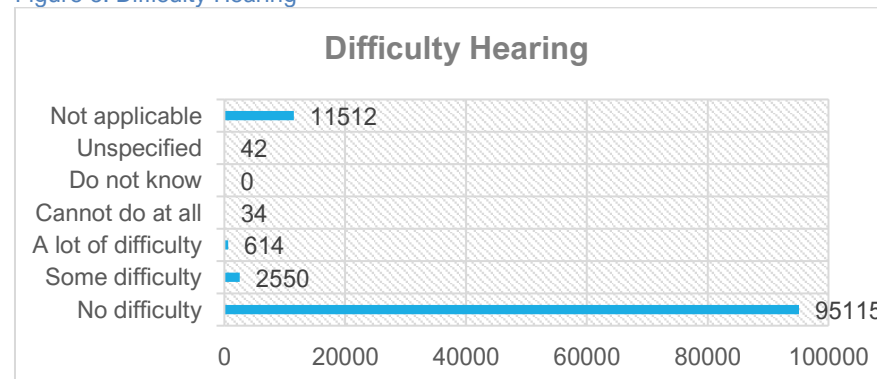
According to the statistics provided in the figure below, 8.2 percent of the uMngeni population has significant trouble seeing, while 1.9 percent have some difficulty and less than 1 percent are completely blind.

Figure 4: Difficulty Seeing



#### Hearing

Figure 5: Difficulty Hearing

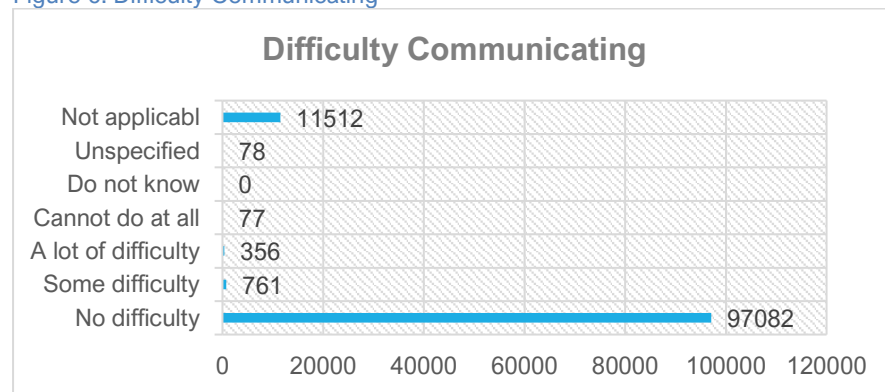


Approximately 2,3 percent of the uMngeni population has some difficulty of hearing whilst half a percent has a lot of difficulty.

## Communication

The results presented on the figure below show that the communication/speech disability was the third least prevalent disability compared to other types of disability. It is noted that approximately 761 persons reported some difficulty in communicating while 455 persons with severe difficulty and are unable to speak at all.

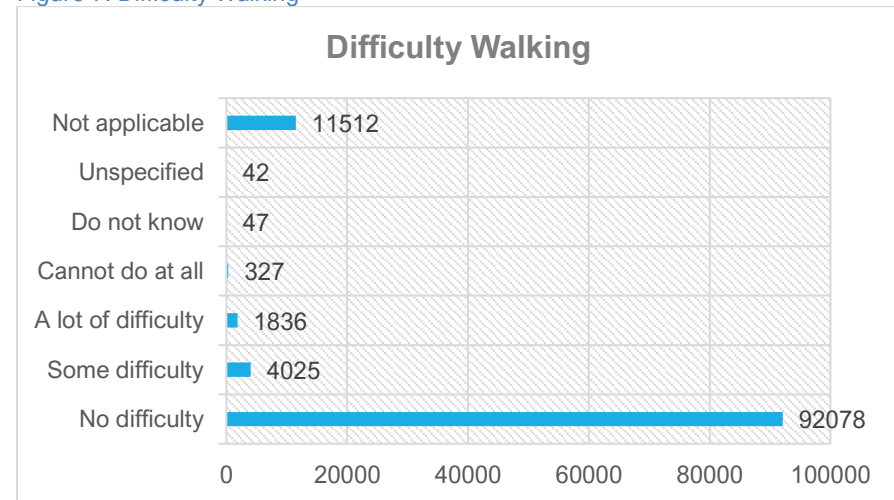
Figure 6: Difficulty Communicating



## Physical Disability

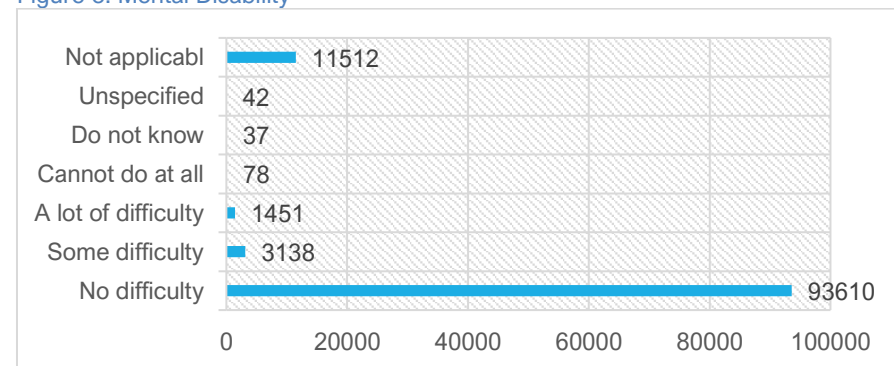
The results of the physical disability illustrated on the figure below shows that approximately 3,7 percent of persons reported having some difficulty in walking and 1,6 percent reported having severe difficulty in walking a kilometre or climbing a flight of stairs whilst exactly 327 indicated that they could not walk at all. Generally, of the six types of disabilities measured, physically disability is more prevalent compared to other types of disability.

Figure 7: Difficulty Walking



## Remembering or Concentrating (Mental Disability)

Figure 8: Mental Disability



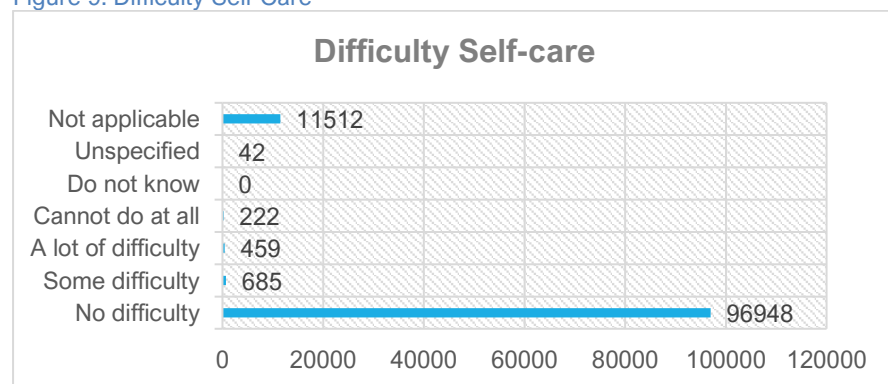
The results illustrated above show that 2,9 percent of persons in uMngeni reported having some difficulty in remembering or concentrating. Among those that reported difficulty, 1,3 percent reported having a lot of difficulty

and less than a percent reported having severe difficulty in remembering or concentrating.

## Self-Care

According to the UMngeni Municipality profile, 459 residents reported significant difficulties with self-care, while 685 had moderate difficulty. The results indicated that there were few differences in terms of dominance between the column of 'no difficulty' and practically all disabilities. The proportions of individuals with extreme difficulty in self-care, or those who are unable to care for themselves, total 222 individuals, while the remaining responses were nonspecific and non-applicable.

Figure 9: Difficulty Self-Care



Fertility Rate	Year	2011
	Total fertility rate	2.2
	Adolescent fertility rate	71 per 1000 [KZN]
	Crude birth rate	866 per 1000

## Fertility rates

The term "fertility rate" is defined as "the number of live births to women at each stage of reproduction in a given year as a percentage of the average annual population of women of the same age." According to Census 2011 data, the total fertility rate in uMngeni is 2,2 while the number of living births (crude birth rate) is 866 per 1000 children born.

The adolescent fertility rate in KwaZulu-Natal is now 71 per 1000 population, which means that for every 1000 moms, 71 are teenagers between the ages of 10 and 19, while the adolescent fertility rate in uMngeni Local Municipality is not yet available.

## Mortality rates

The mortality rate is a measure of the number of deaths (in general or due to a specific cause) per unit of time in a population, scaled to the population's size. A mortality rate of 9.5 (out of 1,000) in a population of 1,000 means 9.5 deaths per year, or 0.95 percent of the total population. The mortality rate



shown in the table below is based on the distribution of households in the uMgungundlovu region that died in 2016.

Table 7: Mortality Rate

Local Municipality	Deaths occurred	No. death occurred	Total
uMgungundlovu	10 678	287 785	298 463
uMshwathi	1587	27 495	29 082
uMngeni	2 287	35 655	37943
Impendle	595	6417	7011
Msunduzi	4887	175582	180469
Mkhambathini	475	14985	15460
Richmond	416	17154	17570
Mpofana	431	10496	10927

Source: Statistics South Africa (Community Survey 2016 dataset)

The leading causes of death within uMgungundlovu district is outlined in the table below with information not available at a local municipal level. To combat the prevalence of HIV, the municipality has developed an HIV Strategy which will continue being implemented in the next five years.

Table 8: Causes of Death

	KZN		uMgungundlovu	
1	Other forms of heart disease (I30-I52)	8,2	Diabetes mellitus (E10-E14)	9,8
2	Diabetes mellitus (E10-E14)	7,1	Human immunodeficiency virus [HIV] disease (B20-B24)	6,3
3	Tuberculosis (A15-A19)	6,8	Cerebrovascular diseases (I60-I69)	6
4	Cerebrovascular diseases (I60-I69)	5,7	Hypertensive diseases (I10-I15)	5,9
5	Human immunodeficiency virus [HIV] disease (B20-B24)	5,4	Tuberculosis (A15-A19)	5,8

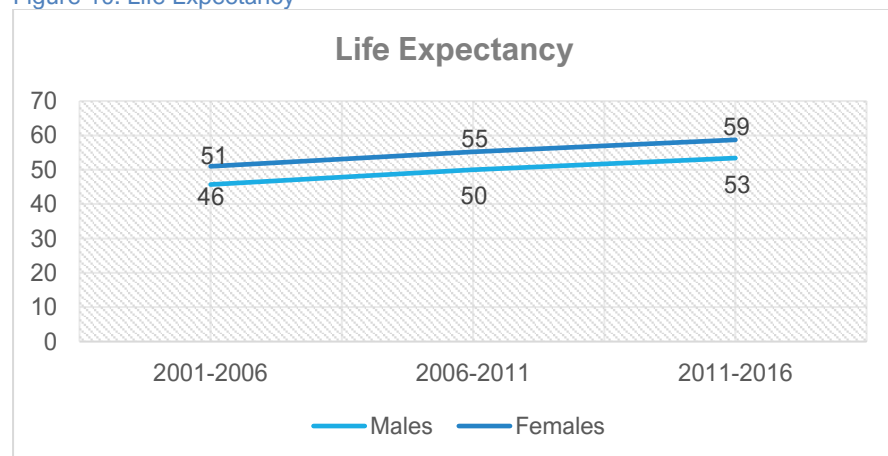
Source: Statistics South Africa (2018)

## 2.1.6 Life Expectancy

Life expectancy is the average number of years a person can expect to live if in the future they experience the current age-specific mortality rates in the population. Life expectancy indicators are only available at the provincial level, not at the local level. For the years 2001-2006, 2006-2011, and 2011-2016, Figure below depicts the average provincial life expectancies for males and females. For each period, life expectancy increased incrementally for both men and women. Males have a life expectancy of 53 years, while females have a life expectancy of 59 years as of 2016, which is higher than in 1996 and 2011. Over time, female life expectancy has

increased by an average of 5 years. Improvements in primary health care may have contributed to recent increases in male and female life expectancy.

Figure 10: Life Expectancy



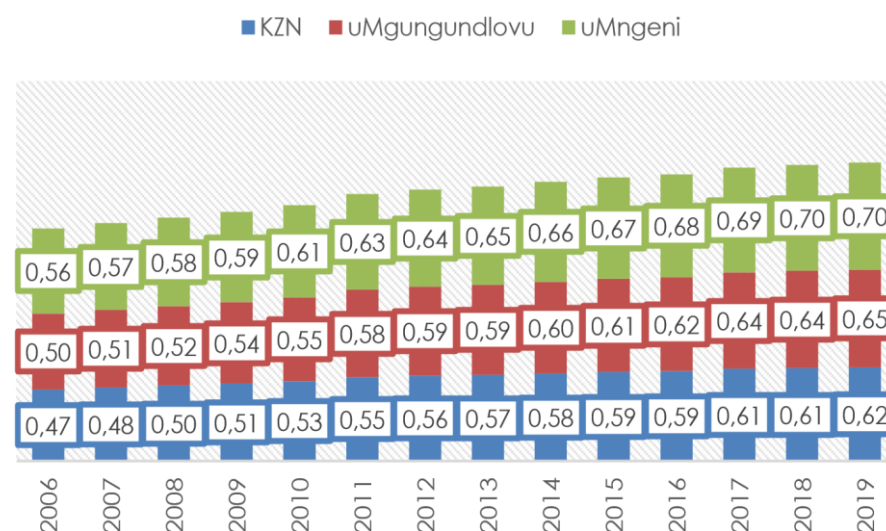
According to Statistics South Africa Mid-Year Population Estimates (2021), uMgungundlovu now has a life expectancy of 57 years for males and 64 years for females, a decrease of 3,1 years for males and 3,8 years for females from the estimate in 2020.

### 2.1.7 Human Development Index and Gini coefficient

The Human Development Index is a statistical tool used by the United Nations to assess relative progress in human/socio-economic development using the three dimensions of health, education and income, whilst the Gini coefficient is used to measure income inequality. The HDI is represented by a value between 0 and 1, where 1 signifies a high level of human

development and 0 represents no human development. Figure below shows that the development index of uMngeni municipality has been increasing over the period, with the municipality recording the highest levels of human development compared to uMgungundlovu district and Province of KwaZulu-Natal. In 2019, uMngeni recorded a HDI of 0.7 followed by uMgungundlovu at 0.65 and KZN at 0.62 suggesting medium development within the Province, District and uMngeni.

Figure 11: Human Development Index

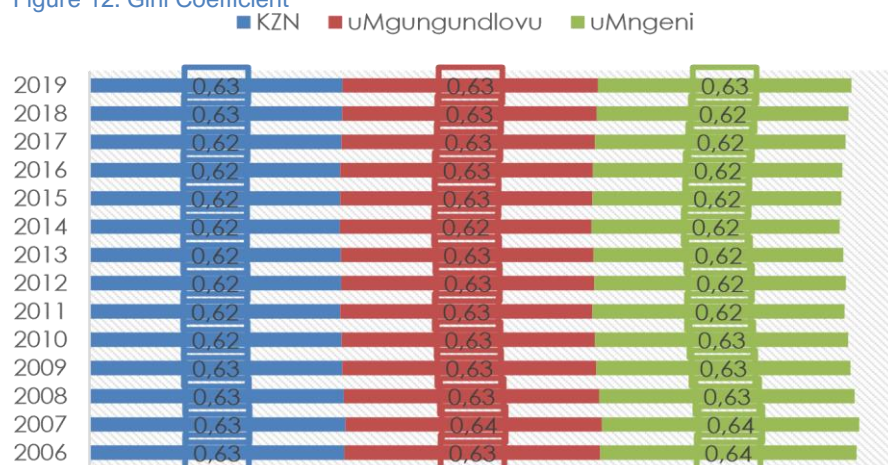


Source: IHS Markit, 2020

The Gini coefficient is also represented by a value between 0 and 1, whereby 0 represents equal distribution of income, and 1 represents unequal distribution of income. Figure 13 demonstrates relatively high levels of

income inequalities in the Province, District and uMngeni over the period. Although relatively small, uMngeni recorded a slight decline in income inequality between 2006 and 2019 moving from a coefficient of 0.64 to 0.63 in the respective years.

Figure 12: Gini Coefficient

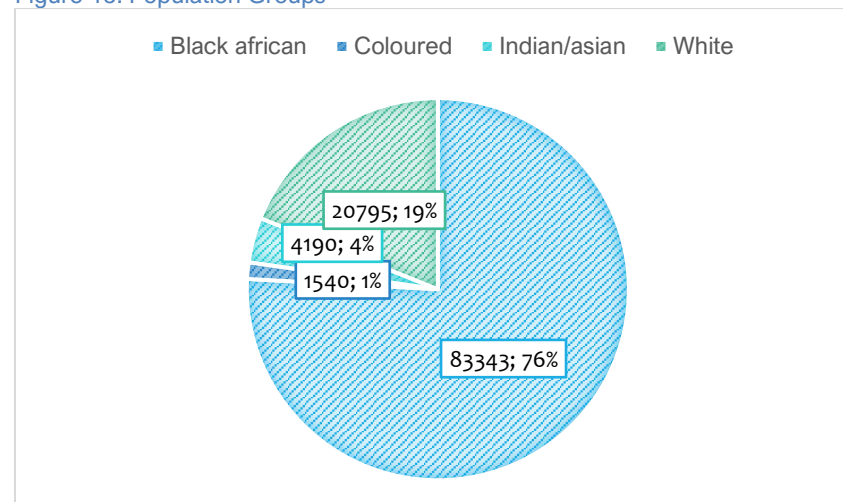


Source: IHS Markit, 2020

## 2.1.8 Population Groups

Planning with diverse communities provides planners with the data and resources they need to involve citizens in planning processes and improve the quality of life for all racially diverse communities. uMngeni has a diverse population that represents all four of South Africa's major population subgroups. The majority of the population is Black African, accounting for 76 percent of the municipal population, followed by White people at 19 percent, Indian/Asian people at 4 percent, and the Coloured population at 1 percent.

Figure 13: Population Groups



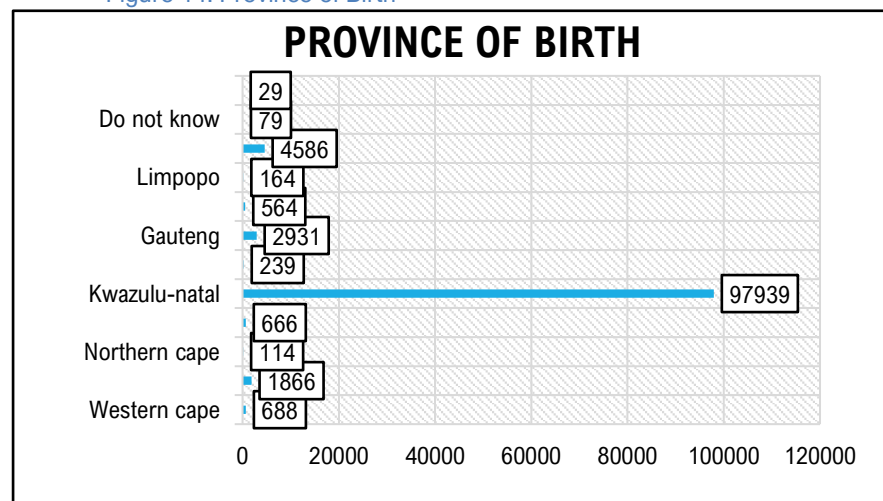
Source: Statistics South Africa (Community Survey 2016 dataset)

## 2.1.9 Migration Patterns

Human migration is defined as an individual or group's permanent change of residence; it excludes movements such as nomadism, migrant labour, commuting, and tourism, which are all temporary in nature. Migrations can be classified broadly. To begin, we can distinguish between internal and foreign migration. Individuals and families relocate within a country (for example, from rural areas to cities), which is separate from international migration. Second, migration might occur voluntarily or involuntarily. The majority of voluntary migration, whether internal or foreign, is motivated by the desire for improved economic prospects or housing. Forced migrations typically involve individuals who have been expelled from their homes by governments during times of war or other political upheavals. Voluntary

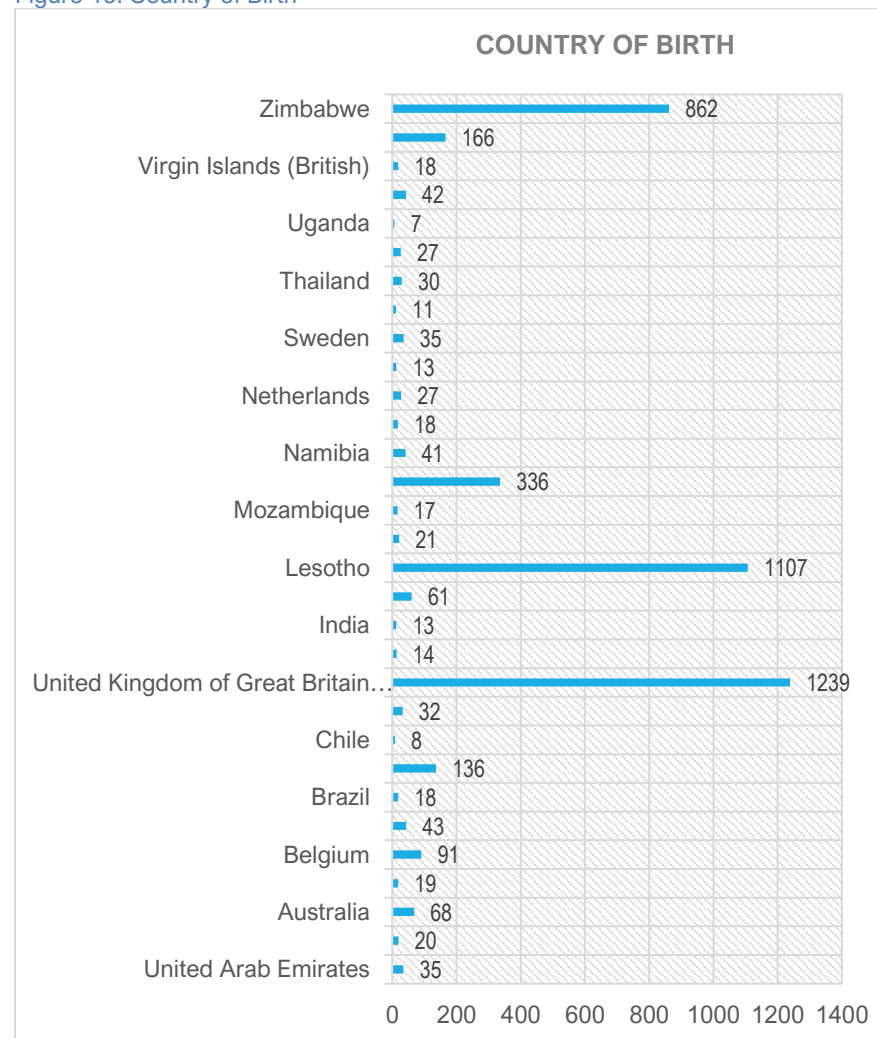
migrations of refugees fleeing war, famine, or natural calamities fall between these two groups.

Figure 14: Province of Birth



In the case of uMngeni, a combination of these components exists, depending on the province or place of origin of the immigrants. According to the most recent available data, around 7 percent of the uMngeni population is made up of interprovincial immigrants from South Africa's nine provinces and 4 percent from 31 countries. The United Kingdom (27%) is the leading country in terms of foreign-born residents living in uMngeni, followed by Lesotho (24%) and Zimbabwe (18.7%) respectively.

Figure 15: Country of Birth



The reasons for immigrants' relocation to uMngeni are summarized in Table 10 below, with the primary two reasons being a need for a new house and the desire to live with or be closer to a spouse.

Table 9: Immigration Reasons

	DC22: uMgungundlovu	KZN222: uMngeni
<b>Divorce/Separation</b>	781	323
<b>Education(e.g. studying; schooling; training)</b>	6637	740
<b>For better municipal services</b>	781	27
<b>Health(e.g. poor/ill health)</b>	506	71
<b>High levels of crime</b>	294	-
<b>Job loss/retrenchment/contract ended</b>	1073	175
<b>Job transfer/take up new job opportunity</b>	6780	890
<b>Look for paid work</b>	4093	457
<b>Moving as a household with a household member (for health</b>	4071	917
<b>Moving to live with or be closer to spouse (marriage)</b>	7617	1688
<b>New dwelling for household</b>	13906	2487

<b>Other business reasons (e.g. expansion of business)</b>	567	332
<b>Political instability/religious conflict/persecution</b>	259	68
<b>Retirement</b>	260	203
<b>Start a business</b>	297	129
<b>Other</b>	3245	712
<b>Do not know</b>	311	36
<b>Not applicable</b>	1044149	100612
<b>Not specified</b>	239	-
<b>Total</b>	1095865	109867

Source: Statistics South Africa (2016)

## 2.2 SOCIO-ECONOMIC INDICATORS

### 2.2.1 Households and Services

The number of households within the municipal jurisdiction increased by 18 percentage points from 30490 in 2011 to approximately 37943 in 2016. The average household size has shrunk from 3.1 people in 2011 to 2.8 people in 2016. Female-headed households have increased since 1996, accounting for 45 percent of the population compared to 32 percent in 1996. Child-headed households account for 0.4 percent of the households.

Table 11 indicates the distribution of households in uMngeni by type of main dwelling. The table reflects that uMngeni is dominated by formal dwellings, which constitute 86,8 percent of all dwelling types and is the highest proportion of formal dwellings per municipality in the district. Informal



dwellings follow at 7,9 percent above the district average, while other dwelling types reflect the lowest proportions at 4,1 percent and 1,1 percent respectively.

Table 10: Household Services

District and local municipality	Formal dwelling	Traditional dwelling	Informal dwelling	Other	Total
DC22: uMgungundlovu	228 768	45 826	22 243	1 569	298 405
KZN221: uMshwathi	16 369	10 900	1 797	16	29 082
KZN222: uMngeni	32 904	1 563	3 000	426	37 893
KZN224: Impendle	4 082	2 570	325	35	7 011
KZN225: Msunduzi	144 432	19 956	15 103	970	180 461
KZN226: Mkhambathini	9 648	5 143	669		15 460
KZN227: Richmond	12 182	4 092	1 229	68	17 570
KZN223: Mpofana	9 150	1 603	120	55	10 927

Source: Statistics South Africa (2016)

RDP/government subsidies households account for 13 608 out of the total number of households in the municipality, or approximately 36 percent of all households in the uMngeni jurisdiction. Approximately 39 percent of RDP/government subsidy dwellings are in poor condition, 41 percent are in good condition, and the remaining 20 percent are considered average. As of 2011, 46,4 percent of 6 percent of households are currently owned and have full tenure status

According to the Community Survey (2016), 61,4 percent of households in uMngeni have access to piped water inside the dwelling and 19,8 percent inside the yard with the rest accessing either through piped water on community stand, rain-water tank in yard, borehole in the yard - borehole outside the yard, neighbours tap, public/communal tap, watercarrier/tanker, lowering water/stream/river and other unspecified source. Overall, 87,3 percent of uMngeni households have access to safe drinking water. Access to sanitation has increased steadily by 2.8 percent, rising from 84 percent in 2011 to 86 percent in 2016.

## Access to Electricity

Having 86% electricity access means that a significant portion of the population in uMngeni Municipality has access to electricity. This is a positive indication of the progress made in terms of electrification in the area.

However, the remaining 14% of the population without access to electricity still represents a significant number of people who may be experiencing challenges in their daily lives due to lack of electricity. This could impact their ability to study, work, and carry out other essential activities.

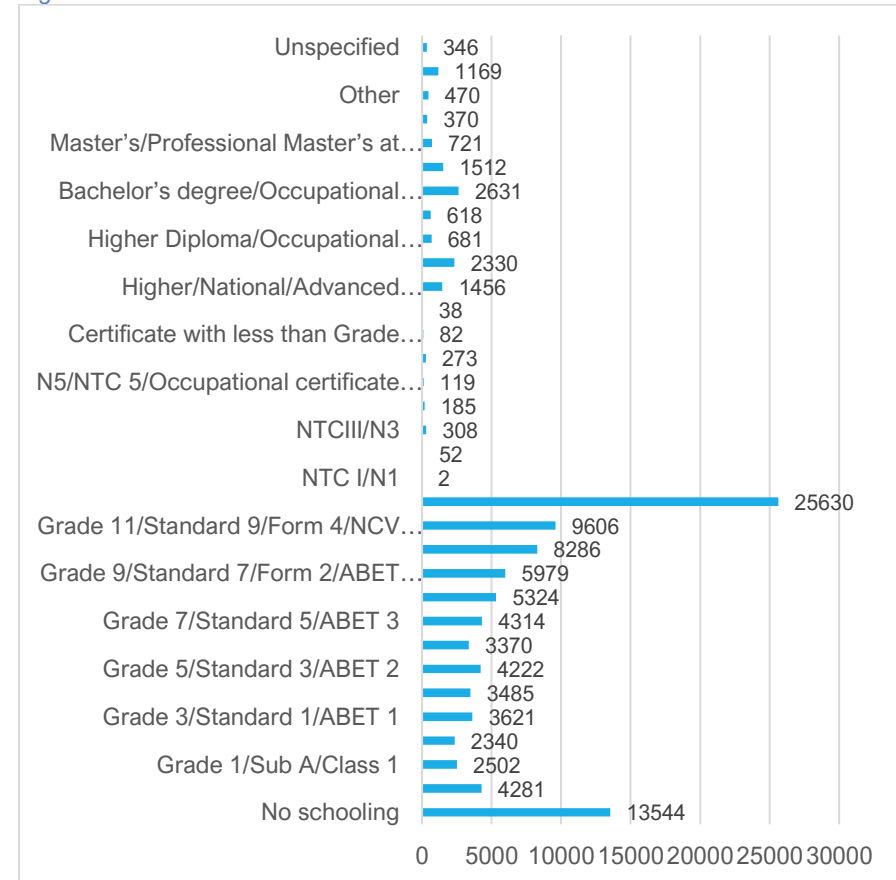
It's important to note that achieving 100% electricity access is crucial in promoting socio-economic development and improving the quality of life for residents. The municipality needs to continue investing in electricity infrastructure and ensure that it reaches all areas, particularly those that are currently underserved.

Moreover, it is important to ensure that electricity access is reliable and affordable for all residents, regardless of their location or socioeconomic status. This can be achieved through sustainable and inclusive energy policies and initiatives that prioritize the needs of marginalized communities.

## 2.2.2 Educational Status

Based on the recent enumeration, the Community Survey 2016, education status will be analysed based on figure 17 below.

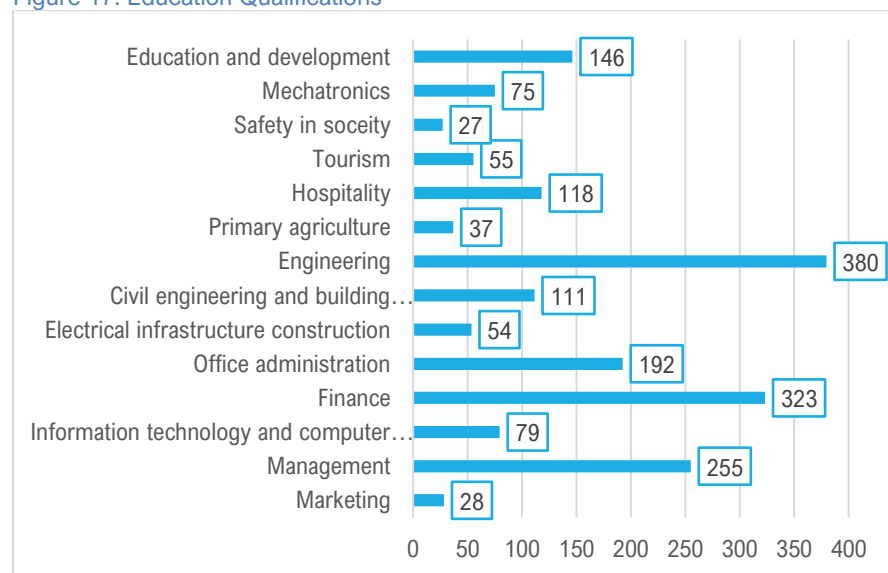
Figure 16: Education Levels



Every level of education has a significant impact on a person's life. For starters, it introduces a person to a society in which they can make their own

decisions. Education enables a person to obtain good jobs, which will help to stimulate economic growth in the municipality, as well as improve their living standards. There are 25 630 people with grade 12 in the uMngeni Municipality, but what's interesting is that there are a few records of post-standard qualifications, such as occupation certificates. There are, however, some notable certified abilities. Engineering, while not specific to any one industry, is the most prevalent, and society's safety is the least.

Figure 17: Education Qualifications



### 2.2.3 Key Findings

The population of uMngeni Municipality has increased over time from 69,742 in 1996 to 120,147 in 2021, representing a growth of over 72%.

- The population is dominated by black African people at 76 percent followed by whites at 19 percent.
- The number of households has also increased by 36 percent.
- Most of the people live within the urban parts of the municipality but the growth in population is inclusive of urban, rural and farms.
- The fertility rate is consistent with the national average but crude birth rate is a concern.
- The household size has decreased from 3.1 people to 2.9 people which implies that the families are becoming nuclear.
- The municipal population is expected to grow exponentially over the next years. This has implications for future housing, services and job creation
- There are more females than males which imply a need for gender specific programmes.
- Dependency ratio is at 56 percent but can be considered lower than similar municipalities within the province.
- The mortality rate is at 9,5/ 1000 people but can possibly be sitting at a higher rate upon the release of the next census due to the impact of Covid-19.
- The life expectancy has improved over the years for both men and women but it is still substantially lower than the national average.

- The levels of tertiary education is low but the municipality is better off when compared to similar municipalities in the province. For example the skills set is dominated by engineering graduates.
- A substantial amount of people stated that they have been victims of crime and some stated that the level of safety was concern to their well-being.
- The highest recorded form of criminal activity is violent crime whereby murder dominates the crime statistics.
- Most people travel by foot as a transport mode.
- Approximately 2 percent of the population are living with disabilities as such universal access to facilities is necessary.
- The rate of unemployment is high and the number of indigents is expected to grow at this current moment.
- Over the years uMngeni has attracted a number of people to migrate to it including population from the United Kingdom, Lesotho and Zimbabwe.
- There is more pressure on agricultural land, job creation, housing, and other infrastructure, as well as access to high-quality education and healthcare.
- In high-density areas and poverty pockets such as rural settlements strategic investment and interventions are required.

- There is a need to reduce further electricity, water, and sanitation backlogs.
- The municipality must take a proactive approach in strengthening local economic development by investing in network industries and funding LED projects in order to further reduce unemployment.
- Most residents are from KZN province by birth and most emigrants moved into uMngeni in the year 2013.





# MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

ARE WE TRANSFORMING AS AN INSTITUTION?



### 3. KPA - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT ANALYSIS

#### 3.1 Institutional Arrangements

##### 3.1.1 Political Governance Structure

The uMngeni jurisdiction's political landscape is diverse, which provides an excellent foundation for democracy. For the first time in its democratic history, the uMngeni Council has representation from three political parties as a result of the recent 2021 local government elections.

The political structure of the Municipality consists of elected councillors headed by Cllr C.J. Pappas, Mayor of the Municipality. The composition of the political leadership committee of the Council is summarized as follows:

**His Worship the Mayor:** Cllr C.J. Pappas

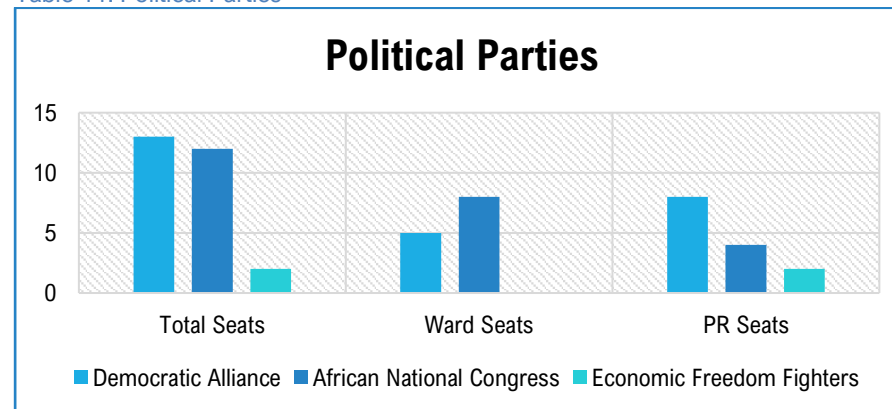
**Deputy Mayor:** Cllr S. Mnikathi

**Speaker:** Cllr J.E. Holmes

**Chief Whip:** Cllr N.E Ndlovu

The Council is made up of 25 members, 13 of whom are ward councillors and 12 of whom are proportional representation (PR) councillors. They were elected in November 2021 as part of the 2021 local government elections. Council has a 44 percent female representation and a 56 percent male representation. The representation of political parties in the Council is summarized in the table below.

Table 11: Political Parties



##### 1.1.1.1 Council Committees

The Municipal Council is organised into a number of council committees that deal with matters related to the following key performance areas:

- Municipal Transformation & Organisational Development Analysis
- Good Governance & Public Participation
- Service Delivery & Infrastructure
- Local Economic & Social Development
- Municipal Financial Viability & Management

Councillors have the opportunity to devote time and expertise to specific issues. Committees make recommendations to council, relieving council of the responsibility of dealing with every detail. Committees do not make final decisions because the majority of council actions require majority consent. The Council may establish such standing or other committees as it deems necessary to

effectively carry out its functions. Members of a Council committee may also be non-Council members. Table 13 below lists the various Council committees and members.

Table 12: Council Committees & Members

Committee	Purpose of Committee	Committee Members
<b>Council</b>	Council has the authority to regulate the local municipality's capacity or right to exert its rights or execute its duties under its own initiative.	Councillor JE Holmes (Speaker) Councillor CJ Pappas (Mayor) Councillor S Mnikathi (Deputy Mayor) Councillor NE Ndlovu (Chief Whip) Councillor PA Passmoor Councillor CT Mthlane Councillor GT Dlamini Councillor T Sikhakhane Councillor KPJ van Rensburg Councillor SD Nkuna Councillor HG Maphumulo Councillor N Mabawula Councillor SE Lamula Councillor PC Le Roux Councillor FT Cele Councillor QSB Buthelezi Councillor DE Malevu

Committee	Purpose of Committee	Committee Members
<b>Executive</b>		Councillor TA Duggan Councillor KP Msimango Councillor HM Lake Councillor RS Sokhela Councillor B Mkhize Councillor SJ Zuma Councillor SS Msibi Councillor HN Mabaso
	An executive committee is the principal committee of the council of the municipality and as such receives reports from the other committees of the Council. The Executive committee considers these reports and disposes of those which the committee is authorised to do in terms of its delegated powers and forwards the remainder of the reports together with its recommendations to the municipal Council for decision.	Councillor CJ Pappas ((Chairperson) Councillor S Mnikathi Councillor PA Passmoor Councillor CT Mthlane Councillor GT Dlamini

Committee	Purpose of Committee	Committee Members
<b>Management</b>	Responsible for corporate administration and human resources matters including skills development.	Councillor CJ Pappas (Chairperson) Councillor NE Ndlovu Councillor T Sikhakhane Councillor KPJ van Rensburg Councillor SD Nkuna Councillor HG Maphumulo Councillor GT Dlamini
<b>Finance</b>	The Financial Services Portfolio Committee assists the Executive Committee in fulfilling its responsibilities relating to corporate accounting reporting practices of the Municipality as well as including the quality and integrity of the financial reports.	Councillor CJ Pappas (Chairperson) Councillor PA Passmoor Councillor N Mabawula Councillor PC Le Roux Councillor RS Sokhela Councillor CT Mthlane Councillor DE Malevu
<b>Economic Development and Planning</b>	The committee is responsible for promoting local economic growth and investment opportunities. Provides a favourable atmosphere for investment while still overseeing land use policy legislation.	Councillor PA Passmoor (Chairperson) Councillor TA Duggan Councillor NE Ndlovu Councillor KP Msimango Councillor DE Malevu Councillor SD Nkuna

Committee	Purpose of Committee	Committee Members
<b>Community Services</b>	Considers and makes recommendations to the Executive Committee and Council on all matters pertaining to community services and social services.	Councillor CT Mthlane Councillor S Mnikathi (Chairperson) Councillor HM Lake Councillor FT Cele Councillor KPJ van Rensburg Councillor SS Msibi Councillor HG Maphumulo Councillor CT Mthlane
<b>Technical</b>	Considers and makes recommendations to the Executive Committee and Council on all matters pertaining to electricity, engineering, human settlements, transport, waste management.	Councillor S Mnikathi (Chairperson) Councillor T Sikhakhane Councillor PC Le Roux Councillor K. Msimango Councillor GT Dlamini Councillor QSB Buthelezi Councillor DE Malevu
<b>Municipal Public Accounts</b>	The purpose of the Committee is to perform an oversight function on behalf of the Council over the executive functionaries of the Council.	Councillor HM Lake (Chairperson) Councillor TA Duggan Councillor N Mabawula Councillor PC Le Roux Councillor HG Maphumulo

Committee	Purpose of Committee	Committee Members
<b>Informal Traders</b>		Councillor RS Sokhela Councillor QSB Buthelezi
	The sub-committees provide guidance and resource support services to informal economic role players within the area solely with an intention of addressing structural hindrances to growth and development.	CJ Pappas (Chairperson) TA Duggan KP Msimango NE Ndlovu SZ Zuma B Mkhize D Malevu
<b>Waste Management Landfill Site</b>	Contribute to a clean, healthy environment and lively economy in the uMngeni area through responsible solid waste management practices that, wherever possible, identify solid wastes as a useful resource.	Councillor PC Le Roux (Chairperson) Councillor HM Lake Councillor KPJ van Rensburg Councillor FT Cele Councillor Mthlane Councillor SQB Buthelezi
<b>Audit and Performance Committee</b>	The Committee's mission is to support and guide Council in carrying out its oversight duties for the financial reporting process, the structure of internal supervision over financial reporting, the	Charmaine Jugnarayan (Chairperson) Mr Mduduzi Madonsela Mrs Nomaphelo Skweyiya Mr Mlungisi Shangase

Committee	Purpose of Committee	Committee Members
	audit procedure, performance assessment and appraisal, and the Council's framework for monitoring compliance with laws and regulations, as well as the code of ethics. All current members were appointed in the 2020/2021 financial year.	Ms Samukelisiwe Khanyile
<b>Local Labour Forum</b>	Section 11.8 of the SALBGC Main Collective Agreement, which directs their formation and structure mandates the formation of such committee. The Local Labour Forums provide the authority and responsibility to discuss employment issues of common interest.	Councillor GT Dlamini Councillor T Sikhakhane
<b>Ward Committees</b>	Ward Committees are the vehicles by which the Constitution's notions of participatory democracy and parliamentary democracy, as illustrated in Section 152, become a fact. There are 10 ward committee members per ward.	Elected community members with ward councillors as chairpersons

Committee	Purpose of Committee	Committee Members
<b>Executive Committee Appeals</b>	This Committee was established as per Section 51 of the Spatial Planning and Land Use Management Act. The Committee acts as an arbitration authority for those whose interests have been harmed by a judgment made by the Joint Municipal Planning Tribunal.	Councillor CJ Pappas (Mayor) Councillor S Mnikathi (Deputy Mayor) Councillor PA Passmoor Councillor CT Mthlane Councillor GT Dlamini

### 3.1.2 Administrative Governance

Table 14 details key members of the administration who have been appointed in terms of Section 56/57 of the MSA and are responsible to assist the political administration in carrying out its Constitutional mandate. The **vacancy rate** is currently **53.6 percent**. The position of Chief Financial Officer is currently vacant, however the recruitment process has included with the incumbent expected to resume work on 1<sup>st</sup> August 2023. In the meantime, the Acting CFO is Expenditure Manager.

Table 13: Senior Administrative Officials

	List of Senior Administrative Officials and Functions	
Designation	Name of official	Portfolio Committee

Municipal Manager	Mr. Mzi Hloba	Executive Committee
Director Administrative Support Services	Mr S Buthelezi	Management
Chief Financial Officer	Vacant	Finance
Director Economic Development, Planning and Human Settlements	Ms S Dlamini	Economic Development and Planning
Director Infrastructure Services and Public Works	Mr V Mboyana	Technical
Director Community Services and Public Safety	Mr B Mpanza	Community

### Administrative Committees

#### Management Committee

The uMngeni Municipality's Municipal Executive Committee (MANCO) convenes every Monday of the week, emphasizing the utmost importance of these management meetings within the municipality. These regular gatherings serve as a pivotal platform for the highest-level decision-making and strategic planning processes. MANCO's meetings bring together key officials, including Municipal Manager, and various department heads, fostering collaboration and synergy among different branches of the local government. By addressing critical matters, discussing policy frameworks, and reviewing progress on ongoing projects, these meetings ensure effective coordination and smooth functioning of the



municipality. The significance of MANCO cannot be overstated, as it enables the identification of challenges, facilitates the implementation of innovative solutions, and promotes the efficient allocation of resources for the overall development and welfare of uMngeni Municipality and its residents.

Table 14: MANCO

<b>MANCO</b>
Municipal Manager
Director Administrative Support Services
Chief Financial Officer
Director Economic Development, Planning and Human Settlements
Director Infrastructure Services and Public Works
Director Community Services and Public Safety

### Joint Municipal Planning Tribunal (JMPT)

The JMPT was established in terms of Section 35 of the Spatial Planning and Land Use Management Act No.16 of 2013 and Chapter 2 of the By-Laws. The JMPT must decide applications for municipal planning approval in terms of the approved categorisation of applications as referred to in Sections 22(1)(b) and (c) of the By-Laws. Applications before the Tribunal are to be considered within the legislated timeframes. This is a Joint Committee also serving 5 other municipalities in the uMgungundlovu District.

The Tribunal must exercise its powers in accordance with all relevant legislation in an independent manner, free from governmental or any other outside interference or influence and in accordance with the highest standards of integrity, impartiality, objectivity and professional ethics. Table 16 below contains a list of Tribunal the JMPT members. Additionally, the municipality has appointed the Chief Town Planner from the Shared Services as the designated Municipal Planning Authorised Officer. The JMPT reviewed eleven uMngeni applications during the previous financial year.

Table 15: JMPT Members

<b>Joint Municipal Planning Tribunal Members</b>
Mr TG Nkosi (Chairperson - Private)
Mr A Lax (Private)
Mr JA Forbes (Private)
Mr ML Povall (Private)
Mr SG Sithole (Private)
Mr ML Mkhize (Private)
General Manager: Economic Development and Planning (uMngeni LM)
Manager: IDP & PMS (uMngeni)
Manager: Town Planning (uMngeni)

## 3.2 Powers & Functions

In South Africa, government has the responsibility to make policies and laws about the rights and responsibilities of citizens and the delivery of government services. Government collects revenue (income) from taxes and uses this money to provide services and infrastructure that improves the lives of all the people in the country, particularly the poor. The Constitution of South Africa sets the rules for how government works. There are three spheres of government in South Africa (1) National government, (2) Provincial government and (3) Local government. The spheres of government are autonomous and should not be seen as hierarchical. According to the Constitution, the three spheres of government are distinct, connected, and interdependent. At the same time, they all operate in accordance with the Constitution, as well as the laws and policies enacted by the national legislature.

The whole of South Africa is divided into local municipalities. Each municipality has a council where decisions are made and municipal officials and staff who implement the work of the municipality. The uMngeni Council is made up of elected members who approve policies and by-laws for their area. The Council has to develop and review the IDP and pass a budget for its municipality each year. They must also decide on development plans and service delivery for their municipal area. The work of the Council is co-ordinated by the Mayor who is elected by Council. The Mayor is assisted by councillors in an Executive Committee (elected by council). The Mayor together with the Executive Committee oversees the work of the Municipal Manager and department heads.

The work of the municipality is done by the municipal administration that is headed by the Municipal Manager and other officials. The accounting officer is responsible for employing staff and co-ordinating them to implement all

programmes approved by Council. According to the Municipal Structures Act No. 117 of 1998, uMngeni Municipality is classified as a category B Municipality and the table below provides an overview of functions provided by the Municipality and others that are performed by the District Municipality.

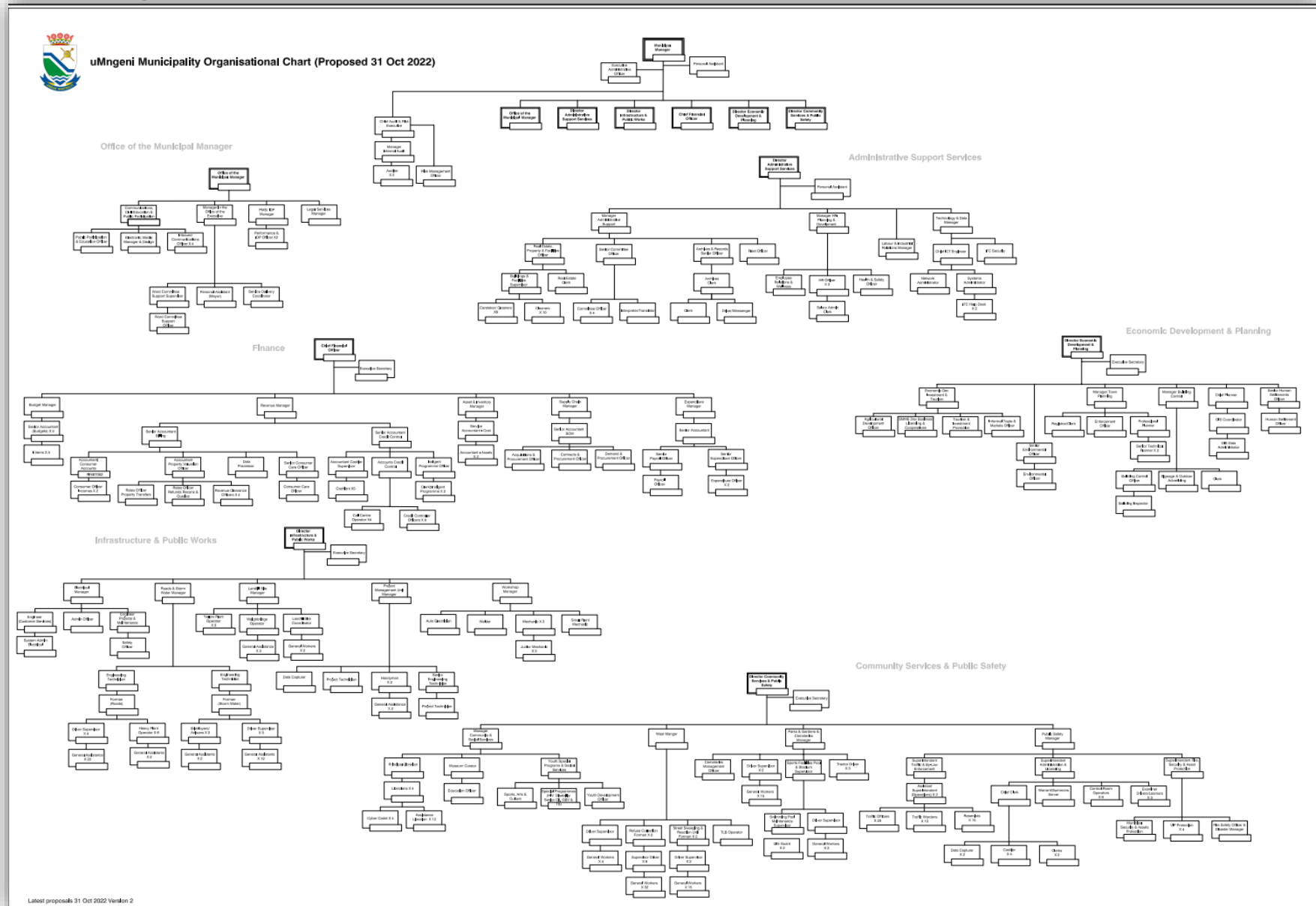
Table 16: Powers & Functions

<b>FUNCTION</b>	<b>AUTHORITY RESPONSIBLE</b>
<b>Air Pollution</b>	UMDM
<b>Building regulations</b>	uMngeni Municipality
<b>Childcare facilities</b>	uMngeni Municipality
<b>Electricity and gas reticulation</b>	Eskom/ uMngeni Municipality
<b>Firefighting services</b>	UMDM
<b>Local tourism</b>	uMngeni Municipality
<b>Municipal airports</b>	uMngeni Municipality
<b>Municipal planning</b>	uMngeni Municipality/ DPSS
<b>Municipal health services</b>	KZN Department of Health
<b>Municipal public transport</b>	uMngeni Municipality
<b>Stormwater Management</b>	uMngeni Municipality
<b>Trading regulations</b>	uMngeni Municipality
<b>Water and sanitation services</b>	UMDM / DWA
<b>Billboards and public advertising</b>	uMngeni Municipality

<b>FUNCTION</b>	<b>AUTHORITY RESPONSIBLE</b>
<b>Cemeteries, Funeral Parlours and Crematoria</b>	uMngeni Municipality
<b>Cleaning and maintenance</b>	uMngeni Municipality
<b>Control of public nuisances</b>	uMngeni Municipality
<b>Control of undertakings that sell liquor</b>	uMngeni Municipality
<b>Animal care, burial and pounds</b>	uMngeni Municipality
<b>Fences and fencing</b>	uMngeni Municipality
<b>Licensing of dogs</b>	uMngeni Municipality
<b>Food licenses</b>	uMngeni Municipality
<b>Local amenities</b>	uMngeni Municipality
<b>Local sports facilities</b>	uMngeni Municipality
<b>Street lightening</b>	uMngeni Municipality / Eskom
<b>Markets</b>	uMngeni Municipality
<b>Municipal parks and recreation</b>	uMngeni Municipality
<b>Municipal roads</b>	uMngeni Municipality
<b>Noise pollution</b>	UMDM
<b>Public places</b>	uMngeni Municipality
<b>Refuse removal and solid Waste</b>	uMngeni Municipality

<b>FUNCTION</b>	<b>AUTHORITY RESPONSIBLE</b>
<b>Street traders</b>	uMngeni Municipality
<b>Traffic and parking</b>	uMngeni Municipality

### 3.3 Approved Organisational Structure



### 3.4 Municipal Institutional Capacity and Status of Critical Posts

While significant progress has been made in filling critical vacancies in senior management, with most positions filled, far more change is needed at lower levels, especially in the Technical Services and Community Services department, in order to improve service delivery that is noticeable to communities. The accounting officer position is currently vacant with recruitment process underway. The vacancy rate is high in the municipality especially in the two departments of Infrastructure Service & Public Works and Community Services & Public Safety respectively. A restructuring process is however underway in line with the new Council priorities contained in this 5th generation IDP Review. The new organogram was adopted in January 2023.

### 3.5 Status and Implementation of Human Resource Development

#### 3.5.1 HR Plan

Human resource development is one of the most important requirements for a municipality's efficient operation, and its significance should not be overlooked. The rapid development of municipalities has reemphasized the importance of municipal workers being equipped with the necessary skills to meet the ever-increasing demands of communities. This implies that human resources should be well handled in order to improve human resource production. The Human Resources Development Strategy addresses the link to the strategic requirements of the IDP by identifying the skills shortages, training, capacity building, relevant policies, and shared services. These strategic link requirements of the IDP includes the goal of Human resource development and management with the following objectives:

- To create a conducive working environment for all employees.
- Promote employment equity.
- Enhance human resource management.
- Utilisation of information technology for effective service delivery and the interrelated strategic focus areas.

Some of the actions outlined in the plan have been implemented, including capacity building for all employees, the institutionalization of Employee Wellness, and improving labour relations, which has resulted in fewer employee protests over time.

#### 3.5.2 HR Strategy

A human resource strategy is important for the municipality for several reasons:

- Attracting and retaining talent: A well-developed human resource strategy helps in attracting and retaining qualified and experienced staff to the municipality. This helps in ensuring that the municipality has the right people with the right skills in place to deliver services effectively.
- Workforce planning: A human resource strategy helps in planning the workforce needs of the municipality, including identifying skills gaps and developing strategies to address these gaps. This helps in ensuring that the municipality has the right number of staff with the right skills to meet its objectives.
- Employee development: A human resource strategy includes training and development plans for employees. This helps in improving the skills



and competencies of employees, which can lead to improved performance, increased job satisfaction, and career development opportunities.

- **Employee engagement:** A human resource strategy includes strategies for engaging employees and creating a positive work culture. This helps in improving employee satisfaction and motivation, which can lead to increased productivity, improved service delivery, and reduced turnover.
- **Succession planning:** A human resource strategy includes succession planning, which ensures that the municipality has a plan in place for replacing key employees who leave the organization. This helps in ensuring continuity of service delivery and preventing disruptions to operations.

### 3.5.3 Employment Equity Plan

The Employment Equity Act 55 of 1998 aims to eliminate unfair discrimination in the workplace and to promote equal opportunities and fair treatment for all employees. The uMngeni Municipality can adhere to the Employment Equity Act by implementing the following:

- **Develop and implement an employment equity plan:** The municipality should develop an employment equity plan that outlines the steps it will take to achieve employment equity, including setting targets for the representation of designated groups in all occupational levels.
- **Conduct an analysis of the workforce:** The municipality should conduct an analysis of its workforce to identify areas where designated groups are underrepresented or overrepresented.
- **Eliminate unfair discrimination:** The municipality should eliminate any policies, procedures or practices that unfairly discriminate against employees on the basis of race, gender, age, disability, religion or any other grounds.
- **Provide training and development opportunities:** The municipality should provide training and development opportunities for designated groups to enable them to acquire the skills and knowledge needed to advance in their careers.

- Monitor and evaluate progress: The municipality should monitor and evaluate progress towards achieving employment equity targets and adjust its strategies and interventions as necessary.
- Report on employment equity: The municipality should report annually on its progress towards achieving employment equity and submit the report to the Department of Labour.

By adhering to the Employment Equity Act, uMngeni Municipality can create a more diverse and inclusive workplace, which can help to attract and retain talented employees, improve employee morale and productivity, and enhance the municipality's reputation as an employer of choice. The EEA is currently being developed.

### 3.5.4 Workplace Skills Plan

The Municipality has prepared a Workplace Skills Plan (WSP) which aims to address the training needs of employees. The plan as per requirement was submitted to LGSETA on 29 April 2022. This plan helps to identify training gaps of employees and attempt to capacitate the employees in order to perform their functions better. The training plan aims at exposing every employee to training. These trainings also include councillors as well employees who are currently being trained in various municipal programmes funded by SALGA and CoGTA. All staff from officer level up to the management level are also being trained in the Municipal Finance Management Programme, and such is funded through the municipal budget and Local Government SETA Discretionary grant. This is in line with the requirements of minimum competency levels required by National Treasury. The Workplace Skills Plan is attached as under Annexure I.1.

### 3.5.5 Recruitment and Selection Policy

The uMngeni Municipality's Recruitment and Selection Policy was adopted in the 2022/2023 financial year and aligned with the Local Government Municipal Staff Regulations with the following steps taken:

- Reviewal of the current recruitment and selection policy: The first step was to review the current policy to identify any areas that may be in conflict with the Local Government Municipal Staff Regulations.
- Identify the areas of non-compliance: After reviewing the policy, identified areas where it is not in compliance with the regulations. This included areas such as advertising job vacancies, shortlisting candidates, conducting interviews, and making job offers.
- Revise the policy: After identifying the areas of non-compliance, the policy was revised to ensure that it aligns with the regulations. This included changes to the recruitment process, documentation required, and the criteria used for selection.
- Training: Once the revised policy in place, training is being provided to all staff involved in the recruitment and selection process to ensure that they are aware of the changes and how to implement them.
- Monitor and evaluate: It is important to monitor the recruitment and selection process regularly to ensure that the policy is being implemented correctly and is achieving its intended goals. Regular

evaluations should be conducted to determine the effectiveness of the policy and identify areas for improvement.

By aligning uMngeni Municipality's recruitment and selection policy with the Local Government Municipal Staff Regulations, the municipality ensures that it is complying with the law and promoting fairness, transparency, and equality in the recruitment and selection process.

### 3.5.6 Retention Policy

The uMngeni Council has an approved Retention Policy. The purpose of the policy is to provide suitable incentives and recognition to employees in order to facilitate the provision of a working environment which is conducive to meeting the needs of the employees and which will ensure that the required talent is sourced, acknowledged and retained. The objectives of the policy are as follows:

- To facilitate employee retention, provision of incentives and a working environment, this fosters the employer-employee relationship; and
- To reduce the current skills shortages through the provision of employee attraction and retention strategies, designed to attract, develop and retain staff with critical and necessary skills.

### 3.6 ICT Policy Framework

In light of recent cyber-attacks, the Auditor General and the State Security Agency have recently taken a serious approach to ensuring that Government ICT assets are not only protected, but also stable and compliant with both national and international standards. In the 2021/2022 financial year, the municipality reviewed and adopted the Information Communication Technology Governance

Framework Policy to ensure that the municipality has a stable, secure, and compliant ICT environment. ICT governance exists to inform and align decisions for ICT planning, policy, and operations in order to meet business objectives, ensure appropriate risk management, and ensure resources are used responsibly and strategically. The installation of the control room management system, access points in Hilton, Technical Services offices, and libraries since the adoption of the Information Communication Technology Governance Framework Policy has highlighted the importance and effectiveness of IT activities. To ensure a steady supply of IT compliance throughout the organization, all key positions have recently been filled.

## 3.7 Municipal Transformation and Institutional Development: SWOT Analysis and Key Challenges

### 3.7.1 Municipal Transformation & Institutional Development SWOT Analysis

Table 17: MTID SWOT Analysis

STRENGTHS	WEAKNESSES
Most critical senior positions are filled.	Vacant CFO position leads to administrative uncertainties.
Functional council committees.	Under representation of local demographics which translate to lack of implementation of employment equity.
Diverse political representation in Council.	Selective implementation of code of conduct.
Municipality performing most of its legislated functions.	Slow recruitment processes.
Over 50 percent of councilors have good years of experience in local government.	Lack of office space.
Strong leadership from political head.	

<p>Conditions of service in place.</p> <p>Leadership is accessible.</p> <p>Improved corporate image.</p> <p>Willingness of all political parties to work together.</p> <p>Active labour union.</p>	<p>Low of morale that result in lack of commitment.</p> <p>Lack of mentorship and succession planning.</p> <p>Outdated processes and systems.</p> <p>Workplace Skills Plan not implemented in line with municipal priorities.</p> <p>Staffing and vacancies.</p> <p>Lack of sufficient training and development of staff.</p> <p>Workers mismatched to their field of study</p>
<b>OPPORTUNITIES</b>	<b>THREATS</b>
<p>Cascading of performance management to all levels to enhance performance.</p> <p>Introduction of performance rewards whether monetary or non-monetary.</p> <p>Investing in knowledge management.</p> <p>Transforming organisational systems.</p> <p>Improve image attracts better candidates.</p> <p>Partner with external stakeholders to improve service delivery.</p>	<p>Cyber-attacks.</p> <p>Legal action from residents.</p> <p>Poor service delivery from other spheres of government.</p>

### 3.7.2 Municipal Transformation & Institutional Development Key Challenge

#### MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

##### Key challenge

Organisational Inefficiencies

##### Description

Some of the organisational inefficiencies have been due to poor communication, inadequate planning, ineffective leadership, lack of accountability, inadequate technology and infrastructure, poor employee engagement and inefficient processes.

# GOOD GOVERNANCE AND PUBLIC PARTICIPATION



ARE WE GOVERNING OUR PEOPLE CORRECTLY?



## 4. KPA - GOOD GOVERNANCE & PUBLIC PARTICIPATION ANALYSIS

### 4.1 Good Governance Analysis

#### 4.1.1 Status of National and Provincial Programmes Rolled-Out at Municipal Level

##### Batho Principles

The uMngeni Municipality embraces the Batho Pele Principles and to this effect will finalise the Batho Pele Policy and Procedure Manual. The Municipality does however as per Cabinet Resolution dated September 2016, embrace the following Batho Pele principles which put people first in all forms of service delivery:

**Consultation:** Citizens should be consulted about the level and quality of the public services they receive and, wherever possible, should be given a choice about the services that are offered. The municipality has upheld this principle by engaging all relevant stakeholders in the formulation of this 5<sup>th</sup> generation IDP.

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

**Access:** All citizens should have equal access to the services to which they are entitled. The municipality serves its entire area of jurisdiction thus reaching all citizens. Where the municipality is unable to offer services, the municipality has been proactive in communicating community needs with the relevant authorities.

**Courtesy:** Citizens should be treated with courtesy and consideration. Courtesy has been an important part of treating our customers whereby the municipality communicate through the different media forums on development and adoption municipal programmes.

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

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

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

**Value for Money:** Public services should be provided economically and efficiently in order to give citizens the best possible value for money. The municipality strived to provide services whilst at the same time ensuring cost saving measures.

■ Encouraging Innovation and Rewarding Excellence: Innovation can be new ways of providing better service, cutting costs, improving conditions, streamlining and generally making changes which tie in with the spirit of Batho Pele. It is also about rewarding the staff who “go the extra mile” in making it all happen.

■ Customer Impact: Impact means looking at the benefits we have provided for our customers both internal and external – it is how the nine principles link together to show how we have improved our overall service delivery and customer satisfaction. It is also about making sure that all our customers are aware of and exercising their rights in terms of the Batho Pele principles.

As part of the process to institutionalize the Batho Pele principles, the uMngeni Council adopted the SALGA Service Delivery Charter in May 2021. The Charter is

a commitment between SALGA, IMATU and SAMWU that set out the roles and responsibilities to improve performance, enhance and fast track the delivery of services to improve the lives communities. The Charter is a document that enables service beneficiaries to understand what they can expect and inform the basis of engagement between the municipality, citizens and organs of civil society.

### Service Delivery Improvement Plan

The IDP of uMngeni Local Municipality proudly outlines a significant milestone in its strategic objectives: the development of a comprehensive Service Delivery Improvement Plan (SDIP). This plan recognises and targets three key areas of focus - Waste Management, Revenue Collection, and Infrastructure Development - that are critical to the sustained growth and prosperity of the municipality. The Waste Management initiative seeks to enhance efficiency in waste collection and disposal, while fostering environmental sustainability. The Revenue Collection focus is designed to improve financial performance and enhance fiscal sustainability, ensuring that the necessary funds are available for municipal needs. Lastly, Infrastructure Development is a strategic move towards improving the standard of living of our residents through upgraded roads, public utilities, and buildings. With this tri-fold approach, the municipality is poised to create a better, more resilient, and sustainable uMngeni for all.

### Operation Sukuma Sakhe

The programme aims to embrace the community partnerships and the integration of fieldworkers, by encouraging coordination of comprehensive services of different service providers such as government departments, state owned enterprises and civil society as it views the delivery of anti-poverty programmes as

a collective responsibility. The program is anchored on three important areas which are food security, healthier communities and empowerment of youth and women. It also aims to address the social ills which are substance abuse, teenage pregnancy, crime, road accidents and gender-based violence.

There are different steps to understanding household and community needs. The community care givers (CCGS) visit households whereby a household head will provide information on the individuals in the household, using the household profiling tool which is completed by the CCGS and Youth ambassadors, the baseline information of the household is then established. The war room meetings then take place whereby there is discussion of the household needs per department; the needs are then submitted to the departmental focal person for action.

There are three main structures for OSS, the political structure, the coordinating structure and the oversight structure. In uMngeni municipality the Honourable Mayor is the political champion, there is also a Local Task Team that is supported by the Municipal Executive Council. At the ward level, the ward councillors are championing OSS whilst there are Ward Task Teams that are supported by the ward committees. War rooms have been established in all the wards of uMngeni with some war rooms in some wards being fully functional. The functions of the War Room and the Local Task Team are outlined below:

**The War Room** – A War Room implements OSS at community level utilizing an integrated platform. The programme envisions to extend the reach of government to communities and to fast-track government responses to household and community needs.

Community fieldworkers which include: Community Development Workers, Community Care Givers, Community volunteers, Sport Volunteers, Social Crime Prevention Volunteers, has been allocated per ward to assist with household and community profiling using the Household Profiling Tool.

The aim is to approach individual household and community problems in a collective manner and to collect and collate them in a single database and present them in coordinated way to the War Room. The different stakeholders, at the War Room meetings, agree on the manner in which services will be delivered in line with the Batho Pele principles and the Citizen's Charter.

**Local Task Team (LTT)** is responsible for the following functions:

- Providing guidance and mentorship support to War Rooms.
- Mobilize resources for the War Rooms.
- Support the development and implementation of War Room plans.
- Address challenges experienced by War Rooms.
- Provide guidelines for War Rooms on the submission requirements and format of reports to the Local Task Team.
- Monitor progress on the implementation of the programme at War Room level.

#### 4.1.2 IGR Status and Functionality

Intergovernmental relations (IGR) refer to the intricate and interdependent relationships that exist between various spheres of government. Intergovernmental relations can also refer to the fiscal and administrative mechanisms by which government entities share revenues and other resources. Intergovernmental relations are thus a collection of official and informal processes, institutional

arrangements, and institutions that facilitate bilateral and multilateral cooperation within and between the three spheres of government. It is critical to remember that the effectiveness of intergovernmental interactions is contingent upon the level of participation of the system's main role players, and that the extent of engagement, whether competitive or cooperative, ultimately determines the system's ontological state. As shown table 18 below, the municipality was involved in and participated in the following IGR structures in the past two financial years.

Table 18: IGR Structures

District & Provincial IGR	No. of meetings 2021/2022	No. of meetings 2020/2021
Planning and Development Cluster	0	2
GITOC	4	4
District Communicators Forum	24	24
Municipal Managers' Forum	0	0
Mayors' Forum	0	0
Provincial IDP Alignment Forum	1	1
Munimec	1	1
uMgungundlovu IDP Representative Forum	2	2

In subsequent iterations of the IDP Review, there will be increased attention paid to the monitoring and reporting of declarations made by national and provincial structures.

#### 4.1.3 Functionality of Management Structures

##### Office of the Municipal Manager (OMM)

The municipal manager is paramount to the functioning of uMngeni Council. The municipal manager is the link between the Council and the administration with the

municipal manager being the head. The municipal manager must account for the municipality's income and expenditure, assets and other obligations such as proper adherence to all legislation applicable to municipalities. Subject to the municipal council's policy directions the MM ensures that an economically viable, effective, efficient and accountable administration is established and developed, that the IDP comes to fruition, that municipal services are delivered in a sustainable and balanced fashion, that personnel is appointed, managed, developed and disciplined and that sound labour relations are maintained.

In uMngeni Municipality, the Office of the Municipal Manager is responsible for overseeing the operations of the IDP, performance management, communications, civil education, public participation, functioning of ward committees, internal audit and risk management. The Audit Committee, Oversight Committee, Executive Committee, and Council receive reports on the Office's activities. The office has a complement of 20 posts, according to the recently approved organisational structure.

### **Department of Administrative Support Services**

The functions of the department covers, registry and archives, utilisation and maintenance of municipal buildings, employee assistance programme, labour relations, human resources management, training and development, provision of cleaning services, occupational health and safety, information communication technology (ICT), fleet management, Council support, contract services, protection and security services, bookings of community facilities, and records management and legal matters. According to the approved organogram, the department has 47

approved posts. The Management Portfolio Committee receives departmental function reports and makes recommendations to the Executive Committee.

### **Department of Finance Services**

The Finance Department provides financial support and guidance to all other directorates within the municipality on financial related matters. The department is broken down into the components for revenue, budget, expenditure, supply chain management, asset management and expenditure. The office has a staff complement of 62 posts.

### **Department of Economic Development, Planning and Human Settlements**

The department functions is mainly focused on land use management, spatial planning, statutory planning, human settlement, natural environmental management, building control, geographic information systems, investment promotion and marketing, local business support and business regulation, small micro medium enterprise (SMME) and cooperative development, informal economy, tourism development and events management, management of the economic development forum and agricultural development. According to the approved organogram, the department has 25 approved posts.

The department requires an increase in personnel for efficiency, particularly in the processing of development applications, taking into account the number of applications that the Municipality must process in order to comply with the Spatial Planning and Land Use Planning Act (SPLUMA). Strengthening the capacity of the LED Unit was identified as an area for improvement, and as a result, the position of

LED Manager has been filled, which should strengthen the internal capacity to implement LED initiatives.

### **Department of Community Services and Public Safety**

The department is accountable for ensuring the provision of an acceptable standard of waste management, parks, gardens and cemeteries, social services, youth services, special programmes, disaster services, protection services, emergency services, fire safety, community safety and road traffic management, including testing for driver's licences and motor licencing, educational support and coordination, and museum facilities. In terms of the current approved organisational structure, the department has 200 posts.

### **Department of Infrastructure Services and Public Works**

The department is in charge of the day-to-day maintenance and development of the municipality in the areas of roads, storm water management, traffic engineering, landfill site, mechanical workshops, electricity services, street lighting and project management. Based on the approved organogram, the department has 94 approved posts. The majority of the job openings are in the roads and storm-water management unit, while the electricity unit only has one employee who oversees the appointed electrical contractor. The use of 5 percent Top Slice from the MIG to fund vacant positions and the approval of more posts in the electricity component would increase the Municipality's internal capacity to manage its infrastructure services efficiently and effectively.

#### **4.1.4 Functionality of Municipal Structures**

The efficiency and effectiveness of Council structures are dependent on their functionality. The sitting of established municipal structures is used to assess this functionality. Since the new Council took office in November 2022, various Council structures have met on a regular basis to discuss various service delivery issues that affect the Municipality. These include amongst other issues tabling and adoption of Annual Report, IDP and Budget. As of March 2023, of the current financial year, there had been 7 Council meetings, 16 Portfolio Committee meetings, 7 EXCO meetings, 43 Ward Committee meetings, 1 MPAC meeting, 4 Audit Committee meetings, and 2 Executive Appeals Committee meetings.

#### **4.1.5 Functionality of Internal Audit Unit**

The Internal Audit Function is governed in terms of section 165 of the Municipal Finance Management Act No. 56 of 2003 (as amended) (MFMA) and by the Municipal Systems Act, No. 32 of 2000 (MSA) which provides for the establishment of the Internal Audit Unit so as to regulate the function and to provide for matters incidental thereto. The Internal Audit Unit is directly accountable functionally to the Audit Committee, as formed in terms of section 166 of the MFMA and administratively to the Municipal Manager. In the 2021/2022 audited financial year, the uMngeni Internal Audit has prepared internal audit reports to inform quarterly and mid-year performance reports. The Internal Audit also reviewed the 2021/2022 Annual Financial Statements and Annual Performance Report. However, the efficiency of the Internal Audit should not be judged based on the number of activities but rather on the credibility of the audit opinions that the Municipality receives from the Auditor General, which have been unfavourable for the past three years.



#### 4.1.6 Functionality of Audit Committee

The uMngeni Council has an Audit Committee which is constituted as per section 166 of the MFMA. This committee is an independent advisory body of Council and advises the municipal council, the political office-bearers, the accounting officer and the management staff. The Committee is a specially appointed sub-committee of Council that assist the Municipality in the execution of its duties. The Committee performs an advisory role to the Municipality and is accountable to Council to properly consider and evaluate any matter that it must deal with or is referred to it.

The responsibilities of the Committee is to assist and advise Council in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control over financial reporting, the audit process, performance management and evaluation, Council's process for monitoring compliance with laws and regulations and Council's code of conduct. The Committee considers matters relating to management and the Council in the discharge of its duties to safeguard assets, operate adequate systems and controls, and review Annual Financial Statements, and on matters relating to performance management and performance evaluation.

The Municipality has an approved Audit and Performance Audit Committee Charter which sets out the specific responsibilities assigned to the Committee as per the Local Government: Municipal Planning and Performance Management Regulations, 2001 and details the manner in which the Committee will operate. The Charter is subject to annual review by the Council. The Audit Committee is required to meet at least four times per annum as per its approved Terms of Reference. The Audit Committee had seven meetings as of March 2023. In the 2022/2023 financial year, the Chairperson of the Audit Committee submitted reports to the uMngeni

Council. Table 20 below indicates the current Audit Committee members appointed by Council. The members are all specialists in various field including performance management, finance,

Table 19: Audit Committee Members

Name of Member	Designation	Status
Mrs. C. Jugnarayan	Chairperson	Active
Mrs. Nomaphelo Titi-Skweyiya	Member	Active
Mrs. Samkelisiwe Khanyile	Member	Active
Mr. Mduduzi Madonsela	Member	Active
Mr. Mlungisi Shangase	Member	Active

#### 4.1.7 Functionality of Enterprise Risk Management

Enterprise Risk Management (ERM) refers to an integrated or holistic approach to managing risk across an organisation, using clearly articulated frameworks and processes led from council. Risk management should be embedded in the general management of an organisation and fully integrated with other business functions such as finance, strategy, internal control, procurement, continuity planning, HR and compliance.

Municipalities do not operate in a risk-free environment, and the implementation of a risk management process does not create such an environment. Effective risk management assists municipalities to achieve their performance and service delivery targets, and to reduce the potential loss of resources. This is only possible if risk management becomes a part of municipal culture. It should be a part of

everything that a municipality does – its mission, values, strategic planning, business process design and operations. Risk management cannot be viewed or practiced as a separate activity. This approach to risk management ensures that everyone from Municipal Councillors to junior clerks is involved in managing risk.

The municipality's institutional arrangements for risk management is such that there are posts for a Chief Audit and Risk Executive and Risk Management Officer in the recently approved organisational structure, but the positions are currently vacant, which has resulted in challenges in effectively addressing risk management issues.

The municipality will prioritise the development of a Risk Management Strategy that is aligned to this IDP Review. The appointment of a Risk Management Officer should also alleviate the shortcomings that the Municipality has been experiencing with the functionality and the effective implementation of risk management.

### **Risk Management Committee**

The Risk Management Committee should be appointed by the Accounting Officer to assist the Municipality in discharging its responsibilities over risk management. The membership of the committee should comprise both management and external members with the necessary blend of skills, competencies and attributes. The chairperson of the Risk Management Committee should be an independent external person appointed by the Accounting Officer. The appointment of a Chairperson of this committee is underway.

### **Risk Register**

The risk register helps to present identified risks in a structured format. This ensures all risks relevant to a municipality are identified, described and assessed

comprehensively during the risk management process. It also means that any changes to management's view on the nature and assessment of risks can be easily updated on an ongoing basis. The Risk Register was developed in the by internal municipal departments and identified the following five risks with a high likelihood:

- High electricity losses (financial)
- High electricity losses (infrastructure)
- Poor debt collection
- Non-compliance of municipal buildings with National Building Regulations
- Poor disaster management systems and procedures

The Risk Register does however need to be updated on a quarterly basis in line with the Risk Management Strategy requirements.

### **Anti-Fraud and Corruption Strategy**

The municipality has an Anti-Fraud and Corruption Policy in place that addresses the prevention, detection, and management of fraud and corruption, as well as the fair handling of fraud and corruption related concerns. It seeks to increase public awareness of fraud and corruption and to promote their prevention in the uMngeni Municipality environment, as well as to provide guidelines on how to report suspected fraud and corruption and how that report will be investigated.

### **Functionality of Bid Committees**

Municipalities and municipal entities are required by Chapter 11 of the MFMA to have and maintain a supply chain management (SCM) system that is fair, equitable,

transparent, competitive, and cost-effective. Regulation 26 of the Municipal SCM Regulations stipulates that a municipality's SCM system must include at least a bid specification, bid evaluation, and bid adjudication committee for competitive bidding. To fulfil their responsibilities, committee members must be familiar with and adhere to all applicable SCM legislation, policy, guidelines, and circulars. The integrity of supply chain practitioners must never be compromised, and they must maintain the highest level of professional competence.

The uMngeni Bid Committees have been in operation, with a number of meetings held to consider various service delivery goods and services required by the Municipality. The bid committees each have held numerous meetings in the 2022/2023 financial year which is an improvement from the previous year. However, the functionality of the Bid Committees can be enhanced by continuous capacitating all committee members on SCM legislation and regulations. This will aid in reducing the number of received objections and AG inquiries.

Table 20: Bid Committees

<b>Bid Specification Committee Member</b>
Thami Mkhuthukane (Chairperson)
Mbongeni Zungu
Nathi Ngubane
Londiwe Mkhize
Sandile Makhaye
Xolani Nhlangulela
<b>Bid Evaluation Committee Member</b>

Phakamani Nxele (Chairperson)
Thando Mgaga
Nkanyiso Gwamanda
Nomusa Molefe
Tracy Gamede
<b>Bid Adjudication Committee Members</b>
CFO (Vacant)
Sinenhlanhla Dlamini
Sandile Buthelezi
Bongani Mpanza
Vusi Mboyana

### Adoption Status of Municipal Policies and Bylaws

In order to meet the service provision standards outlined in the Constitution, it is necessary to develop and implement municipal policies. Policy is defined as the establishment of fundamental principles that must be adhered to in order to achieve particular goals. Local government possesses the legislative and executive competencies necessary to develop and implement policies. The adoption and implementation status of policies applicable to uMngeni are detailed in Table 22 below.

Table 21: uMngeni Policies

POLICIES	STATUS	ADOPTED
Employment Equity Plan	Implemented	Y
Leave Policy	Implemented	Y
Placement Policy	Implemented	Y
Workplace Skills Plan	Implemented	Y
Training and Development Policy	Implemented	Y
Retention Policy	Implemented	Y
Succession Policy	Not implemented	Y
Recruitment and Selection Policy	Implemented	Y
Petty Cash Policy	Implemented	Y
Investment and Cash Management Policy	Implemented	Y
Credit Control and Debt Collection Policy	Implemented	Y
Overtime Policy	Implemented	Y
Rates Policy	Implemented	Y
Subsistence and Travel Allowance Policy	Implemented	Y

POLICIES	STATUS	ADOPTED
Supply Management Policy	Implemented	Y
Tariff Policy	Implemented	Y
Indigent Policy and Register	Implemented	Y
Funding and Reserve Policy	Implemented	Y
Property Management Policy	Implemented	Y
Informal Economy Policy	Implemented	Y
Employee Wellness Programme Policy	Implemented	Y
Health and Safety Policy	Implemented	N
Rapid Response and Integrated Complaints Management Policy and Procedure Manual	Implemented	Y
Anti-Fraud and Corruption Policy	Implemented	Y
PMS Policy Framework	Implemented	Y
Wayleave Policy	Draft	N

POLICIES	STATUS	ADOPTED
Embedded Policy	Draft	N

Municipalities are empowered to pass their own legislation, in the form of by-laws, for subject areas. Municipal by-laws form part of the legal foundation for effective service delivery and cooperative communities. These by-laws hold the same power and force as other national and provincial legislation. The adoption status of by-laws applicable to uMngeni are detailed in Table 23 below.

Table 22: uMngeni By-Laws

BY - LAWS	PROMULGATED	DATE PROMULGATED
Pound	Y	April 2006
Spatial Planning and Land Use Management By-Laws	Y	January 2016
Advertising Signs	Y	April 2006
Dogs		April 2006
Dumping and Littering	Y	April 2006
Cemetery		April 2006
Control of Parking Attendants / Car Guards	Y	April 2006
Credit Management	Y	April 2006
Electricity Supply		April 2006
Financial	Y	April 2006

BY - LAWS	PROMULGATED	DATE PROMULGATED
Fire Brigade Services	Y	April 2006
Funeral Undertakers	Y	April 2006
Nuisances		April 2006
Public Health	Y	April 2006
Public Meetings and Gathering, Processions and the Like	Y	April 2006
Street Trading	Y	April 2006
Standing Rules and Orders for Council and its Committees	Y	April 2006
Waste Management	Y	April 2006
UMDM SPLUMA By-laws	Y	January 2016

#### 4.1.8 Public Participation Analysis

Public participation is a key element of good governance system. The Constitution of the Republic of South Africa, Act No. 108 of 1996 and other key legislations such as Chapter 4 of the Local Government: Municipal Systems Act (2000) and Chapter 4 of the Local Government: Municipal Structures Act (1998) provide a powerful legal framework for participatory local democracy and ward committees in a particular ward.

#### Ward Committees Status and Functionality



Public participation is an important aspect of our democracy because it allows citizens to participate in the governance of their communities. The Local Government: Municipal Structures Act of 1998, for example, requires municipalities to develop mechanisms to consult communities and community organisations when performing their functions and exercising their powers. Ward Committees are these structures that serve as a vital link between Ward Councillors, the community, and the municipality. They enable residents to have a say in municipal planning by influencing it in ways that best meet their needs.

The ward committee will be regarded as the statutory structure recognised by the uMngeni Council as its consultative body and communication channel on matters affecting the ward, including, but not limited to:

- representing the community on the compilation and implementation of the Integrated Development Plan.
- ensuring constructive and harmonious interaction between the municipality and the community.
- attending to all matters that affect and benefit the community.
- acting in the best interest of the community, and
- ensuring active participation of the community in the municipality's budgetary process.

The newly elected Speaker of the uMngeni Council, Councillor JE Holmes, scheduled meetings for the election of ward committees from 15<sup>th</sup> January to 10<sup>th</sup> March 2022. Residents of uMngeni democratically elected 130 ward committee members in total. Each ward is represented by ten members, with the ward councillor serving as chairperson. As at March 2023, fourteen ward committee

meetings had already been held in the financial year. To increase capacity, the Municipality has also prioritised the training of ward committees with trainings having been held in May 2022 and February 2023.

### **Participation of Amakhosi in Council meetings (MSA Sect 81)**

The support initiative on the participation of Senior Traditional Leaders in municipal councils is informed by Section 81(2) of the Municipal Structures Act of 2000, which relates to the identification of Amakhosi according to schedule 6. Also informed by section 2(3)(b) of the IGR Framework Act No.13 of 2015. Legislature also adopted regulations titled the Municipal Structures Regulations No.19 of 2013, which set in detail the participation imperatives which states that Traditional Leaders must participate in the proceedings of Council meetings through making proposal and asking questions.

On February 28, 2022, Council authorized Inkosi Njabulo Mkhize to attend uMngeni Council meetings and portfolio committees. In addition, Council agreed to provide Inkosi with out-of-pocket expenses and trade tools. The participation of traditional leaders in the affairs of uMngeni is a Council priority, and the Mayor has already met with various leaders in April 2022 to discuss issues of mutual interest.

### **Communication Plan for Public Participation**

The Government of National Unity brought the concept of freedom of expression to the forefront, with constitutional guarantees on the public's right to information, media freedom, and a new, open, and accountable style of government. The goal of government communication is to keep the public informed about how the government is carrying out its mandate. The best form of communication for

uMngeni Municipality depends on the specific purpose and audience of the communication. However, some forms of communication that have been effective include:

1. Website: The municipality has a website which is being upgraded and provides information about the municipality, its services, and important news and announcements including tender notices etc.
2. Social media: The municipality uses social media platforms such as Facebook, Twitter, and Instagram to share information, updates, and engage with the public.
3. Email newsletters: The municipality sends out regular email newsletters to residents, providing updates and important information about the municipality.
4. Public meetings: The municipality holds public meetings to discuss important issues and gather feedback from the community.
5. Press releases: The municipality also issues press releases to local media outlets to share important news and information with the public.

Ultimately, the most effective form of communication for uMngeni Municipality depends on the specific goals and needs of the municipality and its target audience. Sometimes a combination of these communication methods is utilised to reach the widest possible audience.

Figure 18: uMngeni Communication Platforms



The formulation of this IDP required the participation of a wide range of stakeholders, including members of the community, ward committees, sector

departments, NGOs, etc. The Public Participation Report (PPR) is included in this document as Annexure I.4.

### Status of Ward Based Planning

Community-based planning (CBP) is a specific form of ward planning involving all people in a ward which has been designed to promote community action and make the Integrated Development Plan (IDP) of a municipal area more people-centred. It is also a form of participatory planning that is designed to promote community action. It is a process that builds, strengthens and supports community structures. The overall goal of CBP is to create a comprehensive and well-managed plan that can be used to guide local community development initiatives by all stakeholders and actors. Its explicit goal is to revert existing power relations in a way that gives the poor more agency and voice while also giving them more control over development issues.

Prioritization based on community needs can only be achieved through meaningful engagement with communities. In general, meaningful engagement occurs when

communities and government talk and listen to each other, attempting to understand each other's perspectives in the pursuit of a common goal. Both the Freedom Charter and the Reconstruction and Development Programme recognise the importance of deepening democracy (RDP). Since IDPs were introduced to create a more responsive public administration and to aid in the integration of development at the local level, community-based planning has been central to integrated development planning. The development of this 5th generation IDP necessitated extensive consultation with municipal stakeholders and residents. The Public Participation Report compiled as part of the 5th generation IDP established the framework for the development of ward-based plans (WBP) because the current plans are outdated. In accordance with the goals outlined in the IDP, the Municipality **is currently developing** new WBP for each of its thirteen wards with final documents to be finalised by year end of 2022/2023. The existing plans for twelve wards have been attached as Annexure I.6.

#### 4.1.9 Good Governance & Public Participation SWOT Analysis & Key Challenges

##### Good Governance & Public Participation SWOT Analysis

Table 23: Good Governance & Public Participation SWOT Analysis

STRENGTHS	WEAKNESSES
An improved audit outcome.	Lack of internal controls or systems to prevent/detect corruption.
Participation of Amakhosi in Council structures	Diminishing interest in municipal affairs.
Municipality participates in IGR structures.	Lack of support to meeting of OSS from municipal officials.

<p>The Audit Committee is functional.</p> <p>Effective and efficient communication strategy.</p> <p>Anti-Fraud and Corruption Strategy is being implemented.</p>	<p>Poor audit outcomes</p> <p>Lack of risk management strategy and personnel linked to the organisational strategy.</p> <p>Outdated ward-based plans.</p> <p>Lack of capacity to implement all municipal by-laws and policies.</p> <p>Slow implementation of AG and internal audit findings.</p>
OPPORTUNITIES	THREATS
<p>Institutionalization of Batho Pele.</p> <p>Job training, retraining, and new-skill acquisition.</p> <p>Social cohesion.</p> <p>Development of ward-based plans.</p>	<p>Corruption.</p> <p>Lack of trust and patriotism may result in lack of whistleblowers.</p>

##### Good Governance & Public Participation Key Challenge

GOOD GOVERNANCE & PUBLIC PARTICIPATION KEY CHALLENGE	
<b>Key challenge</b>	Poor risk management
<b>Description</b>	Poor risk management strategy in a municipality can have serious consequences for the municipality and its citizens. The key challenge of poor risk management strategy is that it can lead to increased exposure to risks and potential harm, which can result in financial, social, and environmental

consequences. Some of the key challenges of poor risk management strategy could be increased financial risks, public safety risks, environmental risks, reputational risks and legal risks.



An aerial photograph of a city street intersection, showing multiple lanes of traffic, crosswalks, and surrounding buildings. The image is framed by a white, hand-drawn style border. Overlaid on this image is the main title text in large, white, sans-serif capital letters.

# BASIC SERVICE DELIVERY AND INFRASTRUCTURE

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**DO WE DELIVER SERVICES THAT ARE NEEDED?**



## 5. KPA - SERVICE DELIVERY AND INFRASTRUCTURE ANALYSIS

### 5.1 Water & Sanitation

The provision of water services is a municipal competence in terms of Part B of schedule 4 of the Constitution. However, not all municipalities are authorised to provide this function. The two-tiered local government system requires that powers and functions be divided between category B and C municipalities to avoid duplication and coordination problems.

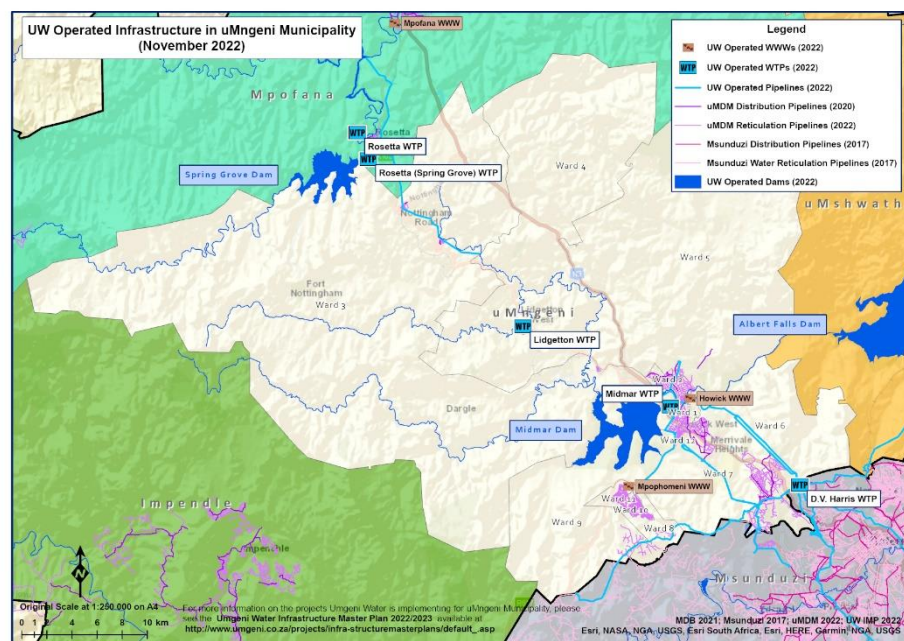
The Water Services Authority (WSA) is the uMgungundlovu District Municipality, and it is in charge of providing potable water and sanitation within the municipality. The municipality has bulk water pipelines and reservoirs that supply water and sanitation to the various communities and businesses. Some of the reservoirs are in Msunduzi Municipality but feed areas in uMngeni Municipality, such as Hilton. The district's WSDP was last reviewed in the 2019/2020 financial year, and an Operations and Maintenance Plan was in place at the time. The reviewed plan has been implemented in various projects within the uMngeni municipality, such as the Asbestos Cement Pipe Replacement in Hilton. In spite of these efforts, there is a severe lack of funding for the prioritisation for all social housing projects located within uMngeni. Due to financial constraints, the plans outlined in Table 25 were not available from UMDM as of the date of writing this report. The District Municipality has made an indication of requesting assistance from Municipal Infrastructure Support Agent (MISA) in compiling the plans outlined in Table 25.

Table 24: Status of WSA Plans

Type	Status	Adoption date
<b>WSA Infrastructure Asset Management Plan</b>	Information not available from UMDM	Information not available from UMDM
<b>WSA Infrastructure Procurement Strategy</b>	Information not available from UMDM	Information not available from UMDM
<b>WSA Infrastructure Programme Management Plan</b>	Information not available from UMDM	Information not available from UMDM
<b>WSA End of Year Report</b>	Information not available from UMDM	Information not available from UMDM
<b>WSA Updated Asset Register</b>	Information not available from UMDM	Information not available from UMDM
<b>WSA Operations Management Plan</b>	Information not available from UMDM	Information not available from UMDM
<b>WSA Maintenance Management Plan</b>	Information not available from UMDM	Information not available from UMDM
<b>WSA Operations and Maintenance Review Report</b>	Information not available from UMDM	Information not available from UMDM

### 5.1.1 Bulk Water & Saitation Infrastructure

Umgeni Water, which had previously only run the Howick WWW, signed a management contract in 2014 to oversee all wastewater works in the uMgungundlovu District. Umgeni Water is now in charge of the operation and maintenance of six wastewater treatment plants in the District four of which are situated in the uMngeni Municipality.



**Howick Waste Water Works:** “Howick WWW is situated in the town of Howick. It is owned by UMDM and operated by Umgeni Water. The WWW is a Class C accredited WWW with an extended aeration process consisting of three separate reactors and four clarifiers. All reactors follow the Johannesburg Process configuration and are fitted with mechanical mixers in the anoxic and

anaerobic zones and with surface aerators in the aerobic zones. Mixed liquor from the basins is settled in four downstream clarifiers. Waste activated sludge from the reactors is dewatered in drying beds and treated effluent is disinfected using chlorine before being discharged to the uMngeni River. Howick WWW is operating within its overall design capacity for the biological removal of COD, ammonia and phosphate” (uMgeni Water, 2020:17).

The Howick WWW has a design capacity of 6.8 Ml/day, according to the uMgeni Water Infrastructure Master Plan 2020/2021, and is currently treating 5.7 Ml/day on a 12-month moving average. This involves wastewater drained from the Mpophomeni WWW, which is now decommissioned. Mechanical dewatering equipment installed in 2013 has helped to mitigate some operational concerns, but the plant still has power limitations in some processes. An examination of the Howick WWW's regular historical production (November 2018 to October 2019) reveals that the WWW was overloaded for 69 percent of the time (60% in 2018). The plant operated above design capacity 20 percent (10% in 2018) of the time. (uMgeni Water, 2020). The plant operated above design capacity 20 percent (10% in 2018) of the time.

**Mpophomeni Waste Water Works:** Currently, wastewater from Mpophomeni Township is pumped 11 kilometers from the site of the decommissioned Mpophomeni WWW to the Howick WWW. With an average operating capacity of 4.3 Ml/day, the current wastewater pumping and conveyance system is insufficient to pump the expected ADWF of 5.9 Ml/day. In Mpophomeni, Umgeni Water has already begun work on a new WWW. This new WWW is planned to treat 6 Ml/day, with the ability to be expanded to 12 Ml/day in the future. There is enough land on the site to support a WWW of at least 20 Ml/day. The following

development initiatives by the district municipality will be serviced by the Mpophomeni WWW, viz.:

- Refurbishment of the existing sewage reticulation system in Mpophomeni Township will increase wastewater flows to the works (ADWF 3.6 Ml/day);
- The development of the Khayelisha social housing development on the banks of Midmar Dam (ADWF 1.3 Ml/day); and
- Planned light/mixed industrial development park (3 Ml/day).

Under a twenty-year management contract, Umgeni Water will run the plant on behalf of UMDM. Umgeni Water is responsible for any capital upgrades that the plant needs. Umgeni Water charges the Municipality a monthly management fee that covers both operating and maintenance expenses, as well as capital redemption.

**Lidgetton Water Treatment Plant:** The Lidgetton WTP is located in uMngeni Municipality and supplies the village of Lidgetton from the Lions River. Plans are in place to implement the Mpofana BWSS Phase 2, which is the supply to Lidgetton from the Mpofana BWS (depicted in Map 20 & 21), as there is a growing demand in this area. In the interim, the capacity of the existing plant will be “upgraded”. An examination of regular historical performance at the Lidgetton WTP from November 2018 to October 2019 reveals that the WTP was running at 67.3 percent of the time above the optimum operating capacity for the period and 35.1 percent above the usual design capacity. The package plant for 1 Ml per day is still being built (uMgeni Water, 2020).

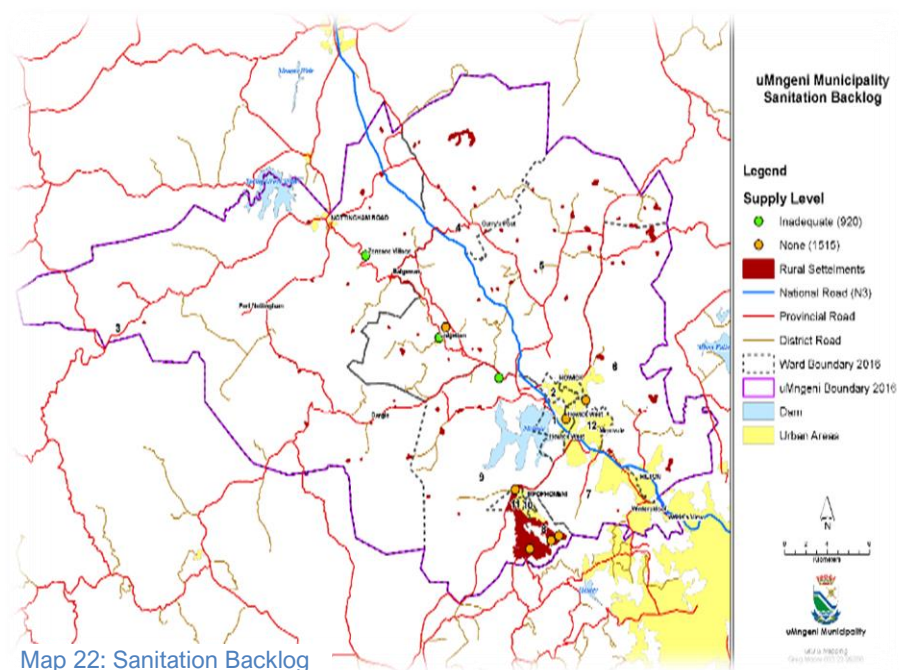
**Midmar Water Treatment Plant:** The Midmar WTP was commissioned in 1996 and uses raw water from the Midmar Dam. The ‘251 Pipeline transports water

from the dam through pumping. Two gravity pipelines feed water from the dam to a raw water pump station, and two expanding mains from the pump station to the WTP make up the ‘251 raw water pipeline (one of which was recently built and commissioned). The new raw water pipeline was built as a risk reduction measure to ensure supply continuity if either of the mains were to go down. The raw water pump station currently has four pump sets installed. The capacity of the Midmar WTP was increased from 250 to 395 Ml/day in 2018. Howick and Mpophomeni get their water from the WTP (uMgeni Water, 2020).

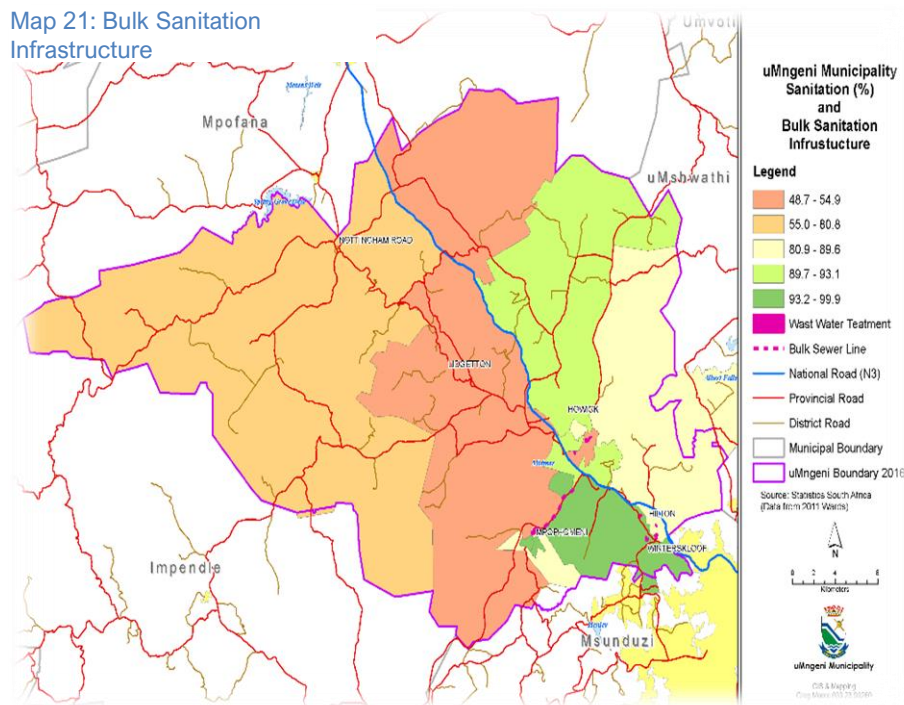
The municipality has a number of surface water sources, including dams and river tributaries. The uMgeni scheme included a 3m high weir and pump station at Mearns on the Mooi River, a 13.3 km long, 1400mm diameter steel rising main to a break pressure tank on Nottingham Road, and an 8.3 km long, 900mm diameter steel gravity main to an outfall structure on the Mpofana River. The bulk water system within uMngeni Municipality, on the other hand, is regarded as a challenge.

**Mpophomeni Sanitation Scheme:** The scheme was approved by the Department of Water Affairs and includes a 6 Ml/day treatment works for Mpophomeni, Khayelisha and 25 percent spare capacity for future expansion. The site has space to at least double its treatment capacity with infrastructure to deliver sewage from Khayelisha and to two new main sewers within

Mpophomeni plus some other smaller sewer refurbishments that will eliminate identified sewage pollution within the township. uMgungundlovu District Municipality provides wastewater treatment services for the municipality at the Howick Waste Water Works (WWW). A large pump station at the Mpophomeni WWW site and a set of six smaller pump stations in Howick transfer wastewater for treatment at Howick WWW.

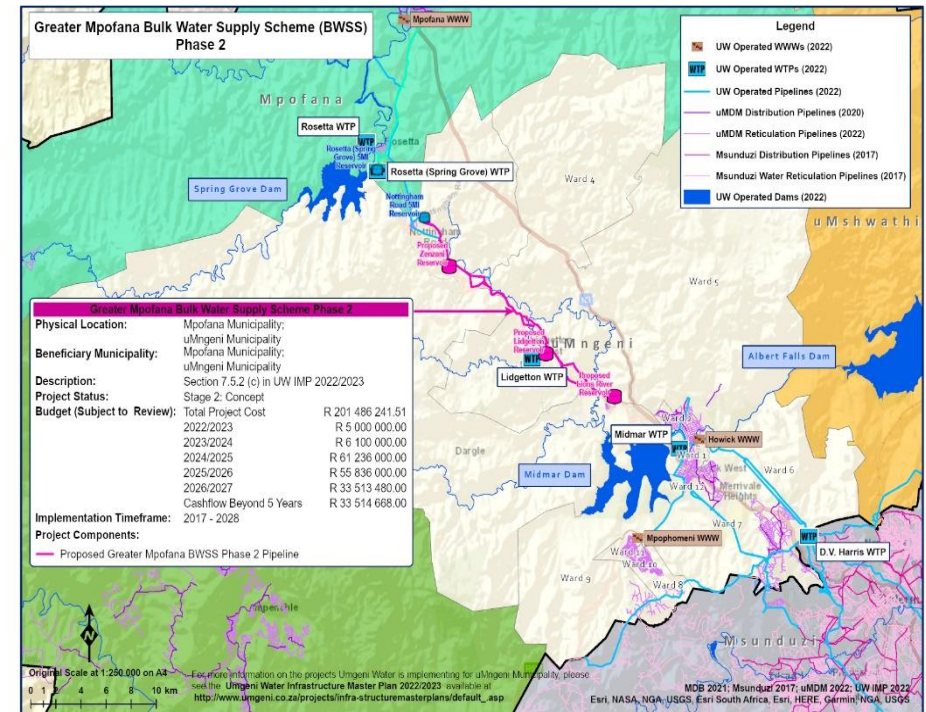
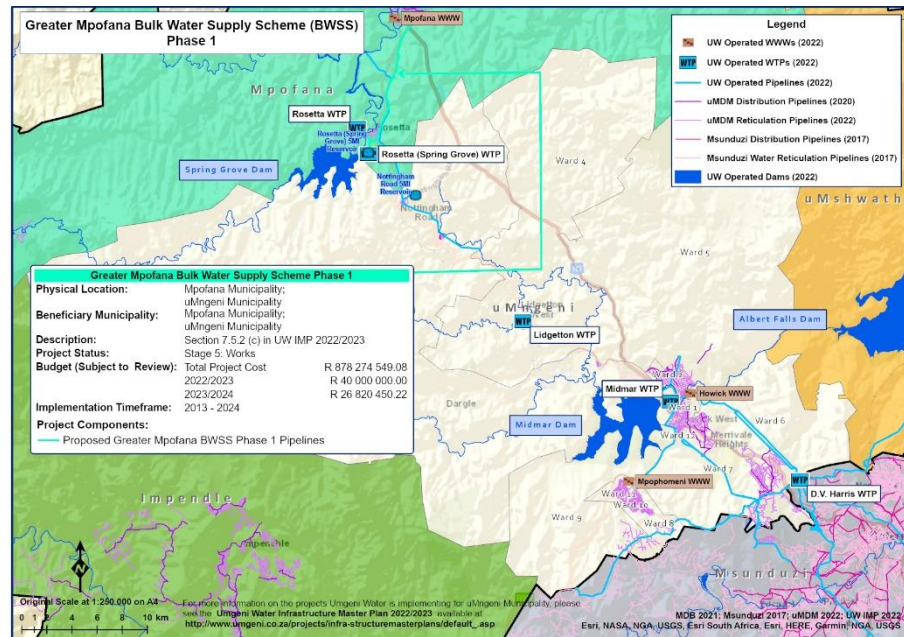


Map 21: Bulk Sanitation Infrastructure

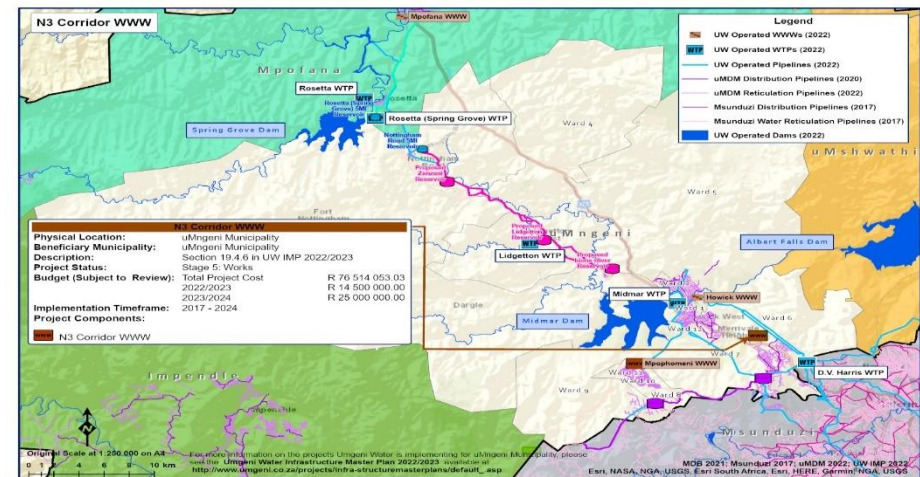
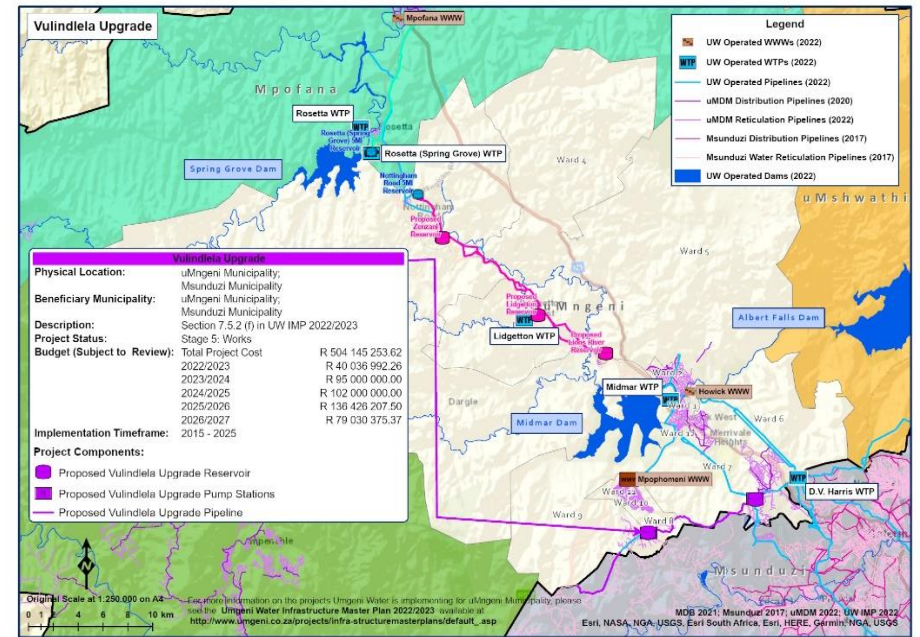
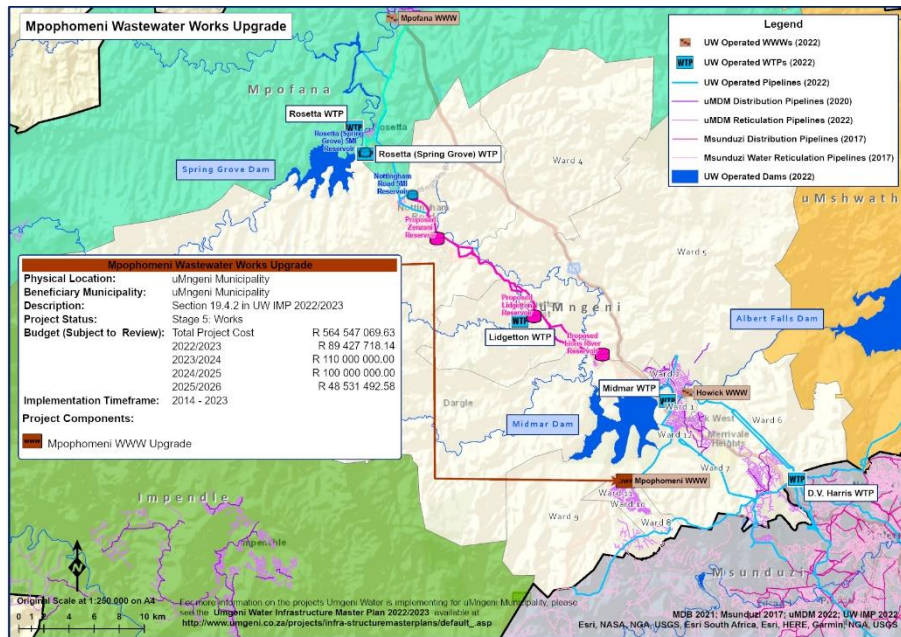




## 5.1.2 Water Infrastructure Upgrades









### 5.1.3 Solid Waste Management

Section 11(4)(a) of the National Environmental Management: Waste Act (59 of 2008) requires all provincial and local governments to develop an IWMP, submit it to the Council for approval, and include it in the local authority IDP. In this regard, the municipality has reviewed and adopted the Integrated Waste Management Plan, which has been referred to the MEC for final approval.

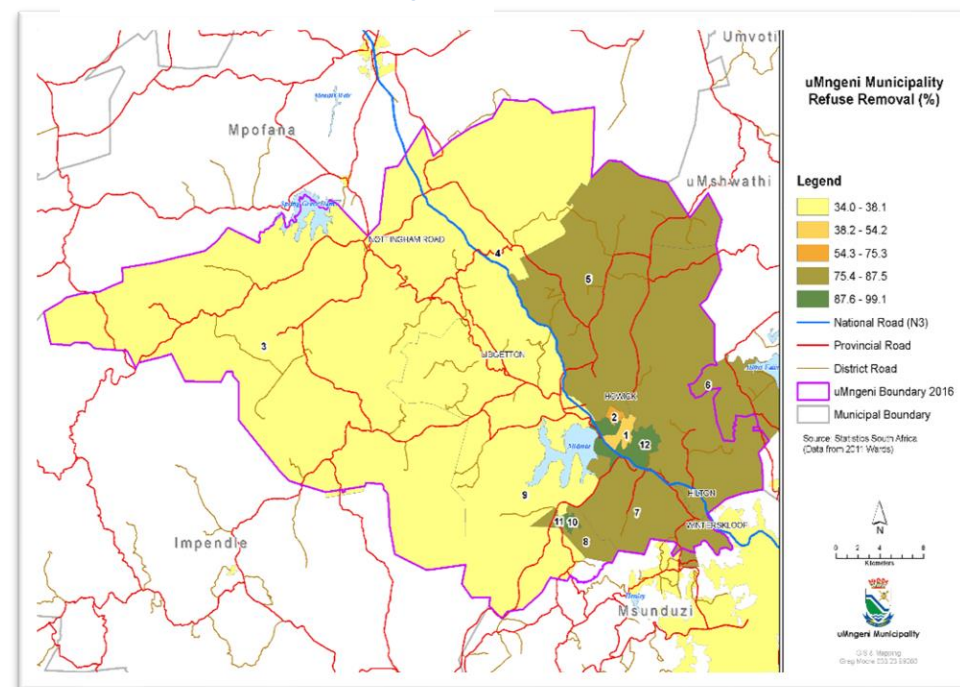
Effective on 09 March 2021, the uMngeni has a Waste Management License for the operation of the Curry's Post Landfill Site valid for a period of ten (10) years. Curry's Post is the municipality's only registered and operational landfill site. The landfill does require maintenance and infrastructure upgrades, for which Council has budgeted R900,000 in the financial year 2023/2024.

The Department of Water Affairs and Forestry granted permission for this landfill site. Every day, refuse is spread, compacted, and covered. The current domestic waste generation rates per capita for the uMngeni Municipality, using the population per settlement type. According to the DEA IWMP online guideline, the generation rates were further broken down into generation rates per income category and the results were as follows:

- Low income= 0.41kg/per person/day or (0.41kgx365 days) = 149.65kg/person/year;
- Middle income=0.74kg/per person/day or (0.74kgx 365days) = 270.1kg/person/year; and
- High income= 1.29kg/person/day or (1.29kgx365days) = 470.85kg/person/year.

Based on the above it is assumed that the average waste generation per capita is 0,81kg/per person/day = 0,81kg x 365 = 296,87kg/person/day. This 0,81kg generation capacity per person is also consistent with the World Bank: A Global Snapshot of Solid Waste Management to 2050 (2018) indications which recorded South Africa's waste generation per capita at 0.983kg in 2016. It is also assumed that this generation rate will remain constant for the next 5 years. In accordance with the National Domestic Waste Collection Standards, the Municipality has a legal obligation to provide an enabling environment for recycling.

Map 23: Refuse Removal Coverage



## Waste Collection

The uMngeni Municipality is in charge of waste collection and disposal. The highest collection rates are in urban and peri-urban areas, ranging from 75 to 87 percent, while rural areas have rates ranging from 34 to 38 percent. Waste collection had reached more than 75 percent of total of households in the municipal area by 2011, up from 56 percentage points in 2001. Since 2001, the weekly collection rate has increased by at least 50 percentage points due to increased capacity within the municipality, while the number of households using communal dumps has remained relatively constant. Around 25 percent of total of households are estimated to be without access to municipal waste collection. Collection in informal settlements will be expanded to cover all areas during this Council term.

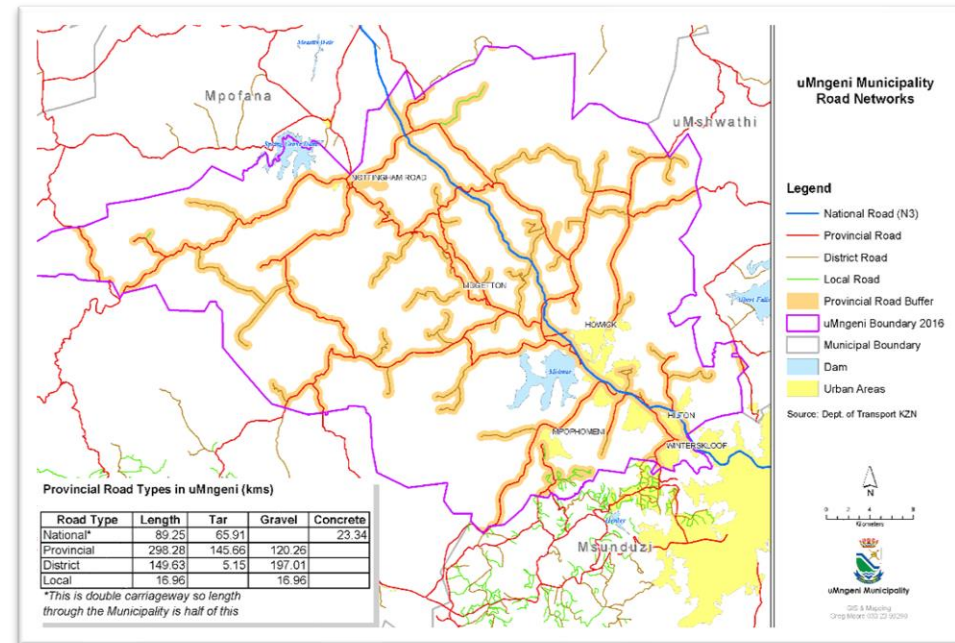
The municipality must facilitate recycling by providing recycling facilities to transfer stations and drop-off centres, as well as promoting these facilities through public awareness campaigns. There are three municipal drop-off locations in Howick and Hilton. A private company (formerly Go Green) is running a fourth drop-off center in collaboration with the Wildlands Conservation Trust.

### 5.1.3 Transportation Infrastructure

Transportation infrastructure has the potential to not only bridge geographical divides, but also to provide communities with better socioeconomic opportunities. The Municipality is required to develop an Integrated Local Transport Plan (ILTP) to effectively understand and improve transportation

planning. Due to capacity and financial constraints, the municipality has yet to develop the plan.

## Access Roads

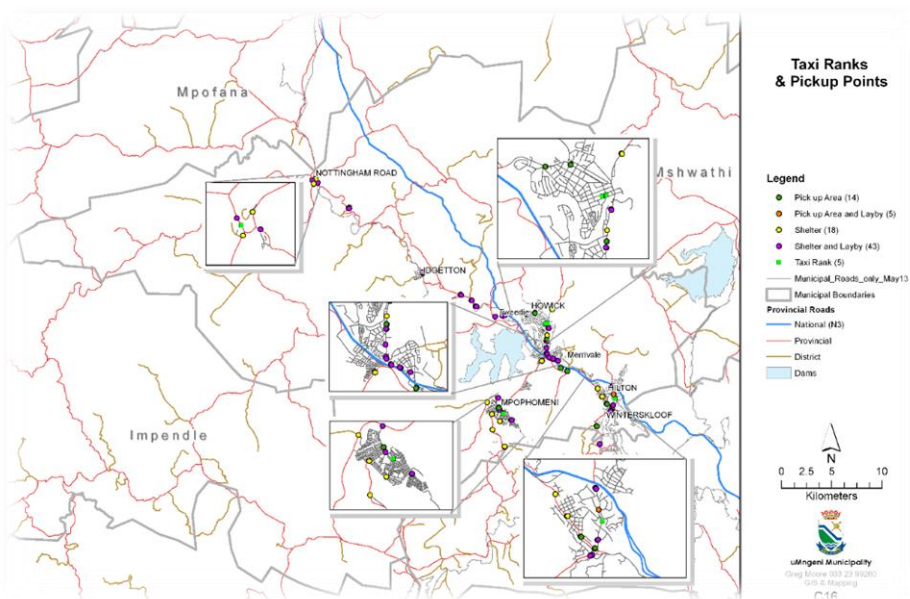


Map 24: Road Network

The uMngeni Municipality has an extensive road network, which allows a large number of households to access road transportation. The municipality's road networks reflect a link of district and provincial (R103) roads with the National road (N3), which connects the area with other local municipalities in the district and other important cities in South Africa such as Johannesburg and Durban. The existing road network allows the municipality easy access to the various

communities for service delivery purposes. While national and provincial roads are generally in good condition, some of the district and local roads are in poor conditions. This is primarily due to insufficient funding investment in repair and maintenance of the infrastructure. These roads are especially bad during the rainy season and impede access to settlements.

Map 25: Taxi Ranks & Pickup Points



Map 27 illustrates municipal transportation routes as well as institutional responsibility for infrastructure classified as national, provincial, district, and local roads. The municipality is responsible for local access roads, which are essential for service delivery.

Figure 19: Tar Road Condition

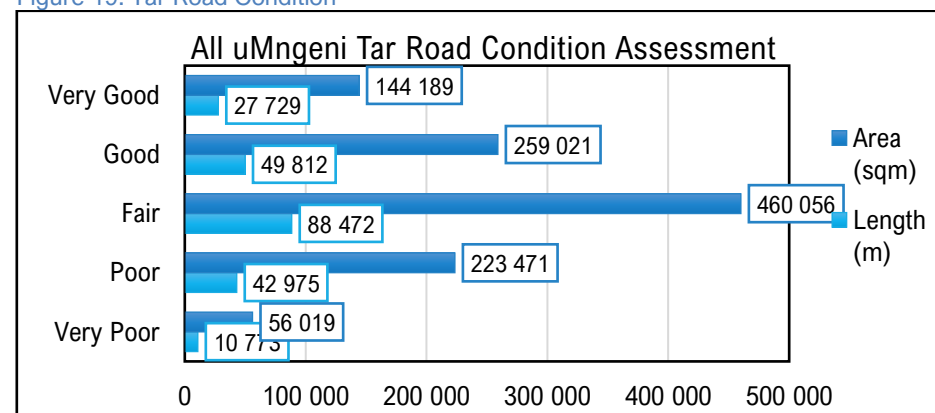


Figure 21 below shows the state of all tar roads in the municipality, with ratings ranging from very good to very poor. According to the available data, many of the tar roads are in fair condition, covering 460,056 sqm2 of tar roads, while the remaining 53,748 sqm2 is in poor to very poor condition. Given the fact that good to very good tar roads are few in m2, it is clear that interventions are needed to improve the state of tar roads within the municipality, as shown in the figure below. The majority of these tar roads are access roads in the municipality's urban areas, and their maintenance and resurfacing is a municipal function.

### Taxi Rank and Pick Points

Five taxi rank facilities are located within the uMngeni Municipality in Mpophomeni, Hilton, Nottingham Road, and Howick's central business district. Four of the five taxi ranks are currently operational, with one in the Howick central business district that was completed years ago but has remained idle due to a dispute between the various taxi associations. There are plans to



acquire two parcels of land owned by Public Works on either side of the vacant taxi rank. This will permit the expansion of the unused taxi rank to eventually accommodate all of the associations. The redesigns of the taxi rank expansion have been completed. There have been meetings with all interested parties, including taxi associations, bus representatives, informal traders associations, and members of the public, to discuss the future of the vacant taxi rank.

In the various wards of the municipality, there are numerous shelters and drop-off locations. Priorities in the first year of this 5th generation IDP's implementation will include the provision of bus shelters to formalise certain pick-up points.

## Airfields and Railways

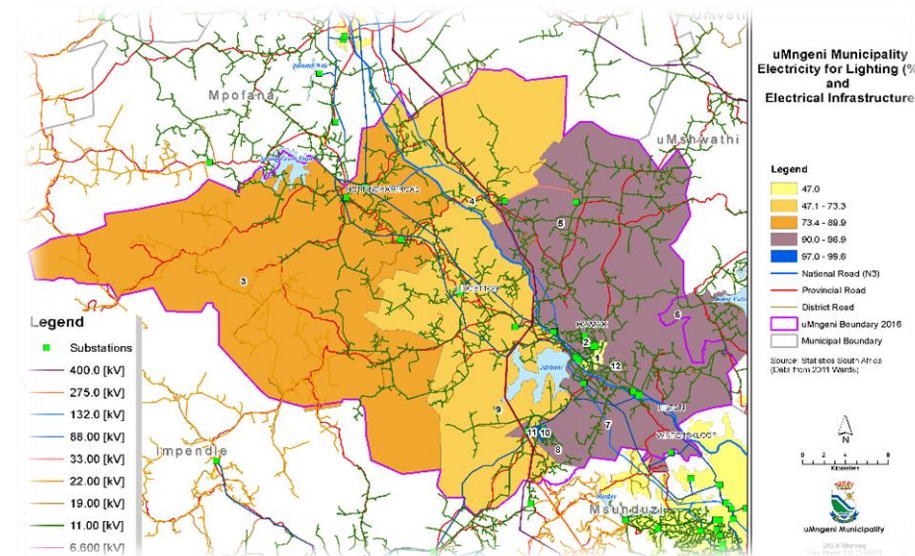
One of the municipality's four airfields (Mpophomeni) is a public landing strip, while the other three are privately owned. These may play a strategic role in the agricultural sector and for emergency purposes in the event of a natural disaster in the municipality. The municipal area is presently traversed by a 67-kilometer-long railway line with seventeen stations. These stations still have buildings but are currently inactive. Previously, these served as delivery stations within the municipality. These could be utilised in the future as a transport route for goods or commuters connecting the Municipality to other significant economic regions

## 5.1.4 Energy

The uMngeni Municipality provides electricity distribution in areas such as Howick, Mpophomeni, Lidgetton, and Winterskloof, while Msunduzi Municipality and Eskom serve other areas. The Msunduzi Municipality is currently working on a project to convert the Hilton area's conversional electricity to pre-pay. The

current reticulation network in uMngeni Municipality, as depicted in Map 29, shows the spatial location of the municipality's bulk electricity infrastructure. The majority of the bulk electricity infrastructure is owned by Eskom, with the remainder owned by the municipality. There are 19 substations in total that supply electricity to the various areas, including both urban and rural components. Many urban areas are served by substations located nearby. The 275kv and 132kv lines that are distributed throughout the municipality serve the rural or farm areas. The bulk electricity infrastructure that serves the Hilton area is managed by Msunduzi Municipality. In the financial year 2022/2023, R15 million will be spent on bulk electricity infrastructure in Mpophomeni, which will include a new substation and high voltage line.

Map 26: Electrical Infrastructure



As part of this 5th generation IDP Review, the development of a Master Plan for Electricity is a top priority. The municipality has appointed a service provider to carry out projects on schedule 5.B whilst collaborating with Eskom and Department of E on other energy matters. The electricity priorities are presented in Section F of this IDP report as part of the Capital Works Programme.

### 5.1.5 Community Facilities

Sustainable human settlements cannot be achieved without the provision of adequate social facilities that are differentiated according to varying development densities, community size, mobility levels, and socioeconomic diversity.

#### Access to Community Facilities

The available community facilities in the municipality are displayed in Table 26 by ward. The majority of community facilities are located in wards with higher population densities that could be classified as urban in nature. Rural areas of the municipality contain the wards with the least number of amenities.

Table 25: Community Facilities

COMMUNITY FACILITIES													
WARD	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
Crèche	1	4	1	3	4	3	4	4	0	3	0	5	31
Cemeteries	1	1	0	0	0	1	0	1	1	0	0	1	6
Education	1	2	14	7	4	8	3	3	5	1	4	4	56
Fire Station	0	1	0	0	0	0	0	0	0	0	0	0	1

COMMUNITY FACILITIES													
Hall	1	0	1	1	0	1	2	0	1	1	0	0	9
Health	2	2	1	0	0	0	0	0	0	1	0	0	6
Library	1	0	1	0	1	1	0	0	0	1	0	0	5
Magistrate Court	0	1	0	0	0	0	0	0	3	0	0	0	1
Monument /Museum	1	1	3	0	4	0	1	0	1	0	0	0	13
Pension	0	1	1	0	0	0	1	0	0	1	1	0	4
Police Station	0	1	1	0	0	0	1	0	0	0	0	0	4
Sewerage Works	1	0	0	0	0	0	0	1	1	0	0	0	2
Sport Facility	4	2	1	0	0	0	2	3	0	1	0	1	15
Theatre	0	0	0	0	0	0	0	0	0	1	0	0	1
Tourist*	0	0	1	0	1(1)	1(3)	1(2)	0	1(4)	0	0	0	4
Water Works	0	0	0	1	1	1	3	0	0	0	0	1	7

#### Backlog on Community Facilities

The quantification of public facilities and an application of the planning standards was done with an intention to determine if the wards were adequately provided with facilities. Generally, there are 92 public facilities that are found within the area of uMngeni which includes Clinics, Crèches, Schools and Community Halls.



The planning standards suggests that there are 136 facilities that are needed to service the existing population which implies that at a municipal wide scale, there are insufficient facilities for the population. When one considers the distribution of these facilities within wards, it becomes apparent that some of the wards are provided with more facilities than the standards warrant while other wards are underprovided. This creates a backlog of 71 additional facilities within the wards that are underprovided. Table 27 below is a colour notation which reflects per ward the backlogs (red) and adequate number of facilities (green).

Table 26: Community Facilities Backlogs

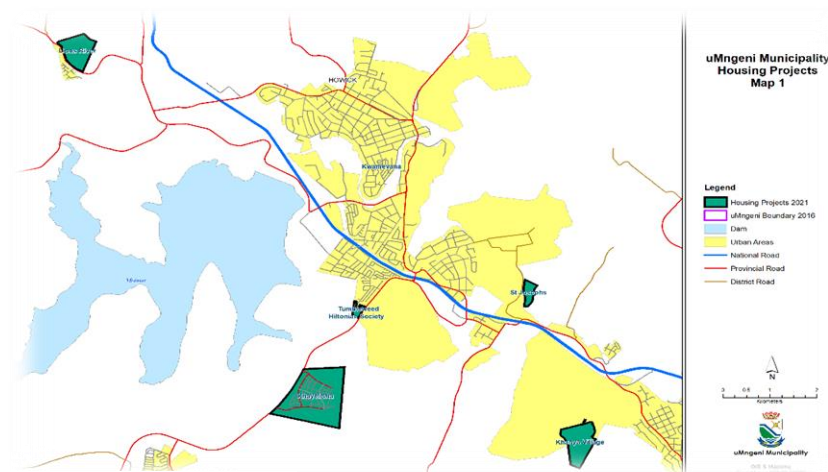
Area	Number of People	Facility	Current	Backlogs	
				Type of Facility Required	Number of Facilities Required
Howick (Ward 1, 2 & 12)	19 229	Clinic	4	2 Small Clinics	0
		Crèche	10	4	0
		Primary School	5	6 Mega Primary Schools	1
		High School	2	1 Mega Secondary School and 2 Larger Secondary School	1
		Hall	1	4	3
Hilton (Ward 7)	7 664	Clinic	0	1 Small Clinic	1
		Crèche	4	1	0
		Primary School	3	2 Mega Primary Schools and 1 Medium Primary School	0
		High School	0	2 Medium Secondary School	2
		Hall	2	1	0
Mpophomeni (Ward 8, 10 & 11)	26 134	Clinic	1	2 Small Clinics and 1 Health Station	2
		Crèche	7	5	0
		Primary School	5	8 Mega Primary Schools and 1 Medium Secondary School	4
		High School	2	1 Mega Secondary School and 3 Large Secondary School	2

Area	Number of People	Facility	Current	Backlogs	
				Type of Facility Required	Number of Facilities Required
Fort Nottingham and Farmlands (Ward 3)	6 411	Hall	1	5	4
		Clinic	1	1 Health Station and 1 Mobile Point	1
		Crèche	0	1	1
		Primary School	7	1 Medium Primary Schools and 6 Small Primary Schools	0
		High School	3	3 Small Secondary Schools	0
		Hall	1	1	0
Lidgetton West, Curry Posts and Farms (Ward 4)	9 302	Clinic	0	1 Small Clinic	1
		Crèche	3	2	0
		Primary School	6	1 Medium Primary School and 8 Small Primary Schools	3
		High School	1	4 Small Secondary Schools	3
		Hall	1	2	1
Karkloof and Surrounding Farms (Ward 5)	7 051	Clinic	0	1 Health Station and 1 Mobile Station	2
		Crèche	4	1	3
		Primary School	4	1 Medium Primary Schools and 7 Small Primary Schools	4
		High School	1	3 Small Secondary Schools	2
		Hall	0	1	1
Farmlands adjacent to Albert Falls (Ward 6)	7 345	Clinic	0	1 Health Station and 1 Mobile Point	2
		Crèche	3	1	2
		Primary School	2	1 Medium Primary School and 7 Small Primary School	6
		High School	5	3 Small Secondary School	2
		Hall	1	1	0
Farmlands adjacent to Midmar Dam and Mpophomeni (Ward 9)	9 572	Clinic	0	1 Small Clinic	1
		Crèche	0	2	2
		Primary School	1	1 Medium Primary School and 8 Small Primary School	8
		High School	0	5 Small Secondary School	5

Area	Number of People	Facility	Current	Backlogs	
				Type of Facility Required	Number of Facilities Required
		Hall	1	2	1
TOTAL			92	136	71

### 5.1.6 Human Settlements

#### Social Housing



Map 27: Social Housing

According to the KZN Human Settlement Master Spatial Plan, uMngeni Municipality completed 6056 social housing units between 1994 and 2013, with almost all of them being relocations. This accounted for 14 percent of all housing units constructed in the uMgungundlovu District, second only to Msunduzi Municipality, which completed approximately 66 percent of the district's total housing units. Since 2013, this number has risen by at least 1000, owing to the completion of more housing units between 2013 and 2018.

According to the 2011 Census, the housing demand in the municipality is approximately 4,374, but with the completion of housing units between 2013 and 2018, the demand is projected to decrease to approximately 3,780. In uMngeni the housing market demand significantly exceeds supply. In the vicinity of Mpophomeni, illegal housing developments have been identified as a result of delays in accelerating the implementation of RDP housing projects or provision of alternative housing options to meet the rapidly rising demand. These unplanned settlements have a negative impact on the ecosystem of the region's water resources, particularly in the vicinity of Midmar Dam. This necessitates the development of ideal circumstances for such housing demand to be realized in the form of GAP Housing as proposed in the Mpophomeni Nodal Plan. Table 28 outlines the list of projects that are within uMngeni Municipality registered with the Department of Human Settlement with exception for Lidgetton Farm Housing.

Table 27: Human Settlement Projects

Project Name	Units	2022/2023	2023/2024	2024/2025
Lions River Ph 2	542	R0,00	R0,00	R0,00
Lidgetton Farm Housing	150	R0,00	R0,00	R0,00
St Joseph	88	R0,00	R0,00	R0,00
Lutchmans Farm	86	R0,00	R0,00	R0,00
Hillside	152	R426 542,00	R0,00	R0,00
Hilton Society Ph 4	60	R0,00	R0,00	R0,00
Tumbleweed	44	R0,00	R160 000,00	R0,00
KwaMevana	26	R3,584,999,00	R0,00	R0,00
Khayelisha	500	R0,00	R0,00	R0,00
Cedara	632	R0,00	R6,230,000,00	R18,561,00,00

Project Name	Units	2022/2023	2023/2024	2024/2025
Mpophomeni Hume		R6,219,253,36	R10,067,503,84	R12,671,270,30
<b>TOTAL</b>	<b>2119</b>	<b>R10,230,794,36</b>	<b>R10,227,503,84</b>	<b>R31,232,270</b>

### Informal Settlements

In uMngeni, informal settlements have some form of communal standpipe and use self-dug pit toilets with no support from the municipality. They rely on illegal connections for their energy needs. The municipality and households in informal settlements face a challenge due to a lack of capacity and general location of bulk infrastructure, particularly for wastewater treatment facilities, outfall sewers, and water treatment facility capacity.

The National Department of Human Settlements (NDoHS) is providing Informal Settlements Participatory Based Planning Support through the National Upgrading Support Programme (NUSP) to assist local municipalities in incrementally upgrading informal settlements within their specific boundaries. Within the uMgungundlovu District, uMngeni Local Municipality is one of the municipalities identified to benefit from this programme. The goal of these upgrading plans is to allow for the gradual improvement of informal settlements in KwaZulu Natal Province. Table 29 below indicates the list of identified settlements.

Table 28: Informal Settlements Upgrade

Informal Settlement	Area	Ward(s)	Location (Coordinates)	
			South (Lat.)	East (Long.)
CEDARA	North	6	30.278837S	29.537441E
LIDGETTON/EZITOLO	North	4	30.100379S	29.439796E
MANDELA CAPTURE SITE	North	4	30.174785S	29.464636E
RAILWAY	North	3	29.9964666S	29.358697E
SPHUMELELE PHASE 2 (a, b, c & d)	South	1	30.223823S	29.506069E
THOKOZA	South	1	25.633802S	26.676714E

Only one of the six informal settlements assessed was found to be suitable for in situ upgrading, and that was the Lidgetton/Ezitolo settlement. The remaining five (5) are to be relocated from their current location. Three (3) settlements (Railway, Sphumelele Phase 2 (A, B, C, & D), and Thokoza) require urgent relocation because they are located on the railway reserve, while others are located on a wetland or floodline area. The remaining two (2) relocations can be completed as time and resources allow (Cedara and Mandela Capture Site).

### Farm Dwellers

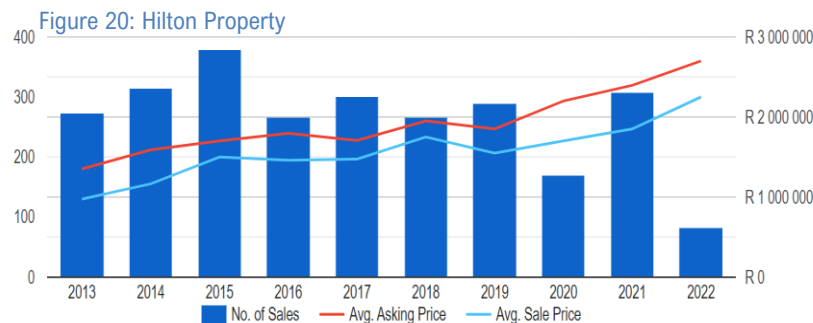
The reality of most farm dwellers within uMngeni is quite dire as they face the following challenges:

- They are unable to construct homes from bricks and can only utilize mud.
- They cannot retain animals because farmers impound or kill them.
- On other farms, there is no electricity because farm owners refuse to install it, despite judicial orders in favour of this and numerous other projects.
- Some farms lack access to water. They collect water from rivers and consume the same water as the animals.

- They are denied permission to bury their loved ones on the land where they have lived their entire lives.
- They lack suitable roads, so ambulances cannot reach the houses of patients.

The difficult conditions have existed for many years, and farm residents believe they live in a different South Africa. The uMngeni Council is committed to strengthening relationships with farmers and farm dwellers in order to find long-term solutions to farm dwellers' plight.

### 5.1.7 Snapshot of Private Property Trends



Source: Property24, 2022

Figure 22 above show the annual number of Sales registered in the deeds office for Hilton, as well as the average selling price and asking price of all Property24 listings for the same time period. Additionally, the figures show the number of Sales registered in the deeds office for Hilton. Hilton has been due to its demand for mixed-use residential settlement.

*The Dairy at Hilton is to be a secure residential development, consisting of 78 homes set on 66ha along the southern boundary of the Hilton College Estate,*



*and fully located within the extended boundaries of the Hilton College Nature Reserve. Access is directly off the D494, a portion of which is to be tarred by the developer.*



*The Avenues: The Residential Estate: It has a basket of rights for some 216 residential units, however, given the market and the internal layouts they will probably not be building up to that number, more like about 155 units in total. They are currently marketing 43 Semi-detached Sectional Title Units due to market research.*



### 5.1.8 Telecommunications

The figures provided in table 30 below show the changes in the availability of landline telephones, cellphones, computers, and internet access in uMngeni Municipality between 2001 and 2011. Here is an analysis of each category:

- Landline: The number of landline telephones increased from 7,243 in 2001 to 8,157 in 2011. This is a modest increase of 914 or approximately 12.6%. However, this increase is relatively small compared to the significant increases in other categories, particularly cellphones and internet access.
- Cellphone: The number of cellphones increased significantly from 6,594 in 2001 to 26,899 in 2011, representing a substantial increase of 20,305 or approximately 308%. This increase indicates a significant shift in communication preferences towards mobile phones.
- Computers: The number of computers increased from 3,148 in 2001 to 8,282 in 2011, representing an increase of 5,134 or approximately 163%. This increase reflects the growing importance of computers in various aspects of life, such as education, work, and leisure.
- Internet: The number of internet users increased significantly from 12,127 in 2001 to 28,128 in 2011, representing an increase of 16,001 or approximately 132%. This increase reflects the growing importance of the internet in various aspects of life, such as education, communication, and commerce.



Overall, the figures suggest that there has been a significant shift in communication preferences towards mobile phones and the internet in uMngeni Municipality. This shift highlights the importance of adopting mobile and internet-based communication channels for effective communication and engagement with the public. However, the figures also indicate that there is still a significant portion of the population that may not have access to these communication technologies, particularly landline telephones, which may be important for certain types of communication. This highlights the importance of adopting a multi-channel communication approach that considers the varying communication preferences and needs of different segments of the population.

Table 29: Telecommunications

Landline	Cellphone	Computers	Internet			
2001	2011	2001	2011	2001	2011	2011
7243	8157	6594	26899	3148	8282	12127

## 5.1.9 Service Delivery & Infrastructure: SWOT Analysis and Key Challenges

### Service Delivery & Infrastructure SWOT Analysis

Table 30: Service Delivery & Infrastructure SWOT Analysis

STRENGTHS	WEAKNESSES
Improved spending on Municipal Infrastructure Grant (MIG).	Lack of an electricity master plan.
High demand for commercial and property investment	Lack of a road and stormwater maintenance master plan.
Highly dense communities have access to municipal amenities.	Dilapidated roads and stormwater infrastructure.
Reduction of backlogs in basic service.	Lack of sufficient investment in bulk infrastructure for water and sanitation to support private and public investment housing projects.
Increased capacity for plant & machinery.	Reprioritisation of projects outside the IDP.
Waste collection more timeously expended.	Poor co-ordination with other spheres of government.
Increased service delivery project activity resulting in more job opportunities.	Underutilisation of technology systems for maintenance and repair of infrastructure.
	Slow spending on MIG allocation which result in decreased funding.
	Increasing informal settlements.
	Lack of investment in public transport infrastructure.

	Non-compliant landfill site.
OPPORTUNITIES	THREATS
Investment in renewable energy.	Protest due to slow implementation of housing projects.
Expansion of developments within the municipality	Electricity theft.
Investment in recycling initiatives to reduce waste.	Resistance from communities toward development.
Utilisation of emerging contractors to improve service delivery.	Ageing infrastructure.
Upgrade of DLTC to grade A.	Poor IGR.
	Climate change.

### Service Delivery & Infrastructure Key Challenge

#### SERVICE DELIVERY & INFRASTRUCTURE KEY CHALLENGE

<b>Key challenge</b>	Slow progress in the implementation of housing projects
<b>Description</b>	Housing opportunities must be provided in order to address the multiple socioeconomic challenges and meet the needs of poor communities. Municipal housing backlogs are growing, with no clear direction on the status of most housing projects due to large-scale backlogs in infrastructure for water and sanitation. Lack of inter-governmental relations in planning and budgeting processes has exacerbated the situation.

# LOCAL ECONOMIC DEVELOPMENT

CAN WE CHAMPION THE  
GROWTH OF OUR ECONOMY?



## 6. KPA: LOCAL ECONOMIC AND SOCIAL DEVELOPMENT SOCIAL ANALYSIS

### 6.1 LOCAL ECONOMIC DEVELOPMENT ANALYSIS

At the municipal level of government, addressing issues of poverty and unemployment can be made possible via the use of a local based economic development strategy known as local economic development, or LED. As such, the uMngeni Municipality has finalised formulating a strategy that is aligned to the municipal and district IDPs and provincial and national priorities. The LED Strategy which was developed in-house is scheduled for adoption by Council by end of June 2023. In this capacity, collective reasoning and understanding of how LED works within the municipality has shown important to grow the local economy. This is especially important in ensuring that all key role players look beyond their internal issues or challenges but rather focus on the collective challenges that require collective effort for the successful implementation of any proposed interventions of this strategy. Much of our economic development challenges are systemic and therefore require a whole of society approach to address them. The draft LED strategy thus, acknowledges all of this and looks towards integrating it to promote the development of value chains that are streamlined and effectively collaborated.

The previous municipal LED strategy drafted in 2017 identified some of the LED challenges in the Municipality as associated with the difficulty in obtaining funding for the implementation of LED projects, and the unsustainability of current projects especially poverty eradication projects connected with small budgets that force the Municipality to bear the costs. As a result, projects were being implemented at a very modest scale, with little to no influence on

employment generation in the municipality. Additionally, due to a lack of financing for high impact projects, the Municipality has been unable to conduct long-term sustainable and economically viable projects along with poor coordination between the private and public sectors. Other challenges the municipality faced in the past included insufficient funding for feasibility studies and business plans for large-scale investment initiatives along with scarcity of qualified local government employees to serve as facilitators of LED programmes/projects.

Given the fact that, the understanding of Local Economic Development (LED) and in particular strategy development is one that ensures emphasis on the inclusivity, collaboration, integration and effective LED interventions and programmes. Local economic development should thus incorporate a range of different aspects of development to enhance job creation, eradicate poverty, promote social equity and provide necessary support to strategic sectors. The spatial aspects of economic development are fundamental as the characteristics of the local economy drive the viability and sustainability of LED projects and programmes. For sustainable and implementable strategies and projects to be developed, a keen understanding of the local environment, internal structural dynamics, economic structure and population dynamics is required. LED strategies that take cognisance of the local environment, entrenched spatial dynamics, and provide strategic and cross-sectoral infrastructure planning are more likely to be integrated and implementable.

#### 6.1.1 LED FUNCTIONALITY AND CAPACITY

Local economic development in the municipality lies within the Economic Development and Planning department which renders development Planning services, economic development services, environmental management services and geographic Information System services. uMngeni Local Municipality has been actively governing the Local economic development mandate through various initiatives. The development of policies and strategies targeted at growing the local economy assists the municipality in unlocking economic development that can take place within the area. This includes the LED strategy, Tourism strategy, Agricultural strategy, SMME strategy and informal economy policy. As per MEC comments, the LED Strategy has been reviewed internally with support from relevant sector departments and other economic development stakeholders from the public and private sector. The LED Strategy Review looks to address matters raised during previous assessment which includes the following: -

- Articulating interventions for Township & Rural Economic development.
- Alignment of programmes/ projects undertaken by Traditional Councils.
- Identification, revival and repurposing of economic infrastructure.
- Development of a Red Tape Reduction Plan which outlines constraints and identify specific interventions under ease of doing business.
- Integration of social labour plans in the Implementation Plan.

The current Final LED Strategy has been included under Annexure I.1 of this document to provide further details on the regulatory environment, identified programmes/projects, municipal capacity and Monitoring and Evaluation (M&E) Plan. LED programmes, which include SMME development, agriculture, tourism,

the informal sector and research and development, have been prioritized by the uMngeni Council with a budget allocation of R2.4 million in the 2022/2023 financial year and a total grant funding of R3.4 million from EDTEA to implement two of the programmes identified in the LED strategy in 2023/2024.

In order to successfully implement LED, it is imperative that the LED unit has the ability to work and function efficiently. This is only possible if all employees of the LED unit have the necessary experience, knowledge, and abilities to ensure the efficient management and execution of LED projects. The municipality currently has four LED officials including an LED Manager, LED Officer: Agriculture Development and Promotion, LED Officer: Informal Economy and LED Officer: SMME and Co-op development along with two tourism interns. There is only one remaining vacant posts of LED Officer (Tourism & Investment) that is yet to be filled. Nonetheless, the issue of LED is championed through the Economic Development and Planning Portfolio Committee. The municipality thus tries to ensure a balanced economic growth by using an integrated, comprehensive, coordinated, and varied approach to development. That will focus on both the encouragement of economic growth, competitiveness and the empowerment of the local community.

### 6.1.2 LED Forum

uMngeni Local Municipality is working on reviving its LED Forum to assist the Municipality in improving communications and service levels with customers. This properly constituted forum will ensure that various parties can interact purposefully to formulate specific goals and develop strategies to achieve these



goals. The parties to LED structures should commit themselves to working jointly to identify ways and means of:

- Enhancing economic policy and the collective efforts of stakeholders in the local community to the sustainable benefit of the local economy and the local community at large.
- Addressing policy gaps.
- Developing new policy based upon an intimate knowledge and understanding of the prevailing local economic conditions.

- Self-regulating local economic activity to promote economic development and the creation of viable employment.

The municipality currently has an active informal trader's sub-committee to discuss informal trading issues and their needs. The informal sub-committee and LED forum will be aligned to each other to promote cohesive and harmonised local development.

## 6.1.2 REGULATORY ENVIRONMENT AND ALIGNMENT

### DEVELOPMENT & POLICY IMPERATIVES



The fight against poverty and inequality, as well as the creation of more fulfilling work opportunities through sustainable development, continues to be a key problem on a global scale. While there has been progress in recent years, much more needs to be done to alleviate poverty and inequality and provide opportunities for meaningful work. The United Nations in its drive to promote sustainable development identifies seventeen goals critical to achieving this. With reference to local economic development, the goals 1, 8, 9, 10, 11, 12 and 17 are of major importance. These goals relate to ending poverty; creating decent work and economic growth; promoting industry innovation and infrastructure; reducing poverty; growing sustainable cities and communities; and promoting partnerships for the achievement of the goals.

### KEY POLICIES IN DRIVING LED IN UMNNGENI MUNICIPALITY

South Africa continues to face the triple challenges of unemployment, poverty, and inequality, which impede the implementation of the country's development goal. Local Economic Development (LED) as an economic development strategy

affords local governments the chance to alleviate poverty and unemployment. The following South African policies have been recognised as crucial to promoting LED in the municipality and are described in detail below:



## National priorities

As a **Constitutional mandate**, municipalities are tasked with structuring and managing their administration, budgeting and planning processes to promote social and economic development.

The **National Development Plan** stresses the need of an economy that provides equal access to high-quality education, health, transportation, and other essential services for all residents. Alongside effective implementation of land reform, the emergence of new sources of employment, and the rise in agricultural output is identified as important in achieving this goal. Expanding irrigated agriculture and utilising underutilised land in communal areas for increased production and employment is a primary focus, as is an emphasis on inclusiveness and sustainable job creation across all skills levels in the economy. Furthermore, the improvement of inter-regional trade and investment; the promotion of beneficiation and agro-processing (building on existing strengths); the empowerment of local communities, i.e., the establishment of business incubators are further identified as important in achieving this development vision. Consequently, public-private partnerships to support early-stage entrepreneur training and assistance to small-scale farmers along with the creation of jobs through investment in key sectors and the development of rural economic infrastructure are emphasised as key strategies to create more jobs.

For uMngeni municipality, the **National Spatial Development Framework** highlights the following implications that are all crucial for long-term economic and agricultural growth. As the municipality is located in the agri-enterprise and small-scale farming resource zone, conserving agricultural land is a top concern.

Land with great potential for agricultural production and small-scale agriculture and resource enterprise growth must be located, protected, and its development managed. In addition, it has been designated as a Critical Water Resource Management Region, which necessitates the efficient and responsible management of strategic water sources in order to sustain the national and local economy. Consequently, high-risk water and land development competition catchment also necessitates long-term intergovernmental action pledges and spatial outcomes which must commit to constant infrastructure upkeep and an expansion of regional trade. Food security, agro-processing, economically viable mineral and metals beneficiation, and alternative energy generation all need backing to support eco-production and eco-entrepreneurs. Therefore, the framework suggests that strategically planning and coordinating economic and development activity is needed to ensure the safety of natural ecosystems and biodiversity.

The **National Framework for LED** in South Africa specifies the planning and implementation of LED. This gives recommendations for various institutions regarding their responsibilities in the development of innovative LED. The Framework enhances the growth and development potential of local economies for the national economy. It would rethink the function of regions, metropolitan areas, and local governments in supporting growth. While at the same time, seeking to significantly expand employment and creating respectable job prospects for communities at large. However, it recognises every part of this depends on effective coordination between government and non-government sectors.

The six core pillars include: Building Diverse and Innovation-driven Local Economies; Developing Inclusive Local Economies; Developing Learning and Skilful Economies; Enterprise Development and Support; Economic Governance and Infrastructure; and Strengthening Local Innovation Systems. This Framework will guide the municipal LED strategy and support the municipality in contributing to the national development objectives. The following are some of the key aspects of relevance to the municipality:

- Expansion of industry value chains;
- Emphasis on establishing inclusive economies and expanding local competencies and productive capacity;
- The creation of jobs through investment in key sectors, the growth of creative businesses, and assistance for the disadvantaged;
- Increased interregional trade and investment through enhancing stakeholder relations;
- Improving and rebuilding municipal capacity, including managerial, administrative, and local business assistance, as well as strengthening collaborations with the private sector;
- An increased emphasis on infrastructure development and fundamental service delivery;
- Developmental significance of the informal/secondary economy; and
- Diversification while enhancing current competitive advantage.

## Provincial Priorities

The **strategic goals and objectives of the Provincial Growth and Development Plan** directly impact economic development and agricultural development as the municipality is an area of agricultural priority making it particularly important to the purposes of the current analysis. Therefore, the municipal LED strategy needs to ensure amongst others:

- That it facilitates inclusive economic growth and employment in the municipality;
- A focus on intensified development of agriculture keeping in mind its links to other key economic sectors of the economy, including manufacturing, transport and logistics, trade (including SMME & informal sector) and services;
- Facilitating the growth in agricultural investment and promotion to stimulate agricultural and overall economic development;
- The promotion and development of SMMEs and the promotion of entrepreneurship;
- Intensification of sector driven skills development and training;
- Enhanced coordination between all stakeholders to fast-track economic development;
- Protecting and improving sustainable livelihoods and food security;

- Promoting safety and security of all communities including agricultural communities; and
- Developing and upgrading strategic economic infrastructure (including road and rail).

The uMngeni municipality's strategic position is highlighted in the **Provincial Spatial Economic Development Strategy** for its strategic location, which places it in a position to benefit from a number of the catalytic initiatives being undertaken by the provincial government. The strategy identifies the following strategic development interventions for the municipality that should be incorporated to the municipal development strategies and aligned to the provincial plan. These strategic development interventions include: a planned Agri-Park to be located within the municipality; an envisioned Leather Industrial Economic Hub to be located in Howick/Msunduzi; the Karkloof falls development project; and the Avenues development.

To ensure that the LED strategy of the uMngeni municipality is linked with the necessary strategic programmes indicated in the **KZN Export Strategy**, the following critical areas are essential: creating a business-friendly atmosphere by eliminating unnecessary red tape; providing necessary bulk infrastructure as well as effective road and rail connections to markets; promoting export awareness and the development of SMME's and businesses; training and development of skills; and the facilitation and promotion of local exporters.

The **Township and Rural Economies Strategy** provides a framework to help the municipality in fostering inclusion and expanding its rural and township regions to increase employment, business development, and decrease poverty

and inequities in these areas. Consequently, the municipal LED plan will need to take into account this approach when establishing interventions and programmes to guarantee that rural and township economies are not excluded, but rather supported, to assist the municipality's overall economic growth and development.

The **municipal LED plan and Informal Economy Policy** must account for the expanding informal sector, encourage its incorporation into the formal economy, and providing sector-specific support. To guarantee that the uMngeni municipality's LED strategy is linked with the appropriate main pillars indicated in the **Poverty Eradication Master Plan** by concentrating on agricultural development, business growth, employment creation, skills development, and social protection for underprivileged populations.

### Local priorities

A wealth of knowledge already exists in the form of strategic plans, research projects and policy documents. These were reviewed and synthesized illustrating the clear implications for uMngeni Municipality. Accordingly, the following documents were reviewed to get an understanding of the LED environment within the municipality, including: the current uMngeni LED strategy, SMME and Co-operatives strategy and informal economy strategy; the latest economic statistical reports; the Integrated Development Plan (IDP) and the Spatial Development Plan of uMngeni and the District. These strategies are directly linked to both the provincial and national priorities and remain important to fast-track local economic development in the municipality.



Local economic development remains a key national imperative for local government to drive and see to its implementation through alignment with national, provincial and local development policies in order to facilitate and promote a successful economic development that sees to economic growth, employment creation and the alleviation of poverty and inequality.

## STRATEGIC ECONOMIC ANALYSIS AND INTERVENTIONS

### uMngeni Municipality's Unique Selling Proposition

**Location:** Strategically well located in terms of logistics and easily accessible to major markets including Gauteng, Durban and international markets (through the Durban Port and King Shaka International airport). This location provides easy access to transportation networks and markets, making it an attractive location for businesses and investors.



**Logistics & Transport routes:** Strategically located to one of the busiest national roads in the country, that is, the N3 along with being strategically located to the regional road the R103.



**Entrepreneurial spirit:** uMngeni Municipality has a growing entrepreneurial culture, with many small businesses and startups emerging in the area. This spirit of innovation and creativity makes the municipality an exciting place to live and work.



**Agricultural Heritage:** The municipality has a strong agricultural heritage which is reflected in the local cuisine, which features fresh produce and farm-to-table dining experiences. There are large tracks of private and tribal land available for agriculture, industrial, residential and commercial development.



**Economic returns:** Investment Incentives and rebates.



**Unique Tourism Assets:** uMngeni Municipality is rich in history and culture, with a range of cultural and heritage sites such as the Howick Falls, Nelson Mandela Capture Site, the midlands meander and the Zulu cultural village located in Mpophomeni. These sites offer visitors a glimpse into the area's past and present. uMngeni Municipality has a rich cultural heritage, with a diverse population that includes Zulu, Indian, and European communities. This heritage is reflected in the local cuisine, music, and architecture.



**Natural Resources:** The municipality is located in a scenic area of KwaZulu-Natal, with picturesque hills, rivers, and forests. This natural beauty attracts tourists and outdoor enthusiasts, who come to enjoy hiking, bird watching, and other activities. There's relatively well developed infrastructure, Unique natural assets, Historic and Heritage sites along with having a significant dams, that is, the Midmar dam.



Social dynamics: The municipality has a strong sense of community, with active civic and business organizations that work together to promote economic development and social welfare. This engagement makes it an attractive destination for socially conscious visitors and investors.

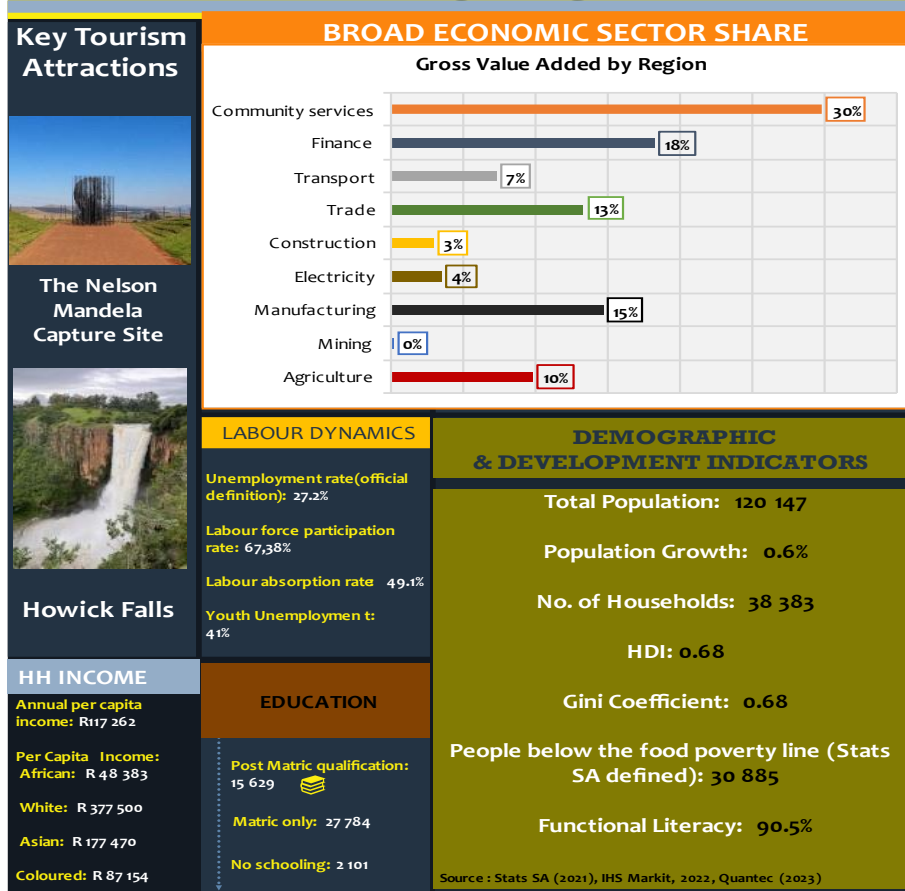
### Municipal Comparative & Competitive Advantages

Significant elements of competitive advantage include infrastructure and services, institutional environment, economic Indicators and the capacity of the municipality. The municipality's competitive advantage is as follows:

- Availability of bulk Infrastructure services albeit constrained in some areas.
- The institutional environment within municipality is well established.
- With reference to economic indicators, the municipal comparative advantages in terms of Gross Domestic Product (GDP) contribution are echoed for the sectors of community services which is dominated by education, manufacturing dominated by fuel and petroleum products sub-sector, finance dominated by the finance and insurance sub-sector, trade dominated by retail trade and repairs of goods sub-sector and the agricultural sector dominated by agriculture and hunting sub-sector.
- Employment contribution from the community services as well as in the agriculture and trade sectors.

- The municipality is highly integrated into the provincial and national economy due to its strategic value of its location.
- The location of municipality and the Midlands market next to the N3 development corridor places it in a particular competitive position with respect to the international markets through the Durban harbor, its linkage to Gauteng and Durban (or eThekweni Metro), the Port of Durban, the Dube Trade Port and King Shaka International Airport. The PSEDS (2017) identifies the N3 as a transport corridor as an economies of scale corridor as it attracts the production of high value and differentiated goods noting
- That several high growth strategic nodes have emerged along the N3 in the municipality.
- The municipality has tourism assets includes cultural and historical experiences of national significance (including the Mandela Capture Site).

## uMngeni Economic Snapshot



## uMngeni Economic Overview

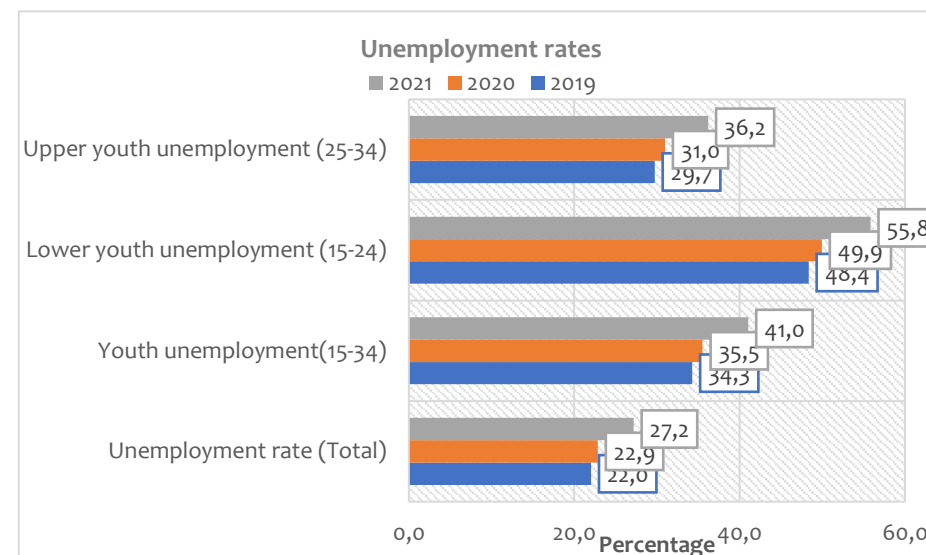
### Labour dynamics

The current state of the country and the municipality demonstrates that the demand for employment far exceeds supply, stressing the overall systemic failures, high poverty levels and inequalities impacting on employment opportunities for the increasing labour force. This is now further exacerbated by the impacts of the global Covid-19 pandemic, looting and riots and the flooding that have negatively affected the economy and overall employment.

The Municipality has an **Economically Active Population (EAP) of 44,430** people and a **labour force participation rate of 67.38%**. The labour **absorption rate** (15-64) in the area is **49.1%**, which indicates that almost half of the population in the labour force is employed. These numbers show that out of the EAP, 32,351 people are employed in either the formal or informal sectors. Of those employed, **27,317** people have **formal jobs**, while **5,034** people work in the **informal sector**. These statistics also reveal that **12,079** people in the Municipality are **unemployed**, which gives an **unemployment rate of 27.19%**.

Youth unemployment (15-34) refers to the percentage of young people aged 15 to 34 who are unemployed. In the area, the youth unemployment rate is 41%, which is considerably higher than the total unemployment rate. Whilst, the lower youth unemployment rate (15-24) that is the percentage of young people aged 15 to 24 who are unemployed in the area, is 55.8%, indicating a high level of youth unemployment in this age group. Furthermore, the upper youth unemployment rate (25-34) that is the percentage of young people aged 25 to 34 who are unemployed in the area was 36.2%, which is lower than the lower

youth unemployment rate but still considerably higher than the total unemployment rate.



Quantec Easy Data, 2023

The **labour force participation rate (Youth)**, which is the percentage of young people aged 15 to 34 who are either employed or actively seeking employment in the area, was **56.2%**, indicating that a little more than half of young people are either employed or seeking employment. In the area, the **youth absorption rate is 33.1%**, which means that just over one-third of young people in the labour force are employed.

These indicators provide insight into the employment and labour market situation in the area, particularly for young people. High youth unemployment rates and relatively low labour force participation rates can indicate challenges

in finding employment and entering the labour market, which may require targeted policy interventions to address.

### **Sectoral employment**

In terms of sectoral employment, employment in the municipality is largely concentrated towards the tertiary services sector accounting for the largest share in total for both formal and informal employment. With regards to formal employment, the municipality has approximately **7 222 employed** people recorded as **skilled individuals**, **10 579 semi-skilled** and **9 516 low skilled** individuals employed in the **formal employment**. The **tertiary services** sector accounted for **18 057 people employed** in the municipality with the dominant sub-sectors including community, social and personal services trailed by **business services (3 550)**, **wholesale and retail trade (2 766)** and **general government (2 091)**. The **primary sector** is the second largest employer in the municipality with **agriculture** accounting for **4 087** and **forestry** accounting for **1 139 people employed**. Lastly, the **secondary sector** which consists of manufacturing accounting for about **4 020 people employed** in 2021.

In regions with extremely high unemployment and very low labour participation, the informal sector is indispensable. Unemployed individuals view participation in the informal sector as a means of survival. Obtaining a solid, official work would be the ideal scenario. But, because the official economy is not expanding quickly enough to produce sufficient employment, the informal sector is exploited as a survival strategy. In the municipality, the informal sector plays a significant role in employment with approximately **5 034 people employed** in the **informal economy** in 2021. The key sectors of employment in the informal

sector include **wholesale and retail trade (966)**, **agriculture (868)**, **community, social and personal services (809)**, **business services (558)** and **manufacturing (465)**.

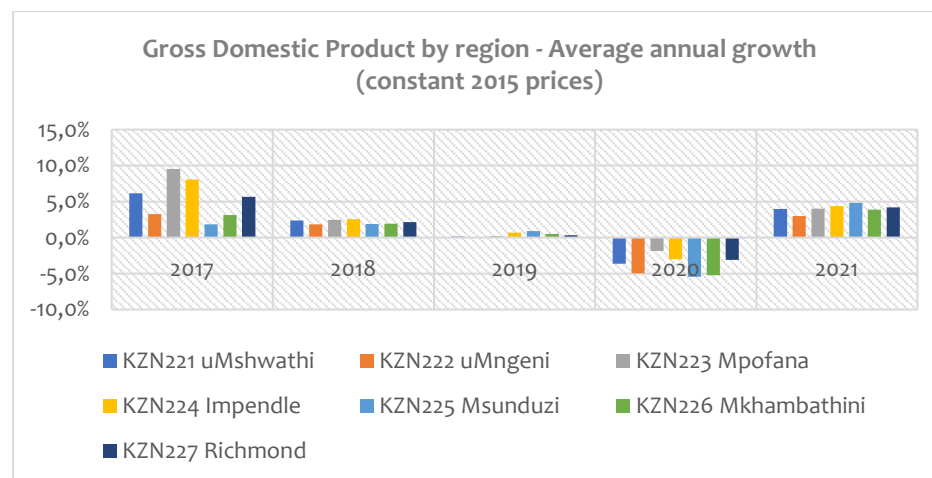
A more varied economy is better able to balance industries that rely heavily on labour with those that rely more heavily on capital, as well as generate jobs for people of varying levels of education and experience. If boosting the economy and reducing unemployment are top priorities, then it seems to reason that we should focus our attention on sectors that are both expanding rapidly and hiring people, especially those with lower levels of education and training. Many rapidly expanding sectors, however, are not ones that typically hire large numbers of low-skilled workers (and alleviate unemployment). Thus, the importance of growing small business development and promoting entrepreneurship and investment within the municipality remains critical to further grow and concentrate the economy to support diversity, innovation and employment creation.

### **LOCAL ECONOMIC ANALYSIS**

In the case of KwaZulu-Natal province in South Africa, the eThekweni municipality contributes almost two-thirds (61%) of the overall provincial economy. This indicates that the economic activity in this municipality is significant and plays a crucial role in driving the economy of the province. The district of uMgungundlovu is the second-largest economic contributor to the province after eThekweni metropolitan municipality. This suggests that the economic activity in this district is also significant and plays an important role in the overall economic performance of the province.



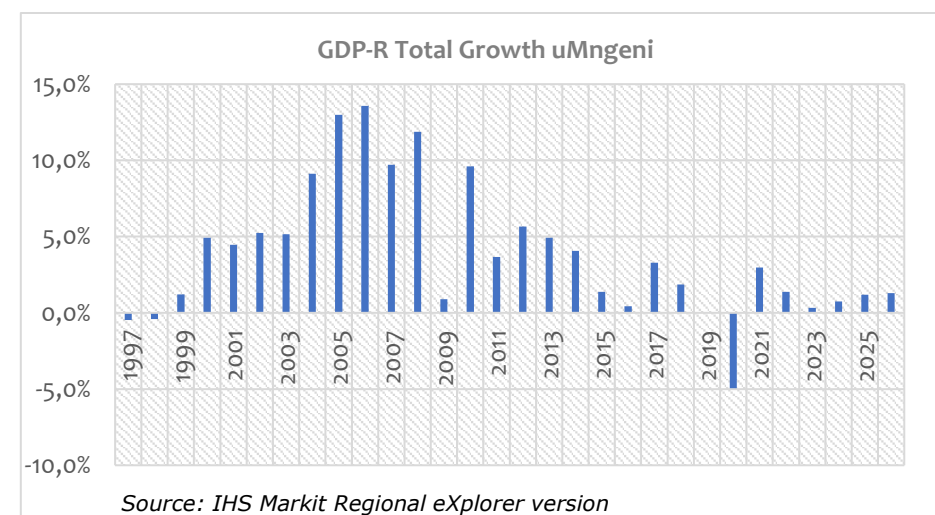
eThekweni Metro and uMgungundlovu District act as drivers of economic growth and development, attracting investment, creating job opportunities, and generating revenue for the province. However, the concentration of economic activity in certain areas can also lead to regional inequalities and disparities. Other areas of the province tend to struggle to attract investment and experience higher levels of unemployment and poverty, which can contribute to social and economic challenges for the Province.



Source: IHS Markit, 2022 (Regional eXplorer version 2257)

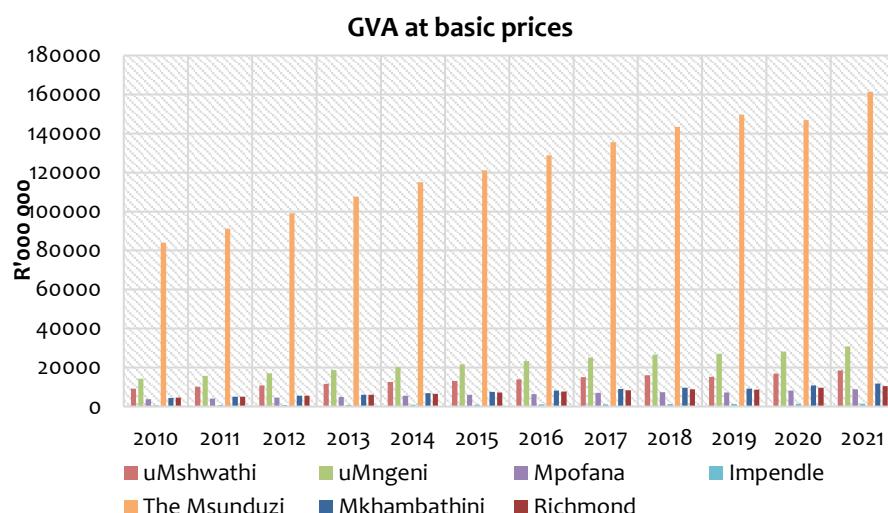
The role of the Msunduzi Local Municipality as the capital city of the province is also noteworthy, as it likely has a significant impact on the overall economic activity in the region. The uMngeni municipality's role as the second-largest contributor to the district municipality after Msunduzi suggests that it is also an important economic and service area in the region. Thus, making the two municipalities, that is Msunduzi and uMngeni the major economic and service areas in the district.

The municipality's GDP-R growth rate has rebounded in 2021 after experiencing negative growth rates during the pandemic-induced economic downturn in 2020. Therefore, it is not uncommon for regions to experience fluctuations in economic growth rates over time, and the pandemic has certainly had a significant impact on economies worldwide. However, the fact that the municipality has rebounded with a 3 percent annual growth rate in 2021 (see figure above) suggests that the local economy is resilient and able to adapt to changing circumstances. It will be interesting to see how the municipality's economic growth continues to evolve in the coming years and how it compares to the growth rates of other regions in the district.



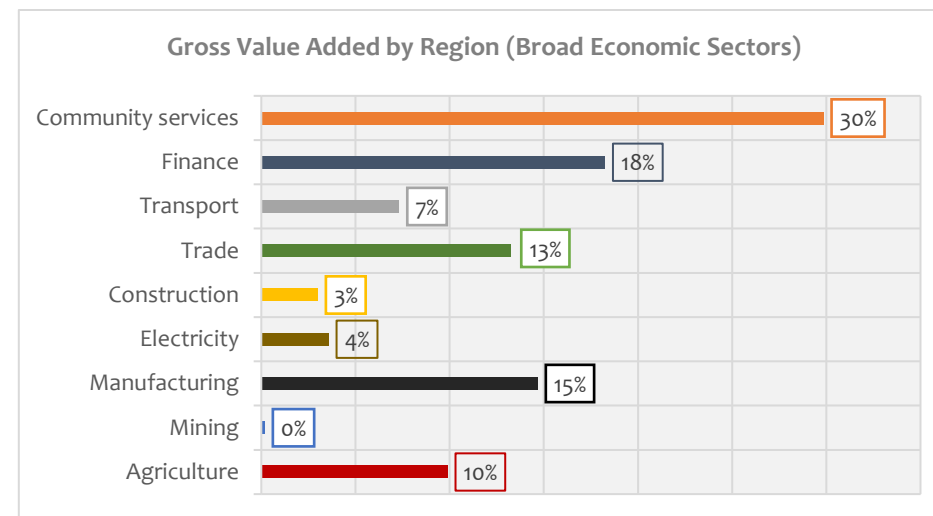
Despite experiencing two significant drops in GDP growth during the period of 2000 to 2022, the municipality has seen overall steady positive growth since the year 2000 (see figure above). The first significant decline in GDP growth in 2009 as a result of the global recession is not uncommon, as many regions around

the world experienced economic downturns during this time. The negative growth experienced in 2020 due to the global pandemic was also a widespread phenomenon, highlighting the global interconnectedness of economies and the impact of external factors on regional economic growth. The total municipal GDP growth is anticipated to continue recovering with an anticipated positive growth over the next few years.



Gross value added (GVA) is a measure of the total economic output produced by an industry, sector, or region. It represents the value of goods and services produced, minus the value of intermediate inputs. The GVA of uMngeni Municipality can be impacted by a range of factors, including the performance of different sectors, the level of investment and infrastructure in the area, and broader economic conditions. The municipality continues to experience growth in its total economic output. The municipality continues to be the second largest

economic contributor after the Msunduzi municipality. In 2021, the municipality contributed approximately **R30,8 billion in Gross Value Add** as depicted in the figure above. This equates to a total contribution of **12,7 percent** towards the **district output**.



Quantec, easy data (2023)

The **tertiary services** sector dominates the municipality's economic structure, accounting for approximately **65% of GVA contribution**. This is followed by the **secondary sector** at about **23%** and the **primary sector** at about **12%**. This suggests that the municipality may have a comparative advantage in the service industry. The five dominant sectors in the municipality in terms of GVA contribution in 2023 were **community services, finance, manufacturing, trade, and agriculture**. This highlights the diversity of the municipality's economy and suggests that it may have a competitive advantage in multiple sectors.

**Agriculture accounts for 10%** of the total economic output in the Municipality which includes crop production, livestock farming, and fishing. The Mining sector as depicted in the figure above does not have any significant contribution to the GVA of uMngeni Municipality. **Manufacturing accounts for 15%** of the total economic output in the Municipality which includes the production of goods such as processed goods, machinery, chemicals, and textiles. **Electricity accounts for 4%** of the total economic output in the Municipality which includes the generation, transmission, and distribution of electricity. The **Construction sector accounts for 3%** of the total economic output in the Municipality which includes the building of residential and commercial structures, as well as infrastructure projects such as roads and bridges.

Furthermore, the **trade sector accounts for 13%** of the total economic output in the Municipality which includes the buying and selling of goods and services. The **transport sector accounts for 7%** of the total economic output in which includes the movement of goods and people. The **finance sector accounts for 18%** of the total economic output which includes banking, insurance, and other financial services. Lastly, the **community services sector** accounts for the largest **contribution (30%)** of the total economic output in the Municipality and includes healthcare, education, public administration, and other social services.

This figure provides a snapshot of the economic activity in uMngeni Municipality and can be used to identify the major drivers of economic growth and development in the region. It's worth noting that the GVA is just one measure of the economic activity in a region, and other factors such as employment, income, and poverty rates should also be considered when assessing the overall economic health of a municipality or region. Nonetheless, these findings

suggest that the uMngeni municipality is an important economic player in the district and may have potential for further economic growth and development, particularly in the service sector.

#### 6.1.4 Strategic Programmes / Interventions Small, Medium and Micro-Sized Enterprises (SMMEs)

SMMEs in uMngeni operate in various sectors including tourism, catering & accommodation; retail trade and allied services; construction; manufacturing; agriculture; professional & financial services and transport. Trade and commerce is among the major economic sectors of uMngeni contributing 16 percent to local employment and 14 percent to the municipal economy. The sector is mainly concentrated in the CBD and generally, this sector includes small, medium and micro enterprises (SMMEs) and informal traders. The existing towns of Howick and Hilton are well developed with central business districts (CBD) which are the agglomeration of retail and commercial activities that services the municipal area. These towns act as the centre for trade and commerce for uMngeni Municipality. Most businesses are concentrated in the Howick town as a result of the strategic location of the town alongside N3 and Howick Falls. This makes the town an important commercial and service centre for other surrounding areas.

SMMEs play a significant role in generate employment in the municipality. However, several challenges have been found to impact on their sustainability. To sustain this sector and to improve its full contribution to the GDP, infrastructure challenges, funding, resource access and supply chain access barriers need to be addressed. Accordingly, the municipality developed and adopted an SMME and Cooperatives Strategy in November 2019 to help

address some of these challenges. The strategy strives for increasing small business participation within the municipality to significantly increase employment creation and promote entrepreneurship. The overall objective of the strategy was to highlight areas that the municipality need to concentrate on to ensure that it creates an enabling environment for the local SMMEs and Co-ops to thrive. Furthermore, the SMME and Co-op strategy act as a catalyst that drives and propel economic development, spatially guide investment and essentially become a development guide for the entire municipality. Specifically, the focus was on the development of a feasible implementation plan. The SMME and Cooperative Strategy has been attached under Annexure I.1

### **Informal Economy**

The informal economy plays an important contribution to the economic and social life of Municipality. Due to the decline in formal employment and consequent increase in unemployment rate, many people seek alternative means of earning an income. It is generally accepted that the informal sector plays a significant role in the local economy more especially in the previously disadvantage areas. One of the main reasons for this is the inability of national economy's formal sector to create sufficient employment for the fast-growing labour force. This inability leads to new entrants into the labour market increasingly forced to turn into the informal sector, to earn a living. The informal economy has significant job and income generation potential because of the relative ease of entry and low requirements for education, skills, technology and capital. Informal economy also contributes the local, provincial and national GDP. Regardless the contribution of the informal trading in the economy, people in this sphere of the economy are often excluded from various legal protections and they are unable to access the basic benefits or enjoy the fundamental rights

granted to those in the formal economy. These unprotected conditions often include unsafe and unhealthy working conditions, long working hours with insufficient and unsteady compensation, low skill and productivity levels, and a general lack of access to information, markets, finance, training and technology. The informal sector in uMngeni has many activities including barber shops, raw meat, cooked food, live chicken seller, cosmetics salesperson, tailor, dressmaker and hatters, fruit seller, hairdresser, Mr Phone dealer, mealie cookers, newspapers, second hand clothes, shoe repairer and the like, many informal trading businesses have been operating for more than five years. This indicates and illustrates that uMngeni Municipality has a conducive environment for business stability and growth and shows that informal trading in this area is not a temporary activity but a long-term carrier for many. Further, on average, an informal business in uMngeni employs between 1 to 3 persons depending on the activities of the business. To regulate this sector of the economy, the uMngeni Council in adopted an Informal Economy Policy and Informal Economy By-law.

### **Township & Rural Economy**

Following the start of the new millennium, the government has implemented a number of initiatives and legislation in order to try and combat the level of inequality that exists. There is a high prevalence of economic marginalization in the townships and rural areas. The triple threat of poverty, unemployment, and inequality continues to plague government efforts especially in rural areas and townships economic stimulation takes place to ensure a continuous circulation of money within these areas. This is worrisome as economic stimulation is rooted in small business development and entrepreneurship which is seemingly limited

within these areas. These perhaps as a consequence of the challenges facing rural and township economies, including, the lack of adequate economic infrastructure, low levels of skills, and problems with creating and sustaining markets. The municipality has therefore developed a nodal plan for Mpophomeni in an attempt to bridge this gap and facilitate the development and growth of the local economy of Mpophomeni Township. The Mpophomeni Nodal Plan has been attached under Annexure I.1. The Nodal plan will be reviewed in line with the recently adopted Township and Rural Economies Revitalization Strategy (TRERS).

## Agriculture

Statistics South Africa (2020), through its Census of Commercial Agricultural (CoCA) 2017 found that, within the Municipality 159 commercial farms or farming units were identified. Combined the farms were found to have an income of approximately R1.6 billion and employee remuneration of R208 million which included salaries, cash wages and cash bonuses. In terms of agricultural income, the animal and animal products held the largest share of agricultural income within the municipality with reference to commercial production. This was then followed by horticultural products (R204 744 000), field crops (R61 314 000) and forestry products (R43 676 000). The census further shows that, in 2017, combined the commercial farms in uMngeni municipality spent about R29 million on electricity, R8.6 million in railage and transport out and R761 thousand on water including water taxes. uMgungundlovu district was found to be the highest contributor towards farming income in the province accounting for approximately 24 percent or R8.2 billion making it one of the significant areas of agricultural investment and development.

Considering the shortage of current data and literature on small-scale farmers within the municipality. The survey results of the uMngeni Agri-Park business proposal were used to assess small-scale farmer dynamics in the municipality. The survey consisted of 90 randomly selected individuals from the uMngeni Nguga Livestock Association (UNLA). The survey results revealed a strong male dominance with males accounting for about 78 percent of the surveyed respondents. In terms of age composition, the survey found that much of the farmers were 40 years and older (92%) regardless of gender. The survey found that, overall, the farmers were functionally literate with only about 6 percent having obtained a higher degree. Most farmers were found to have over ten years farming experience. In terms of types of livestock, the farmers were found to have more cattle ownership followed by goats and sheep. The survey results further revealed that the farmers sold livestock worth R9.9 million in the previous year within which the survey was conducted. This then translated to on average each household having sold R110 591 of livestock during that year. Cattle accounted for the largest sales accounting for about 73 percent of the total sales. Interestingly, the survey found that females generated on average more sales (16% more) than their male counterparts suggesting the need for further women empowerment. The estimated value of livestock collectively for all respondents was approximately R30.6 million during the survey period. The surveyed farmers demonstrated interest in growing their businesses in the short to medium term but however raised the issue that they required additional land and mechanization to do so.

Considering this, the municipality recently drafted an approved an Agricultural Development Strategy for the municipality with the vision to extend the



municipality's' position as the most diversified and inclusive agricultural contributor and maintaining sustainable and capabilities-based competitive advantage in the region. The strategy highlights three strategic thrusts required to achieve this, including: creating an environment that encourages further agribusiness development in the municipality; ensure the continued productive use of high potential agricultural land in uMngeni; and providing small-scale, entrant and subsistence farmers with necessary technical and logistical support. The Agricultural Strategy is attached as Annexure I.1.



The municipality has begun implementing some of the programmes identified in the agricultural strategy and LED strategy targeted at provide support to small and emerging farmers. uMngeni has initiated projects working with traditional authorities to support emerging farmers located in tribal areas. The municipality

recently erected two cattle handling facilities to assist in the implementation of the immunization programme for small livestock producers (see picture above). The municipality looks to initiate more programme to help develop the agricultural sector in municipality.

### Tourism

The municipality itself is home to a number of popular tourist attractions, including: the **Howick Falls** (the scenic waterfall is a popular destination for hiking, sightseeing, and picnicking), the **Midmar Dam** (a large reservoir and recreation area, Midmar Dam offers opportunities for boating, fishing, and swimming), the **Nelson Mandela Capture Site** (a cultural and historical site commemorating the location where Nelson Mandela was arrested in 1962), **Karkloof Canopy** (an eco-adventure experience that takes visitors on a zipline tour through the Karkloof forest canopy), the **Midlands Meander** (a scenic drive through the surrounding countryside, featuring art galleries, craft shops, and restaurants), and the **Zulu Mpophomeni Tourism Experience** (promotes cultural and township tourism experiences).

Among uMngeni's many tourist destinations is the aesthetically pleasing Midlands Meander and heritage assets along with developing art route. There is a wide range of hotels, B&Bs, and other types of lodgings available in the municipality, in addition to its many natural attractions. Activities related to the Midlands Meander and agri-tourism are dispersed throughout a number of farms. Tourism is an important industry in the KwaZulu-Natal province, and it most certainly plays a significant role in the economy of uMngeni Municipality. However, due to the impact of the COVID-19 pandemic on the tourism industry, the sector was largely affected. Tourism has a significant impact on the local

economy of uMngeni Municipality. Some of the ways in which tourism contributes to the local economy include:

- **Job creation:** Tourism creates jobs in a range of sectors, including hospitality, transportation, and retail. This can help to reduce unemployment rates and improve the standard of living for local residents.
- **Increased revenue:** The tourism sector brings in additional revenue to the municipality through rates and taxes, sales taxes, and other fees.
- **Small business growth:** Tourism provides opportunities for small businesses to grow and thrive, particularly in areas such as restaurants, souvenir shops, and tour operators.
- **Improved infrastructure:** To attract tourists, municipalities often need to invest in infrastructure such as roads, airports, and public transportation. These improvements can benefit the local community as well as visitors.
- **Cultural preservation:** Tourism helps to preserve and promote local culture and traditions, which can have a positive impact on community pride and identity.

Tourism thus plays an important contributor to the local economy of uMngeni Municipality, providing jobs, revenue, and other benefits. However, it is important to ensure that tourism is sustainable and does not have negative impacts on the environment or local communities. As such, the municipality has a number of organized tourism structure that market and promote tourism in the municipality. This includes the CTO and associated tourism nodes that the municipality has signed agreements with and supports. Along with the midlands meander that continues to market tourism in the region.

## Industrial Development

Several industrial activities are located within the municipality. The majority of these are found in Howick West and Tweedie. This area has been largely influenced by the presence of the N3 and R103 commerce routes. Both of these routes serve as the primary channels for transporting manufactured items to domestic and international markets. Future industrial developments in the uMngeni municipal region are anticipated to maintain this advantageous position. There are few farms that process a portion of their agricultural products on-site. These agricultural processing enterprises are complimentary to each farm's agricultural purpose. The municipal investment incentives policy looks to support and promote further industrial investment in the municipality including agri-processing and manufacturing amongst others.

The industrial development in uMngeni Municipality has the potential to contribute to the economic growth and development of the area. Some of the key industries in the municipality include manufacturing, construction, and retail. Here are some ways in which industrial development can contribute to the municipality's economy:

- **Job creation:** The industrial sector can provide employment opportunities for local residents, which can help to reduce unemployment rates and improve the standard of living.
- **Increased revenue:** Industrial activities can generate revenue for the municipality through taxes, fees, and other sources. This revenue can be used to fund infrastructure projects, public services, and other initiatives that benefit the local community.

- **Increased investment:** Industrial development can attract investment to the municipality, which can help to stimulate economic growth and create new opportunities for local residents.
- **Improved infrastructure:** Industrial development can require investments in infrastructure such as roads, utilities, and public transportation. These improvements can benefit the local community as well as businesses.
- **Diversification:** The industrial sector can help to diversify the economy of the municipality, reducing its reliance on a single sector and making it more resilient to economic shocks.

Overall, industrial development in uMngeni Municipality has the potential to bring significant economic benefits, but it is important to ensure that it is carried out in a sustainable and responsible manner that takes into account the needs of the local community and the environment. For detailed proposed programmes/projects targeting manufacturing/industrial development reference should be made to the Implementation Plan of the municipal LED Strategy Review in Annexure I.1 and the Agricultural Development Strategy under the same annexure.

## CURRENT CATALYTIC PROJECTS FOR UMNGENI

As outlined in the municipal IDP, a Catalytic Project is defined as a large-scale or large-scope project that has a significant impact on employment, services, economic and social investment, and/or rates, and displays some or all of the following characteristics:

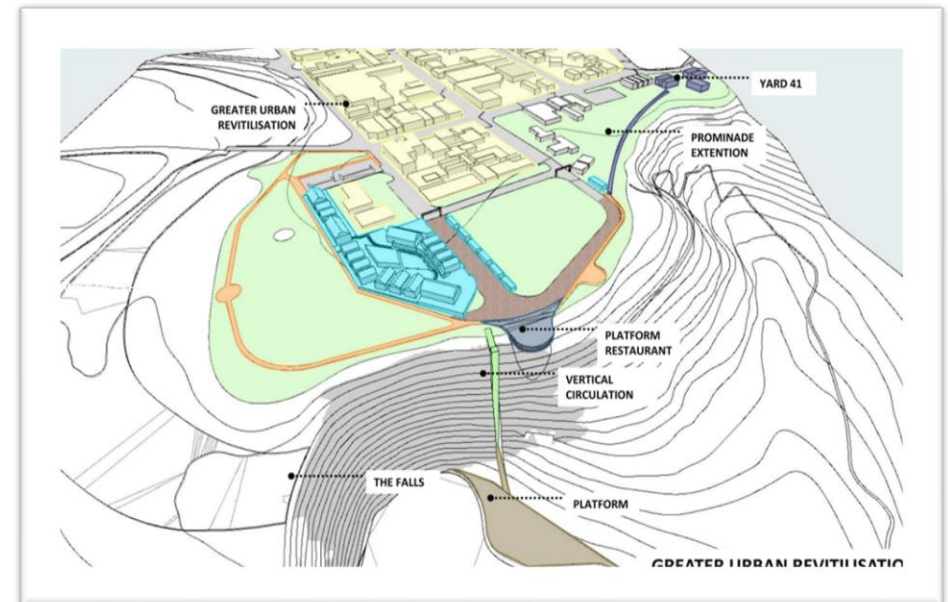
- It makes a substantial impact and provides leverage and/or creates multiplier effects;
- It has the power to radically activate development (social, economic or both);
- It significantly impacts spatial form and creates jobs, and increase land value; and
- contributes to the achievement of the vision and goals of the Municipality.

### 1.1 Howick Falls Development

The Howick Falls precinct project is one of the municipality's major catalytic projects which has the potential to boost the tourism sector and stimulate the local economy. Over the years, the precinct infrastructure and appearance has deteriorated resulting in a significant loss in the number of tourists who visit the site. This has also affected local businesses around the precinct evident in the number of businesses that have closed their doors, particularly around the Howick Falls which is one of the key tourism attractions in Howick. The precinct has businesses ranging from a hotel, merchandizing shops, arts and craft shops, a museum, restaurants, and local crafters. Due to its potential, plans over the years have been developed to maximize the potential of the site including a master plan but none of these plans have ever materialized due to funding constraints. The importance of reviving the precinct as a key tourism asset has been echoed all-round with the Parliament Portfolio Committee on Tourism having visited the site in 2019.



The Department of Economic Development, Tourism and Environmental Affairs (EDTEA) has recognized the importance of investing in the rehabilitation of the Precinct by making funding provisions amounting to R5 million. This amount was transferred to UMEDA as the project managers for the project tasked with managing the implementation of the project. The first phase of the project is aimed at upgrading the overall offering of the Howick falls precinct to become a world class destination for domestic and international visitors. A project steering committee has been established for the project which includes various stakeholders such as EDTEA as the project funders, UMEDA as project managers, CoGTA, uMngeni municipality and other relevant stakeholders. Apart from the architectural designs, the project has seen slow progress in terms of its implementation.





## Mpophomeni Nodal Development

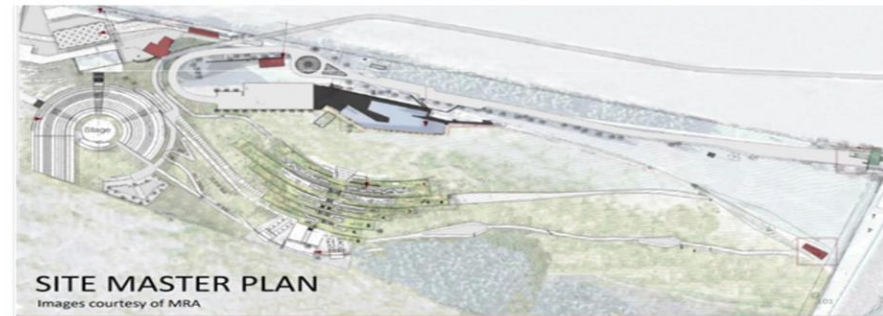
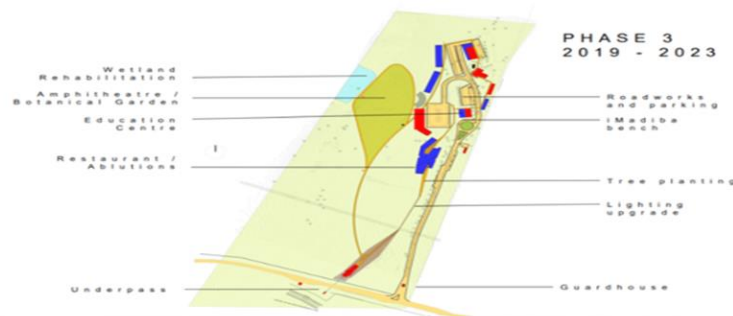
The Mpophomeni nodal development is identified as one of the municipality's catalytic projects essential to address the spatial and economic disparities inherited from apartheid social engineering, as this is a crucial step towards achieving sustainable development and social equity. The proposed nodal plan for Mpophomeni, commissioned by the Municipality and the KZN Department of Co-operative Governance and Traditional Affairs, is an excellent initiative towards this goal. The plan focuses on providing clear planning guidelines and directing future development decisions critical in ensuring sustainable and equitable growth for the area. By increasing property values, attracting private investment and creating job opportunities, the nodal plan has the potential to uplift the community of Mpophomeni and surrounding areas significantly. The renovation of the Mpophomeni Museum and street landscaping is also an important catalytic project that can further stimulate the area's economic growth and development. However, funding is crucial for the successful implementation of the nodal plan and the projects therein. All spheres of government and the private sector should contribute to the plan's funding to ensure its successful implementation and the realization of its potential benefits.





## The Nelson Mandela Capture Site Upgrades

The Capture Site is a unique and historic site along the R103 Midlands Meander and considered a significant catalytic project for the municipality. The National Department of Tourism has appointed Tourism KwaZulu-Natal to oversee the implementation of the infrastructure upgrades at the Capture Site. These upgrades include the construction of a new access road, parking, gatehouse, and storm water upgrades, and are part of the third phase of a larger development project that consists of five phases in total. It's worth noting that the project is being undertaken in accordance with the National Department of Tourism's Expanded Public Works requirements, which suggests that the project may have a focus on creating job opportunities and promoting socio-economic development in the area.



Mandela has been central to every stage of South Africa's epic struggle against apartheid – from formulating a new approach in the 1940s to leading the mass struggles of the 1950s, from the formation of Umkhonto we Sizwe in the early 1960s to imprisonment for 27 years.



Completed Long Walk to Freedom upgrades. Funding by Department of Tourism.

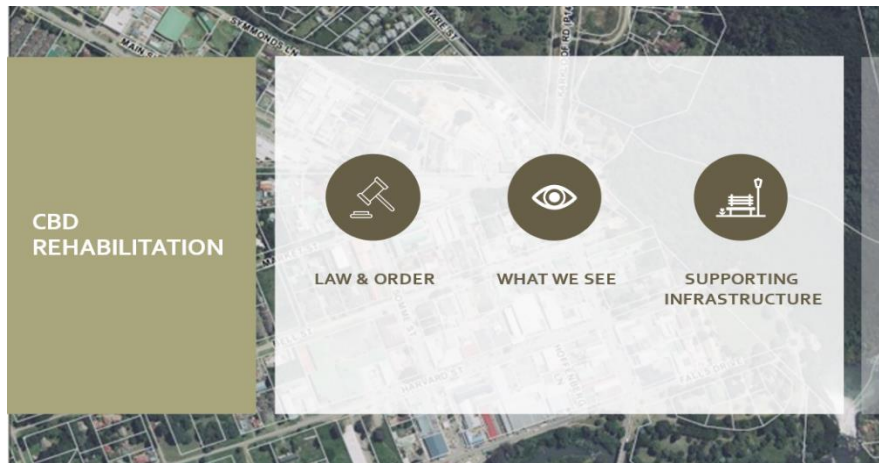
The Capture Site is a unique and historic destination situated along the R103 Midlands Meander. The site currently consists of various facilities which include Visitor Centre, Sculpture of Nelson Mandela, Long Walk to Freedom



Completed Long Walk to Freedom upgrades. Funding by Department of Tourism.

Pathway. Funding is required for other Phases i.e Underpass, Amphitheatre / Botanical Garden etc. Current government investment in the project has exceeded R100 million

## Howick CBD Rehabilitation



The Howick CBD rehabilitation project is a strategic effort to revitalize the core business area of the locality, attract new investment, and promote business development in the area. The successful implementation of this vision hinges on three key pillars: ensuring law and order, beautification of the CBD, and availability of adequate supporting infrastructure. Establishing a CBD boundary



is also a crucial step in creating a clear and defined area for the rehabilitation efforts.

In terms of what we see, there is generally a poor urban form, conflict in space utilization, inadequate waste management, lack of street furniture, health hazards, lack of public ablution facilities and dilapidated buildings. The Howick CBD contains a lot of worn-out infrastructure (incl. roads, pavements and buildings), bins, trading stalls, streetlights. There are no dedicated bus terminals with businesses having to park on the pavement and creating a bit of chaos. There are no pedestrian crosswalks and trees cut down but not removed entirely from the roots thus affecting existing infrastructure and overall look of the CBD.



Furthermore, with regards to supporting infrastructure, the roads in general are in poor condition with many potholes identified that needed repairing along with the significant impact the buses have on the road (see image below). The issues of pedestrian safety especially along the bridge where there has been vandalism is a serious concern with the overall design feature of the bridge (along the entry points for pedestrians) requiring re-configuration to cater for the growing demand of the town.

There are a number of areas where improvements are needed, including infrastructure, urban design, waste management, and maintenance. Some of the urgent key interventions required include:

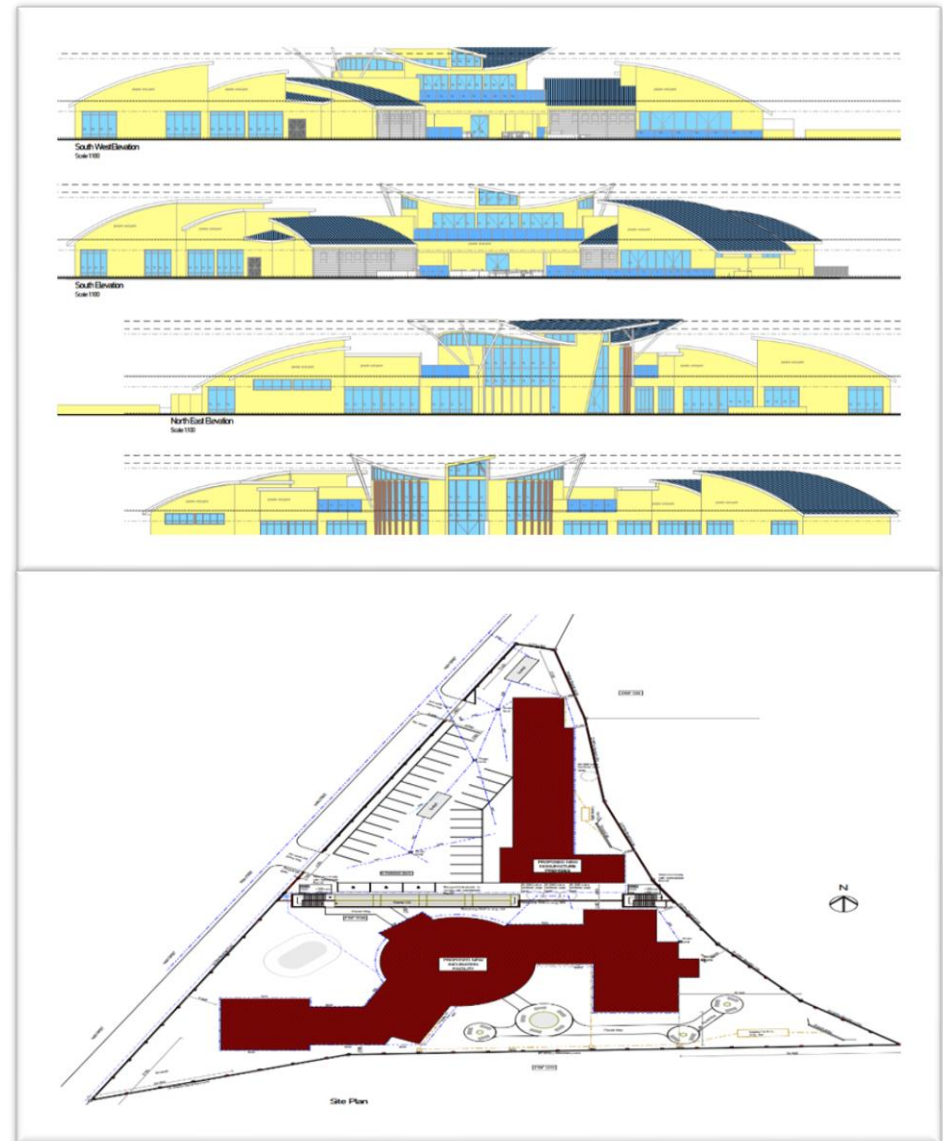
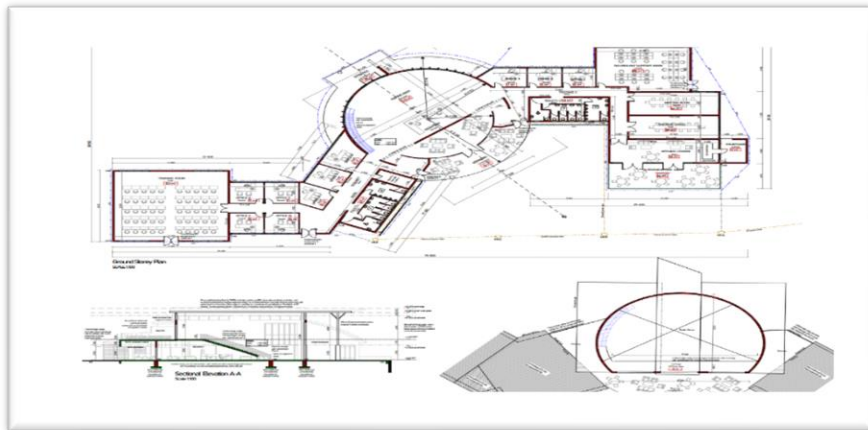
- **Road rehabilitation:** This would involve repairing and resurfacing roads and pavements, as well as addressing any drainage issues to prevent flooding and water damage.
- **Urban design principles:** The introduction of urban design principles could help create a more attractive and functional CBD, with features such as designated pedestrian walkways, public spaces, and street furniture.
- **Waste management and control:** Improvements in waste management could involve the installation of more waste bins, regular garbage collection, and campaigns to promote responsible waste disposal among traders and residents.
- **Distinct informal trading zones:** By creating more distinct informal trading zones, it may be possible to reduce conflict between pedestrians and traders, while also ensuring that traders have adequate space to conduct their businesses.
- **Building maintenance:** Better maintenance of buildings could involve repairs to damaged facades, roofs, and windows, as well as addressing any structural issues that may pose safety risks.
- **Preservation of historical buildings:** It may be necessary to develop strategies for preserving and maintaining historical buildings within the CBD, as these may be important landmarks and cultural assets.

- **Improved public transport:** The introduction of better public transport facilities, such as bus terminals, bus shelters, and bus stops, could make it easier for commuters to access the CBD.
- **Structural typologies:** The introduction of structural typologies could help create a more coherent and visually appealing urban landscape, with buildings and structures that complement each other.
- **Zonal approach:** A zonal approach to CBD rehabilitation could involve identifying different areas within the CBD and developing targeted interventions to address specific issues in each zone.
- **Budget allocation:** It may be necessary to allocate a significant percentage of the repairs and maintenance budget towards CBD rehabilitation to ensure that adequate resources are available to address the many issues facing the area.
- **Enforcement of municipal bylaws:** The enforcement of municipal bylaws is critical to ensuring that traders, residents, and visitors all adhere to the same standards and regulations, promoting a safer, cleaner, and more orderly CBD.



### uMngeni incubation facility project

Small, Medium and Micro Enterprises (SMMEs) in South Africa play a significant role towards employment, income generation and poverty alleviation in the country. However, many have been found to fail within five years of their establishment. This is mainly attributed to two common factors, that is, a lack of a sound strategic plan as well as a lack of financial resources. Small businesses and entrepreneurs need assistance to survive in competitive sectors and disruptive marketplaces. As such, business incubators play an important role of evening the odds by providing professional mentoring, assistance, and guidance to start-ups. Early-stage small businesses can greatly benefit from the services offered by business incubators. Nonetheless, despite this, the country is desperately short of incubators with incubators concentrated in a few areas. If the SMME sector is to play its full role in creating jobs and stimulating the economy, the nation will need more incubators spread throughout more regions.



Similar to many municipalities in the country, uMngeni Municipality does not have a dedicated incubation facility to help grow small business start-ups to fully establish successful enterprises. A dedicated and functional multi-sector incubator could assist participating businesses in the locality to gain from networking possibilities, low-cost office space, mentorship and links with other businesses and potential funders. As such, the uMngeni Municipality SMME & Cooperatives Strategy as well as the LED Strategy identify an SMME Incubation Facility as one of the projects that the Municipality has initiated its planning processes in order to promote the growth of SMME's. The municipality has thus identified a site for the establishment of the facility and conducted a feasibility study and architectural designs for the incubation facility which is currently still in the planning phase.

### Private sector-led projects

#### The Avenues Development

The Avenues Estate is a catalytic project that will require R1billion in investment over the next five years, of which R150m has already been invested on phase 1 of the Avenues Retail Centre. In addition, R150m will be invested in the residential estate's rollout in 2022/2023 and 2024, followed by commercial, retail, and the remaining residential. The developers have had to pay Eskom upfront for infrastructure to power the estate whilst the uMgungundlovu district and Umgeni Water have unduly delayed the Hilton/Howick N3 Corridor Waste-Water Treatment Plant for five years impacting on the development. This treatment plant will benefit not just the Avenues Estate but also the Hilton Life Hospital's development, the new business parks near the N3 / Rotunda / Cedara Offramps, the new Etham College School, and Grace College. In so far, the project has had the following benefits:

- The Avenues Retail Mall construction generated approximately 100 Jobs.
- The Retail centre has provided 40-50 permanent employment.
- During the next 2-3 years, 100 construction jobs would have been produced building the rest of the estate.
- About 30–40 permanent jobs are anticipated to be created throughout the operating phases of all other estate aspects.
- The development would potentially grow employment in the personal services in five years.







### **The Hilton Siding Development**

The Hilton Siding development is one of the catalytic private development projects in the that was completed in 2022. The development was anticipated to generate approximately 354 job opportunities through temporal and permanent jobs. The development provides retail services with well established brands in the retail sector.



### **The Mountain view development**

The development project consists of three phases with approximately 120 units per phase. The units range from bachelor pads to 1 and 2 bedroom units as well as simplexes. The project is expected to be completed within 72 months with an estimated value of R230 million.



key issues highlighted include a lack of infrastructure, slow processing times for applications and paperwork, poor database management, ineffective communication systems, and a lack of capacity to draw up basic documentation like lease agreements. The perceived incompetence of LM officials and the attitude of some officials towards their clients, residents, and businesses impact of business development in the municipality. This highlights the need for a change in the culture and mindset of those working in the LM to prioritize effective and professional service delivery.

### **Specific Interventions on Red Tape Reduction**

It is important for the LM to address these challenges by implementing reforms and making necessary changes to policies and procedures. By reducing bureaucracy, streamlining processes, and improving communication and coordination, the LM can create a more favourable environment for businesses to operate and grow. Additionally, involving the community and stakeholders in the development process can help to foster better relationships and ensure that projects are implemented effectively and efficiently. This could be done through involving the community and retired population in addressing human resource challenges and promoting small businesses could be a valuable resource for the LM to tap into. Overall, there is a need for a comprehensive approach to address these constraints in order to promote economic growth and development in uMngeni Local Municipality. Specific interventions that could be implemented to address this issue, include:

- Simplifying application and approval processes: The municipality should review its application and approval processes to ensure that they are

not excessively burdensome and time-consuming. They should be simplified and streamlined wherever possible.

- Utilizing the online portal efficiently: The municipality should ensure the continuous use of the online portal for business registration, licensing, and permit applications. This will simplify the process for businesses and reduce the need for physical visits to municipal offices.
- Improve communication: The municipality should improve its communication with the business community, especially with regard to updates on the status of applications and permits. This will help to reduce uncertainty and delays caused by a lack of communication.
- Strengthen the local business environment: The municipality should provide training and support to local businesses to help them grow and succeed. This could include business development workshops, mentoring programs, and access to funding. Along with implementing capacity building programs for women and youth, SMME's and Cooperatives, improving access to EPWP and CWP job opportunities and promoting greater procurement from local cooperatives and SMME's.
- Improve infrastructure: The municipality should prioritize investment in critical infrastructure, such as roads, water, and sanitation, to support business development. Along with setting minimum targets for the use of labour-intensive methods in infrastructure projects & develop a clear program for small contractor development.

- Develop a dedicated business support unit: The municipality should establish a dedicated business support unit to help businesses navigate the application and approval process, and to provide ongoing support and advice. Along with continuously reviewing and implementing the municipal incentives policy.
- Monitor and evaluate progress: The municipality should monitor and evaluate the impact of its red tape reduction initiatives to identify areas for improvement and ensure that they are achieving the desired outcomes.

By implementing these interventions, the municipality can reduce the burden of red tape on businesses and create a more conducive environment for investment and economic growth.

## FUNDING AND IMPLEMENTATION

uMngeni Local Municipality recognises that the municipality's and government's role in economic development is part of a larger effort, but it is not the end goal in terms of fulfilling this mandate. In fact, the constitution assigns the responsibility for economic development to a larger community and society, implying that the government is primarily an enabler and facilitator of economic development. As a result, uMngeni has developed several strategies to foster economic development, including the Local Economic Development Strategy and the Agricultural Strategy. Over R2.4 million has been budgeted for local economic development initiatives in the financial year 2022/2023, with support for agriculture, tourism, SMME development and informal economy support.

## POTENTIAL EMPLOYMENT / JOB CREATION

The municipality see to fast track the implementation of catalytic projects and programmes that will have the greatest and immediate impact on job creation, poverty reduction and business development. The municipality will provide support to the agriculture, tourism and manufacturing sectors to support value chain development that will enhance job opportunities. uMngeni anticipates that 400 job opportunities will be created in the 2022/2023 financial year as per the SDBIP. This will be achieved through the creation of new policies and strategies based on a thorough understanding of the current local economic conditions to promote economic development and facilitate the creation of meaningful employment.

### Expanded Public Works Programme (EPWP)

UMngeni Local Municipality embraces the EPWP. The municipality has hired a number of people as part of the EPWP and CWP in collaboration with Public Works and COGTA in order to generate revenue and train participants for entrance into the labour market. There is a need for an increasing interfacing between the formal economy and the informal economy, one through measures such as equipping people in the informal sector with skills and extending job creation and public services through the expanded public works programmes (EPWP).

EPWP is a key government initiative, which contributes to Governments Policy Priorities in terms of decent work and sustainable livelihoods; education; health; rural development; food security and land reform and the fight against crime and corruption. EPWP subscribes to outcome 4 which states “Decent employment

through inclusive economic growth. The EPWP has its origins in Growth and Development Summit (GDS) of 2003, at which ‘more jobs, better jobs, decent work for all’ was one of the four themes adopted. The GDS agreed that public works programmes ‘can provide poverty and income relief through temporary work for the unemployed to carry out socially useful activities.

### 6.1.7 Local Economic Development SWOT Analysis

Table 31: LED SWOT Analysis

STRENGTH	WEAKNESS
<p>Strategic location of municipality strategic in terms of tourism and economic development.</p> <p>Total production output is second highest in the uMgungundlovu district.</p> <p>Relatively well diversified economy.</p> <p>Good transportation Linkages especially the N3 connecting KwaZulu Natal to Gauteng province providing opportunities for the development of several sectors including tourism, manufacturing and agriculture.</p> <p>Strategic location of Municipality in terms of tourism and economic development. Nodal development opportunities and international (regional) gateway opportunities.</p>	<p>Lack of by-laws enforcement</p> <p>Lack of investors to attract for tourism development.</p> <p>Inadequate initiatives to create conducive environment for business and job creation opportunities</p> <p>Lack of linkages between stakeholders in the agricultural Value Chain – There is limited communication between informal traders, Co-operatives, commercial farmers and the Municipality in terms of Agricultural Development.</p> <p>Inadequate infrastructure for increase agricultural production amongst small scale and</p>
	<p>Opportunities for more strategic infrastructure developments.</p> <p>Climate – strategic for both tourism and agriculture production. Sub-tropical climate provides good conditions for economic growth in both sectors.</p> <p>Environmental and Heritage Tourism – uMngeni Municipality is rich in both cultural and heritage tourism opportunities and existing competitive advantages.</p> <p>Growing Value of Economy – Steady growth in GVA over a ten-year period sets a scene for promoting investment and growing development in the region.</p> <p>Growth in Transport and Storage Economy – Transport and Storage sector grew rapidly over a ten-year period and this highlights the potential of uMngeni in developing as a gateway for regional trade and investment.</p> <p>Growth in Wholesale and Retail Economy – Rapid growth in the wholesale and retail economy indicates opportunities for LED within this sector. Wholesale and Retail economic growth also provides key development opportunities for the informal economy.</p>
	<p>emerging farmers within the locality.</p> <p>Limited funding and access to funding.</p> <p>Inadequate facilitation by Municipality to provide SMMEs with access to local and international markets.</p> <p>Under-exploitation of ey resources – Capture Site and Howick Falls, Mpophomeni Tourism experience.</p> <p>Service Delivery in Key Nodes – uMngeni has several identified nodes for development. Service Delivery within these nodes varies and some of them do not have better supply of services.</p> <p>Internal Structural Constraints for LED – LED within uMngeni Municipality experienced capacity and budget constraints which hinder the implementation of LED projects and programmes.</p> <p>Dilapidated infrastructure in the CBD.</p>



<p>Robust Informal Sector – Provides key employment opportunities and strengthens retail economy in uMngeni. The informal sector is essential for promoting the well-being and livelihoods of households and communities within the Municipality.</p> <p>The informal economy is regulated through policy and bylaws.</p> <p>The municipality provides training and capacity building to SMME's and co-operatives.</p> <p>The municipality has an established economic development unit and has developed a business expansion and retention strategy for the municipality to help grow and retain local business.</p>	
<b>OPPORTUNITIES</b>	<b>THREATS</b>
<p>Poverty reduction agricultural projects and agri-processing projects</p> <p>Grow employment and diversify land use activities within the locality whilst also improving living standards.</p> <p>Agro processing industry is among the sectors identified by the Industrial Policy Action Plan (IPAP), the National Development Plan and PGDS. Community development through agro</p>	<p>Service delivery remains a critical obstacle – without adequate access to basic services, investment promotion remains a critical challenge for the Municipality.</p> <p>Funding and lack of access to funds for the implementation of high impact and economically viable projects.</p>

<p>processing and community agricultural projects.</p> <p>Untapped opportunities in the manufacturing sector – opportunities to diversify and develop new value chains (opportunities to grow the timber industry as well as renewable energy products).</p> <p>Beneficiation of agricultural products.</p> <p>Formation of strategic alliances with relevant stakeholders.</p> <p>Harnessing the potential of UMEDA as a Special Purpose Vehicle for the Implementation of large scale, economically sustainable LED Projects within the Municipality.</p> <p>Growing rural and township economies through the promotion of inclusive development.</p>	<p>Limited investment in bulk infrastructure.</p> <p>Political instability and continued intensification of riots.</p> <p>Cumbersome planning legislation is a red tape.</p> <p>Burden of complying with changing legislation.</p>
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### 6.1.8 LED Key Challenge

The use of information and communication technologies has the potential to boost uMngeni's competitiveness across almost all of the country's industries and service sectors. Previous issues, such as inadequate telecommunication linkages such as poor cell phone coverage, were among the factors that had a significant negative impact on the marketing potential of individual businesses. Actually, encouraging the use of information and communication technologies

would result in significant financial benefits for the development of the uMngeni Local Municipality. To accomplish this goal, the local municipality ought to establish ties with local and international partners from both the public and private sector. Access to information and communications technology (ICT) is one of uMngeni's most pressing challenges at the moment, and many businesses are having trouble meeting the high costs of ICT. In addition, the existing infrastructure is of a subpar standard. To ensure the successful promotion of information and communication technologies in the Local uMngeni Municipality, these challenges need to be proactively addressed.

## 6.2 SOCIAL DEVELOPMENT ANALYSIS

### 6.2.1 Broad Based Community Needs

Table 33 shows some of the broad-based community needs, limited to three priority needs per ward, that were gathered as part of the IDP consultation processes, which included multi-stakeholder engagements. The municipal Implementation Plan prioritizes the implementation of these ward needs for implementation over the next three years.

Table 32: Ward Priority Needs

Ward	Priorities	Ward	Priorities
1	1. Taxi Shelters along strategic public transport routes 2. Accelerated implementation of 3. Low-cost housing projects	2	1. Repairs and maintenance 2. Traffic control 3. Public spaces 4. Roads 5. uMngeni bridge

Ward	Priorities	Ward	Priorities
	4. Installation of High mast lightning 5. Resurfacing of gravel roads and speed calming mechanism		
3	1. Upgrade of electricity infrastructure 2. Housing 3. Electrification of farms 4. Public transport facilities 5. Satellite municipal offices including law enforcement	4	1. Road resurfacing 2. Informal settlement electrification 3. Community facilities
5	1. Repairs and maintenance 2. Traffic control 3. Public spaces 4. Roads resurfacing 5. uMngeni bridge	6	1. Road resurfacing 2. Construction of pedestrian 3. Transnet 4. Informal traders 5. Traffic signals
7	1. Road resurfacing and pothole repair	8	1. Road resurfacing

Ward	Priorities	Ward	Priorities
	2. Electricity and street lighting 3. Road safety and traffic management 4. Public open space and verges maintenance 5. Renewable energy and recycling		2. Community facilities 3. Electrification 4. Skills training 5. Water and sanitation
<b>9</b>	1. Roads resurfacing 2. Recreational facilities 3. Maintenance and building of community halls 4. Electrification of informal settlements 5. Public lighting	<b>10</b>	1. Road resurfacing 2. Community facilities maintenance 3. Local economic development 4. Storm water drainage 5. Bus shelters
<b>11</b>	1. Road resurfacing 2. Waste management and recycling programmes 3. Environmental protection and rehabilitation	<b>12</b>	1. Community centre 2. Public transport facilities 3. Road upgrade and Maintenance 4. Public lighting 5. Sidewalks

Ward	Priorities	Ward	Priorities
	4. Local economic development (Informal Traders Complex) 5. Skills training centre		
<b>13</b>	1. Road resurfacing 2. Public lighting 3. Waste Management 4. Street naming and house numbering 5. Community centre		

## 6.2.2 HEALTH AND EDUCATION

### Education Facilities

	EDUCATIONAL FACILITIES													
WARD	1	2	3	4	5	6	7	8	9	10	11	12	13	TOTAL
	1	2	14	7	4	8	3	3	5	1	4	4	0	56

The uMngeni municipal area is home to a total of 51 educational facilities, including primary, secondary, combined, special needs, and independent schools. These educational facilities are dispersed throughout the various settlements that make up the municipality. Every ward has access to educational facilities, which may come in the form of primary schools, secondary schools, or combined schools. Education at the most fundamental level is the place to start

if you want to ensure that developing communities have access to the scientific and technological resources that are available to them. Only one of the primary schools in the municipality has access to a science lab, while only 31 percent of schools in the municipality's primary schools have access to computer labs. Among the secondary schools in the municipality, uMthombo Secondary School is the only one that does not have access to computer and science labs. Within the boundaries of the municipality there are currently five libraries, one of which is a private library located in the Nottingham area. As a result of public consultation, the high pupil-to-teacher ratio that exists in schools located in Ward 12 has been brought to light. It is hoped that the construction of the Khayelisha Housing Project will provide an opportunity for the construction of a new primary school, thereby easing the burden on existing schools in Ward 12 that serve a much larger area than the ward itself. This will be accomplished by providing an opportunity for the construction of a new primary school. The following table provides information about the schools in the municipality with data provided by the Department of Education.

Table 33: Schools Data

Ward	Name of School	Type of school	Pupils	Educator	Learner to Educator Ratio	Computer Lab (Yes/No)	Science Lab (Yes/No)	Latest Matric Pass Rate %
1	Howick West Secondary	SECONDARY	626	22	28 to 1	Yes	Yes	95.6
2	Howick Preparatory	PRIMARY SCHOOL	640	33	19 to 1	Yes	Yes	N/A
2	Mount Carmel Christian	PRIMARY SCHOOL	131	5	26 to 1	No	No	N/A
3	Dargle P	PRIMARY SCHOOL	133	4	33 to 1	No	No	N/A
3	Wamacor P	PRIMARY SCHOOL	14	2	7 to 1	No	No	N/A
3	Unkonka P	PRIMARY SCHOOL	22	2	11 to 1	No	No	N/A
3	Sarsden P	PRIMARY SCHOOL	21	2	11 to 1	No	No	N/A
3	Silindele P (Nottingham Rd)	PRIMARY SCHOOL	35	2	18 to 1	Yes	No	N/A
3	Michaelhouse	SECONDARY SCHOOL	549	56	10 to 1	Yes	Yes	100
3	Asithuthuke Combined	COMBINED SCHOOL	337	15	22 to 1	No	No	66.67
3	Isiphethu Semfundo P	PRIMARY SCHOOL	28	2	14 to 1	No	No	N/A
3	Nottingham Road P	PRIMARY SCHOOL	167	9	18 to 1	No	No	N/A
3	King's	PRIMARY SCHOOL	70	10	7 to 1	No	No	N/A
3	Esiphethwini Sendiza P	COMBINED SCHOOL	101	4	25 to 1	No	No	
4	Clifton Preparatory school	PRE-PRIMARY SCHOOL	270	32	12 to 1	No	No	N/A
4	Lions River P	PRIMARY SCHOOL	52	3	17 to 1	No	No	N/A
4	Allerton P	PRIMARY SCHOOL	40	2	20 to 1	No	No	N/A
4	Jabula Combined	COMBINED SCHOOL	532	16	33 to 1	No	No	90
4	Crystal Springs P	PRIMARY SCHOOL	269	7	35 to 1	No	No	N/A
4	Indezi P	PRIMARY SCHOOL	55	3	18 to 1	No	No	N/A
4	Currys Post P	PRIMARY SCHOOL	192	5	35 to 1	No	No	N/A
4	Morton Estates P	PRIMARY SCHOOL	60	2	30 to 1	No	No	N/A
5	Gartmore P	PRIMARY SCHOOL	36	2	18 to 1	No	No	N/A

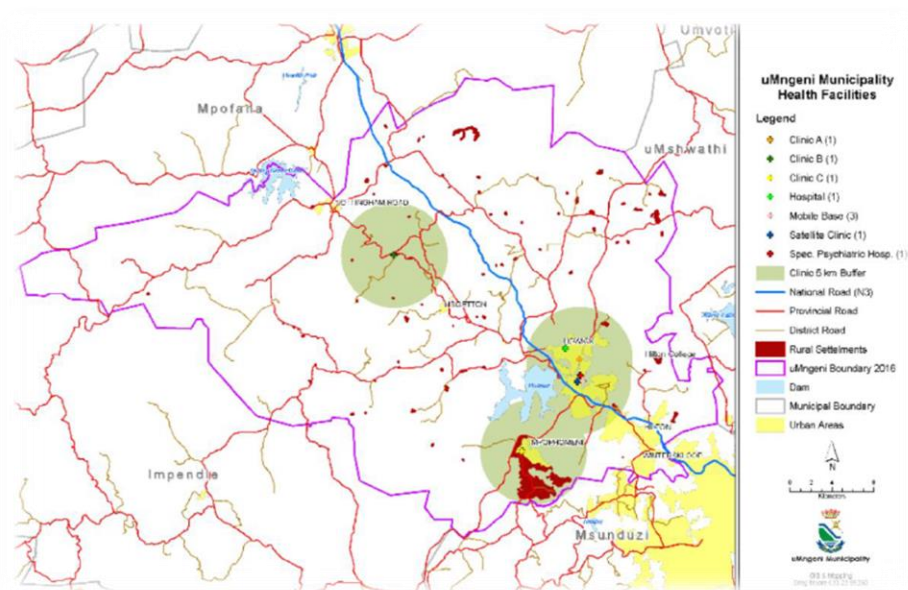


Ward	Name of School	Type of school	Pupils	Educator	Learner to Educator Ratio	Computer Lab (Yes/No)	Science Lab (Yes/No)	Latest Matric Pass Rate %
5	Hawkstone P	PRIMARY SCHOOL	84	3	28 to 1	No	No	N/A
5	Howick H	SECONDARY SCHOOL	517	33	16 to 1	Yes	Yes	98.9
5	Triandra State Aided	PRIMARY SCHOOL	104	3	35 to 1	No	No	N/A
5	Yarrow Intermediate	PRIMARY SCHOOL	69	4	17 to 1	No	No	N/A
6	Hilton Intermediate	PRIMARY SCHOOL	88	3	29 to 1	No	No	N/A
6	Hilton College	SECONDARY SCHOOL	549	63	8 to 1	Yes	Yes	100
6	Laddsworth P	PRIMARY SCHOOL	507	29	17 to 1	Yes	No	N/A
6	St Anne's Diocesan College	SECONDARY SCHOOL	390	54	7 to 1	No	No	100
6	Sibongumbomvu Combined	COMBINED SCHOOL	507	16	32 to 1	Yes	Yes	44.4
	Julukandoda	COMBINED SCHOOL						
6	Grace College (Hilton)	SECONDARY SCHOOL	250	24	10 to 1	Yes	No	100
7	Cowan House	PRIMARY SCHOOL	328	28	11 to 1	Yes	No	N/A
7	Hilton Pp	PRIMARY SCHOOL	113	10	11 to 1	No	No	N/A
7	Cedara P	PRIMARY SCHOOL	111	3	37 to 1	No	No	N/A
8	Nhlanhleni Sp	PRIMARY SCHOOL	624	18	34 to 1	No	No	N/A
8	Isibongo Lp	PRIMARY SCHOOL	840	25	33 to 1	No	No	N/A
9	Haza P	PRIMARY SCHOOL	560	16	35 to 1	Yes	No	N/A
10	Mpophomeni S	SECONDARY SCHOOL	937	29	32 to 1	Yes	Yes	82.2
11	Sifisesihle Jp	PRIMARY SCHOOL	425	10	43 to 1	No	No	N/A
11	Asibemunye H	SECONDARY SCHOOL	829	26	32 to 1	Yes	Yes	82.19
11	Zamuthule P	PRIMARY SCHOOL	457	12	38 to 1	No	No	N/A
11	Qhamukile P	PRIMARY SCHOOL	793	19	41 to 1	No	No	N/A
11	Umtombo Js	SECONDARY SCHOOL	233	9	26 to 1	No	No	90.2

Ward	Name of School	Type of school	Pupils	Educator	Learner to Educator Ratio	Computer Lab (Yes/No)	Science Lab (Yes/No)	Latest Matric Pass Rate %
12	Nogqaza P	PRIMARY SCHOOL	887	20	44 to 1	Yes	No	N/A
12	Injoloba S	SECONDARY SCHOOL	879	26	34 to 1	Yes	Yes	69.81
12	Cosmo P	PRIMARY SCHOOL	400	10	40 to 1	No	No	N/A
12	Howick (Rangeview Rd)	PRIMARY SCHOOL	1067	30	36 to 1	No	No	N/A
	Madrassa Noor	SCHOOL FOR THE BLIND						
	<b>Total</b>		<b>16765</b>	<b>735</b>	<b>23 to 1</b>			

## Health

Map 28: Health Facilities



Environmental Health Services has been transferred to the District as from 1 July 2012. There are 4 clinics that exist within the municipality and 1 psychiatric hospital. Based on the planning standards for health services, 1 clinic should be provided for a population of 10 000 people and 1 hospital should be provided for a population of 50 000 people. In essence the municipality must at least have 1 hospital for Primary Health Care given the current population figure of 105 609 people. Map above depicts the proximity of health facilities within a 5Km radius of settlements in the municipal area. The urban areas of Mpophomeni, Howick, Hilton and the municipality have good access to health services whilst the rural settlements have poor access, and this requires intervention from the Department of Health.

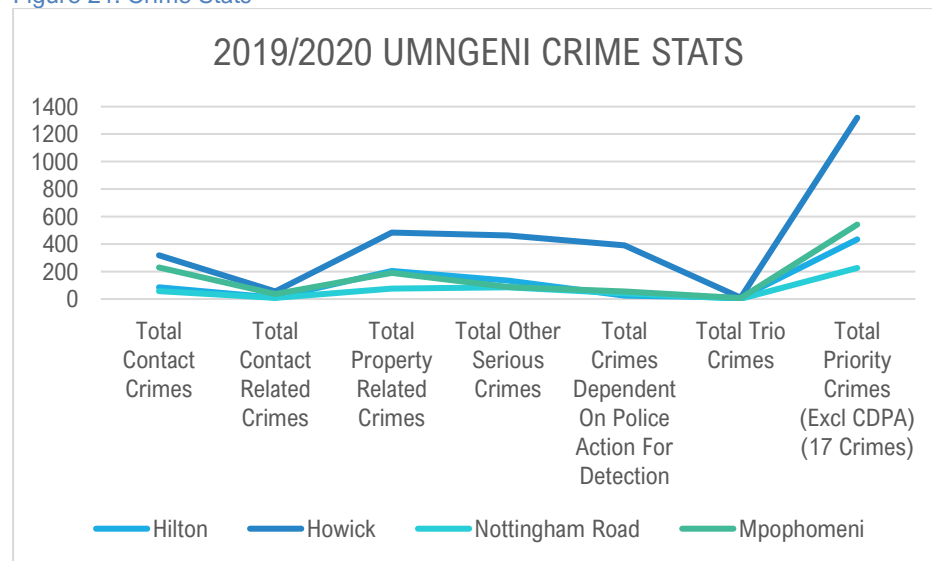
## 6.3.3 SAFETY & SECURITY

### Community Safety Forum

The uMngeni Local Municipality is legally obligated to take measures to improve the level of safety enjoyed by both its citizens and its guests. This responsibility is outlined in a variety of laws and policies that are in place within the Republic of South Africa. Community safety and crime prevention are the pillars of local development. As local government, it is our responsibility to strengthen and supplement the crime prevention strategies and implementation policies of both the government and other interested parties. This necessitates that our municipal Integrated Development Plans (IDP) and budgets place greater emphasis on investments in community safety initiatives. In uMngeni, violence and crime have been on the rise and community safety has deteriorated over the past few years, as evidenced by the crime statistics reported over the past several years.

The South African Police Service (SAPS) statistics show that during the period 2019/2020, crimes related to property were the most common type of crime committed within the municipality, followed by other serious crimes. Howick and Hilton were the areas that were most severely affected by the high rate of property crime and other serious crimes due to the prevalence of criminal activity.

Figure 21: Crime Stats



Based on the data gathered from the development of the uMngeni Community Safety Plan, the crime pattern in the municipality has been found to exist due to these specific factors:

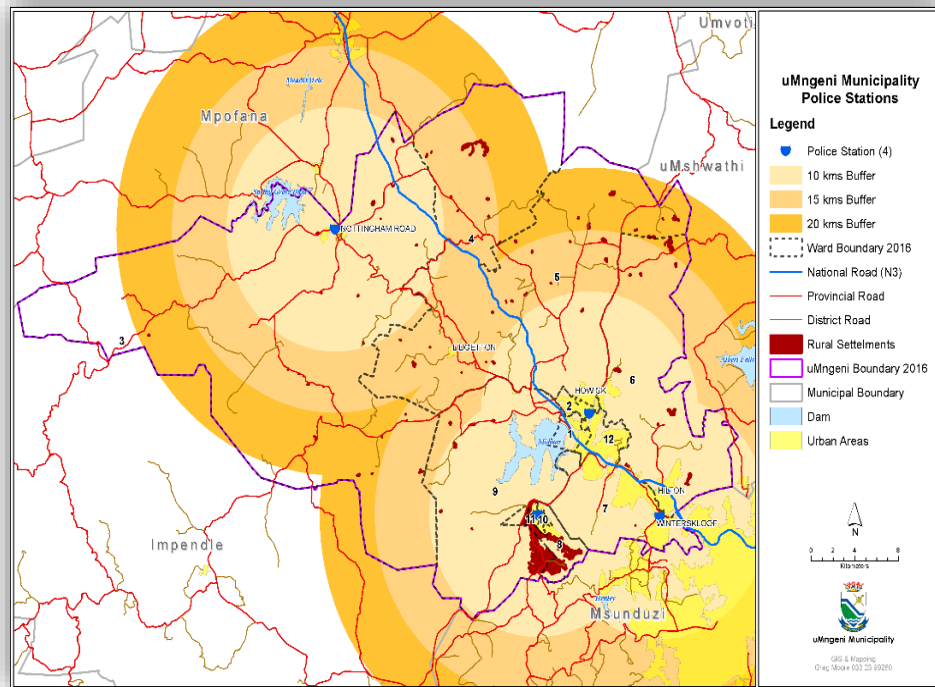
- Growth of the community numbers
- Congestion on the pavements in town
- Consumption of liquor and drugs
- Lack of community assistance in working with crime authorities
- Lack of visible policing

The broader interventions required to curb crime in uMngeni are as followed:

- Create employment opportunities for the youth (A safer community = investment opportunities for businesses = socio-economic upliftment)

- Increase the capacity of the Municipal Protection Service/Bylaw enforcement and monitor the reporting system further submitted to the South African Police Services.
- Encourage the community to report all crime activities
- An active CPF and Security Companies working alongside SAPS. Also recognizing local Neighbourhood Watch Groups that fall under the CPF structure that can assist SAPS with crime related information.
- The Municipality needs to work together with the SAPS and Department of Community Safety & Liaison.
- CCTV cameras installed in the Falls Precinct and monitored. The uMngeni Municipality needs a multi-faceted approach to fighting crime. This involves both manpower, technology and local resources.
- The uMngeni Municipality needs to be more involved in CPF and SAPS Rural Safety monthly meetings to stay abreast of crime trends, developments and requirements. Security Companies also attend these meetings and have much insight into crime and crime trends in the Municipal area.

Map 29: Police Stations Accessibility



According to the planning standards, one police station should be built for every 4500 households. However, it is also important to note that crime statistics for a given area should inform the development of new police stations. There are currently four police stations in uMngeni Municipality and given the increase in population and the number of households, the municipal area should be allocated four additional police stations. There are areas within the municipality that do not have police access within a 10 to 20-kilometer radius, and these are mostly rural settlements.

## Traffic Management

The services available at the uMngeni Traffic Department:

- Traffic Enforcement
- Municipal Law Enforcement
- Drivers licensing
- Motor vehicle registration and licensing



The mission and primary responsibility of the uMngeni Traffic Department is to foster an environment in which drivers are more courteous and tolerant of one another, as well as to educate drivers on the importance of voluntarily complying with road traffic rules and regulations.



The operational activities include setting up roadblocks in strategic locations, maintaining high visibility in high-crime areas, conducting intelligence-driven special operations, conducting random vehicle checks, executing warrants related to traffic issues, and enforcing traffic laws. The operational approaches include coordinating and integrating operations, making sporadic interventions in hotspot areas based on crime threat analysis and conducting special operations and speed enforcement in areas with a high accident frequency and a high number of traffic offences. The Municipality will explore the establishment of a Drivers Licence Testing Centre during the current term of Council, with a feasibility study to be conducted during the 2022/2023 financial year.

### Fire Services

In the context of South Africa, a fire service is a public or designated organisation that offers primarily proactive and reactive firefighting and prevention, rescue, emergency medical response, and related humanitarian services to a specific geographical area of functional jurisdiction, which is typically a local, district, or metropolitan area. These types of areas may also be considered to be examples of humanitarian service areas.

In accordance with Schedule 4, Part B of the South African Constitution, firefighting services are a function of local government with concurrent provincial and national legislative authority. The Constitution's Section 156 (1) (a) makes no distinction between district and local municipalities. The Municipal Structures Act (MSA) of 1998 divides fire services-related authority between Category C (District Municipalities) and Category B (Local Municipalities). In the case of uMngeni, the fire protection services are provided by uMgungundlovu

District Municipality, which has a satellite office situated within the municipality for the purpose of making it more convenient to reach them in times of emergency. During the current term of Council, uMngeni will contribute to the effort to fight fires by providing funding for a grant in aid that will be distributed to private organisations that fight fires. For the purpose of providing assistance with fire protection, a budget of R150,000 has been allocated in the 2022/2023 financial year. This funding is specifically earmarked for the creation of firebreaks.

### National Building and Social Cohesion

Together with the Presidency and other key stakeholders, the Department of Arts and Culture developed a Social Cohesion and Nation Building compact. This agreement represents a consensus among all South Africans on how to address the country's most pressing problems through a concerted effort. Despite progress made since 1994, South African society is still deeply divided. The privileges associated with race, class, location, and gender have not yet been completely eliminated. Social, psychological, and geographical aspects of apartheid continue to influence the lives and perspectives of a great number of South Africans. Through the social compact, business, government, labour, and civil society agree to collaborate in the future to effect change. It will affirm the significance of freedom, peace, and security, as well as the observance of all human rights. The National Development Plan sets out five long-term nation building goals for South Africa. These goals are as follows:

- Knowledge of the Constitution and fostering Constitutional values
- Equalising opportunities, promoting inclusion and redress

- Promoting social cohesion across society through increased interaction across race and class
- Promoting active citizenry and broad-based leadership
- Achieving a social compact that will lay the basis for equity, inclusion and prosperity for all.

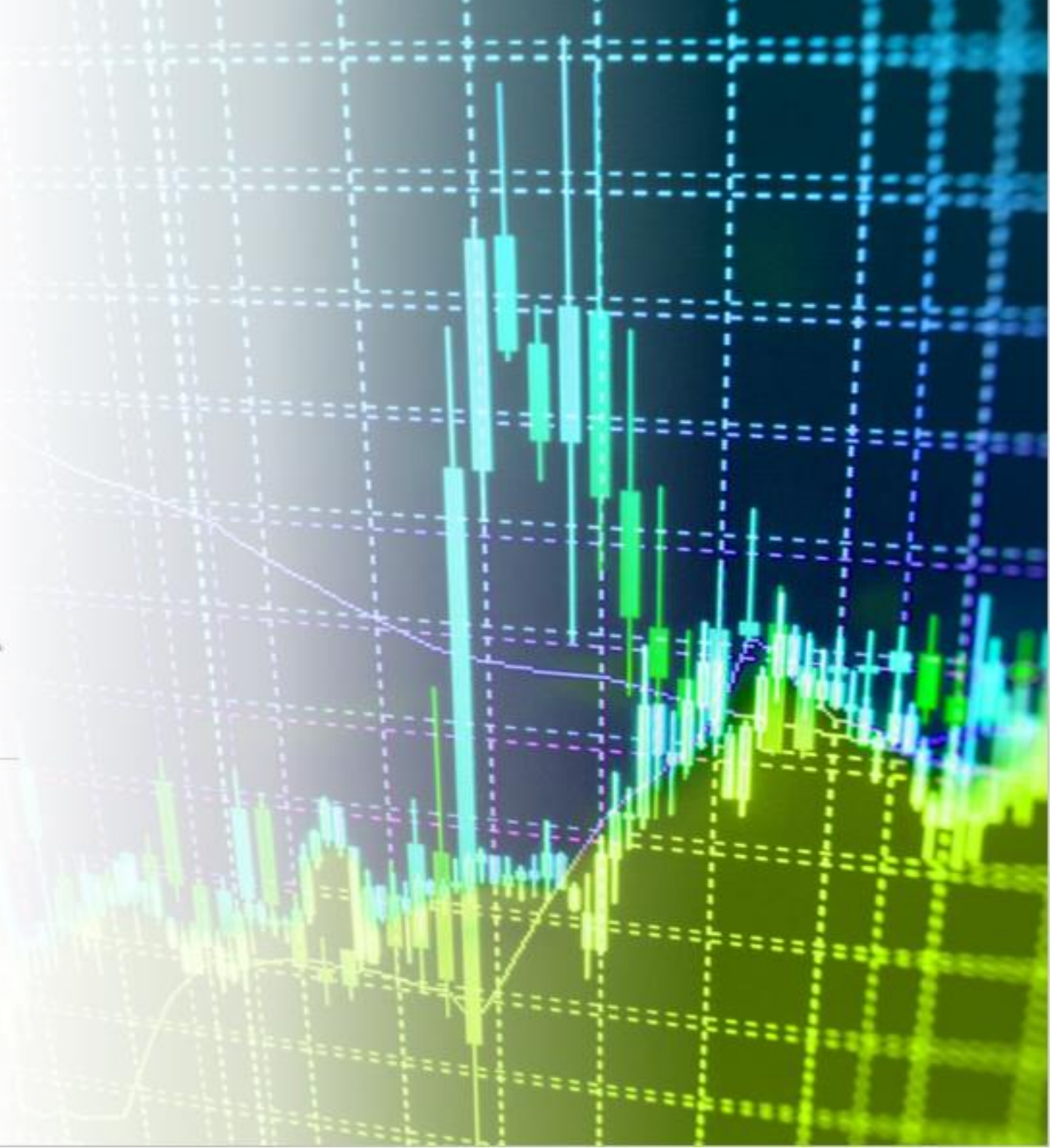
The implementation of this plan is centred on the goal of fostering nation building and social cohesion through the implementation of inclusive development for all areas and all people residing within the jurisdiction. During this term, the uMngeni Council will place an especially high priority on the development and support of various vulnerable groups, including young people, people with disabilities, senior citizens, and artists and cultural practitioners. This course of action has been demonstrated through the process of the municipal budget, where millions of rands have been budgeted for in the MTERF period. The majority of this budget will be allocated to programmes for young people.



# FINANCIAL VIABILITY AND MANAGEMENT

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CAN WE ACCOUNT FOR OUR  
FINANCIAL ADMINISTRATION?



## 7. KPA - FINANCIAL VIABILITY & MANAGEMENT ANALYSIS

A local government's financial viability depends on (1) establishing financial autonomy through the mobilisation of local revenues, (2) acquiring a strategic focus in financial management, (3) demonstrating transparency and accountability in administrative matters, and (4) providing services effectively and efficiently. Section 65 of the MFMA stipulates, among other matters, that accounting officers of municipalities must take reasonable steps to ensure:

- That the municipality has and maintains an effective expenditure control system, which includes procedures for funding approval, authorisation, withdrawal, and payment.
- That the municipality uses an accrual-based management, accounting, and information system to track revenue and expenditure.

These legal provisions acknowledge that most municipalities have previously faced problems with uncollectible debts and mismanagement of development resources. On several occasions, unethical practises have resulted in many projects failing to take off or being halted due to funds being misappropriated. In other cases, projects are poorly managed due to municipal officials' poor revenue and expenditure management practises.

### 7.1 Capital Funding and Expenditure to address service delivery

The financial stability of a municipality is crucial to its capacity to develop inclusive and sustainable infrastructure. Given that local governments are responsible for managing infrastructure services, financial viability is more important than ever.

In terms of the 2022/2023 Medium Term Expenditure Framework (MTERF), capital asset investment at uMngeni will be funded both internally and through the Municipal Infrastructure Grant (MIG) and Integrated National Electrification Programme (INEP). The municipality has a Project Management Unit in charge of MIG project administration, management, reporting, monitoring, and evaluation. The municipality has appointed Consulting Engineers to help with MIG project planning and implementation. An electrical service provider has also been appointed to ensure the maintenance and implementation of electrical projects.

Revenue from rates and service charges accounts for a sizable portion of uMngeni total revenue. Revenue from rates and service charges totalled R383,0 million in the financial year 2022/2023 (adjusted budget). This will rise to R423,1 million in 2023/2024, R456,0 million in 2024/2025, and R491,5 million in 2025/2025 respectively. This growth should be sufficient in the medium term to cover and increase the Municipality's capital expenditure contribution. MIG, INEP, Energy Efficiency and Demand Side Management Grant and INEP will allocate R137,7 million for capital investment in the medium term. Internal capital budgeting funding will total R53.2 million in the medium term. In the medium term, uMngeni will mainly rely on grant funding for capital expenditures..

Table 34: Capital Budget

Capital Budget 2023 /2024						
Section	Item	Item Description	Annual Budget 2023/2024	Annual Budget 2024/2025	Annual Budget 2025/2026	Project
Technical Services	Acquisitions	Assets:Non-current Assets:Pro	25,871,650.00	26,443,000.00	27,575,500.00	Mig Projects
Electricity	Acquisitions	Assets:Non-current Assets:Pro	4,000,000.00	5,000,000.00	-	uMngeni Public Lighting
Electricity	Acquisitions	Assets:Non-current Assets:Pro	1,513,820.18	1,587,997.37	1,662,633.24	Electrification Project
Electricity	Substation INEP		16,876,000.00	15,000,000.00	15,672,000.00	Substation
Finance	Acquisitions	Assets:Non-current Assets:Pro	424,614.97	445,421.11	466,355.90	Procurement of furniture and office equipment
Executive & Council	Acquisitions	Assets:Non-current Assets:Pro	1,194,147.68	1,252,660.91	1,311,535.97	Procurement of furniture and office equipment
Community Services	Acquisitions	Assets:Non-current Assets:Pro	431,167.00	452,294.18	473,552.01	Procurement of furniture and office equipment
Planning & Development	Acquisitions	Assets:Non-current Assets:Pro	767,637.00	805,251.21	843,098.02	Procurement of furniture and office equipment
Information Technology	Acquisitions	Assets:Non-current Assets:Pro	315,900.00	331,379.10	346,953.92	Procurement of furniture and office equipment
Human Resources	Acquisitions	Assets:Non-current Assets:Pro	345,206.04	362,121.14	379,140.83	Procurement of furniture and office equipment
Technical Services	Acquisitions	Assets:Non-current Assets:Pro	467,104.78	489,992.92	513,022.58	Procurement of furniture and office equipment
Roads	Acquisitions	Assets:Non-current Assets:Pro	11,382,930.00	11,940,693.57	12,501,906.17	Roads Rehabilitation
Refuse Removal & Landfill site	Acquisitions	Assets:Non-current Assets:Pro	105,300.00	110,459.70	115,651.31	Skip Bins
Planning & Development	Acquisitions	Assets:Non-current Assets:Pro	1,400,000.00	-	-	Informal Trader Infrastructure - Grant
			<b>65,095,477.65</b>	<b>64,221,271.21</b>	<b>61,861,349.95</b>	

For the financial year 2023/2024, the capital expenditure budget is R 65,0 million, with R25,8 million allocated through MIG, R16 million from INEP, and R4 million from the Department of Energy and R16 million from internal funding. When assessing the level of Investment in Assets, a ratio less than 10 percent reflects lower spending by the municipality in infrastructure and holds potential risks to service delivery. The recommended Treasury norm is 10–20 percent. Investment in new capital assets in the 2023/2024 financial year will amount to R 65,0 million.



## 7.2 Social and economic redress via indigent management

In 2005, the Social Sector Cluster approved the Municipal Indigent Policy Framework. Munimec approved guidelines for municipalities to use in implementing the national indigent policy in 2006. The framework was developed by the national government to guide the national initiative to improve indigents' lives and access to Free Basic Services. The guidelines for indigent policy give municipalities options for developing their policies. Municipalities offer a wide range of services to the poor. For example, providing services to businesses helps to run more efficiently, resulting in economic growth that benefits the poor in the long run. This policy focuses on providing essential services to the poor, which is a distinct but critical aspect of municipal work. The guidelines are specific to municipal Free Basic Services (FBS) programmes, which include free basic water, sanitation, energy, and refuse collection. Municipalities must tailor the guidelines to their specific circumstances.

The uMngeni Council adopted its Indigent Policy in March 2022, with the goal of ensuring that people who live in impoverished households and cannot afford basic municipal services have access to free basic municipal services through a defined process. The monthly income threshold for uMngeni social package has been raised from R3500 to R5000 per month. Residents with no income or a combined household income of less than R5000 per month are eligible to register for 100 percent rate rebates, free 150kW basic electricity, and free refuse collection. Residents who are unable to pay for services and are classified as indigent households under the Municipality's Indigent Policy benefit from the social package. Only indigent people who have been registered are eligible for

free basic services. The uMngeni Indigent Policy is attached as Annexure I.1 for complete information.

The cost of serving indigent residents in the financial year 2023/2024 will be R700,000, with an overall cost of R2.2 million expected during the MTREF period. This translates into less than 1 percent of the MTREF aggregated budget. The social package for registered indigent households will be funded through the equitable share received in terms of Division of Revenue Act (DORA) which is projected to be R290.6 million in the medium term.

In the financial year 2022/2023, there were 3026 registered residents who were registered as indigent, and uMngeni encourages all residents who meet the threshold to register at municipal offices. The process of updating the municipal indigent register has begun, and the number of people on the list is expected to grow in response to the new R5000 threshold afforded to residents. The Indigent Register is attached under Annexure I.1.

### 7.3 Revenue Raising Strategies

For uMngeni Municipality to continue enhancing the quality of services offered to its residents, it must generate the necessary revenue. In these challenging economic times, a municipality's financial viability depends on its ability to effectively manage its revenues. We are confronted with development backlogs and poverty. Consequentially, difficult decisions must be made concerning tariff increases and balancing expenditures with realistically anticipated revenues. The Municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines (MFMA Budget Circular 112) and macroeconomic policy.
- Electricity tariff increases as approved by the National Energy Regulator of South Africa (NERSA).
- Achievement of full cost recovery of specific user charges especially in relation to electricity.
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service.
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA).
- Increase ability to extend new services and recover costs.
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the 2022/2023 MTREF (classified by main revenue source) in table 38 below.

Revenue generated from rates and service charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise more than two thirds of the total revenue mix. In the 2023/2024 financial year (adjusted budget), revenue from rates and services charges totalled R 423,1million. This increases to R 456,0 million, R 491,5 million and R491,5 million in the respective financial years of the MTREF. This growth can be mainly attributed to the new valuation roll and the increased share that the sale of electricity contributes to the total revenue mix, which in turn is due to rapid increases in the Eskom tariffs, for bulk electricity.

As indicated in Table 39 below, property rates are the largest revenue source totalling 44 percent or R253,5million and increases to R265,9 million by 2024/2025. The second largest source is user charges for services which consists of sale of electricity and refuse removal charges. Operating Grants & Subsidies are the third largest revenue source totalling 20 percent in 2023/2024 and is kept to 19 percent in 2024/2025. Departments have been urged to review the tariffs of items like building plan fees, connection fees, advertisements and permits and licenses on an annual basis to ensure they are cost reflective and market related. Operating grants and transfers totals R114,1 million in the 2023/2024 financial year and increase to R117,8 million by 2024/2025.

Table 35: Revenue by main source

Description	Adjustments Budget Year 2022/2023	Budget Year 2023/2024	%	Budget Year 2024/2025	%	Budget Year 2025/2026
<b>Revenue By Source</b>						
Property rates	240,778,674	253,564,477.00	44%	265,989,137.00	43%	278,490,626.00
Service charges - electricity revenue	132,024,204	158,870,919.00	28%	178,790,299.00	29%	201,219,921.00
Service charges - refuse revenue	10,201,592	10,752,478.00	2%	11,268,597.00	2%	11,798,221.00
Rental of facilities and equipment	1,299,998	1,370,048.00	0%	1,435,968.00	0%	1,503,458.00
Interest earned - external investment	2,877,067	3,029,552.00	1%	3,178,000.00	1%	3,327,366.00
Interest on outstanding debtors	17,079,822	13,677,456.00	2%	14,347,651.00	2%	15,021,991.00
Fines, Penalties and Forfeits	2,831,623	2,957,170.00	1%	3,102,065.00	1%	3,247,862.00
Licences and permits	4,177,596	4,399,009.00	1%	4,614,561.00	1%	5,932,707.00
Transfers recognised - operational	100,531,874	114,187,350.00	20%	117,835,000.00	19%	127,072,750.00
Other revenue	7,468,046	11,765,395.00	2%	12,337,541.00	2%	11,815,513.00
<b>NET OPERATING INCOME</b>	<b>519,270,496.00</b>	<b>574,573,854.00</b>	<b>100%</b>	<b>612,898,819.00</b>	<b>100%</b>	<b>659,430,415.00</b>

Table 36: Revenue Management Ratios - June 2022

C. Revenue Management								
1	Growth in Number of Active Consumer Accounts	(Period under review's number of Active Debtor Accounts - previous period's number of Active Debtor Accounts)/ previous number of Active Debtor Accounts x 100	Debtors System	None		0%	2021/22 Projected 3	
					Number of Active Debtors Accounts (Previous)	31 438		
					Number of Active Debtors Accounts (Current)	31 438		
2	Revenue Growth (%)	(Period under review's Total Revenue - previous period's Total Revenue)/ previous period's Total Revenue ) x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI		6%	2021/22 Projected 3	
					CPI	4%		
					Total Revenue (Previous)	470 722 919		
					Total Revenue (Current)	498 999 806		
3	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/ previous period's Total Revenue excluding capital grants ) x 100	Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR	= CPI		9%	2021/22 Projected 3	
					CPI	4%		
					Total Revenue Exl.Capital (Previous)	439 540 032		
					Total Revenue Exl.Capital (Current)	477 356 152		

Table 37: Cash Backed Reserves &amp; Accumulated Surplus Reconciliation

KZN222 uMngeni - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	32,099	22,484	13,622	38,856	44,268	1,167	50,423	55,879	66,398	76,705
Other current investments > 90 days		22,957	13,393	19,032	34,506	23,399	66,499	26,817	31,222	40,037	49,968
Investments - Property, plant and equipment	1	1,100,098	1,075,554	1,046,215	1,020,833	1,042,589	1,042,589	1,034,580	1,056,792	1,067,699	1,073,767
Cash and investments available:		1,155,153	1,111,431	1,078,869	1,094,195	1,110,255	1,110,255	1,111,820	1,143,893	1,174,134	1,200,440
Application of cash and investments											
Trade payables from Non-exchange transactions: Unspent co		–	–	–	(381)	(511)	(511)	–	(964)	(475)	(497)
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	60,251	50,602	43,462	43,563	44,545	44,545	(26,964)	40,807	35,218	29,072
Other provisions		0	–	–	4,459	4,459	4,459	–	4,699	4,925	5,157
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		60,251	50,602	43,462	47,641	48,492	48,492	(26,964)	44,542	39,668	33,731
Surplus(shortfall)		1,094,903	1,060,829	1,035,407	1,046,554	1,061,763	1,061,763	1,138,784	1,099,351	1,134,466	1,166,709



Section 13(2) of the MFMA requires that a municipality have a policy dealing with cash management and investment. The municipality's cash management and investment policy is developed within the framework of the MFMA. From table 40 above, it can be seen that the cash and investments available total R55,8 million positive in the 2023/2024 financial year and progressively increases to R66,3 million positively by 2024/2025, including the projected cash and cash equivalents as determined in the cash flow forecast.

## 7.4 Revenue Protection (Debt Management)

The Municipality's ability to maintain adequate levels of revenue is hampered by non-payment by some municipal consumer debtors and losses from electricity theft, both of which pose serious threats to municipal sustainability and service delivery. Revenue protection and effective revenue management are thus critical for increasing revenue collection potential and reducing municipal consumer debt.

An aggressive revenue management framework has been implemented as part of the financial sustainability strategy to increase cash flow, not only from current billings but also from debtors who are more than 90 days past due. The strategy's goal is to simplify the revenue value chain by ensuring accurate billing, customer service, credit control, and debt collection.

### 7.4.1 Debtors Age Analysis

To recover outstanding debt, the Municipality will transition from soft collection to hard collection by issuing summonses in accordance with legal procedures. Council will also write-off historic irrecoverable debt with the focus on debtors that are 150 days and older. The amount will be reported in the IDP Review. Below is an analysis of the outstanding consumer debtors as at 30 February 2022.

Figure 22: Debtors Age Analysis

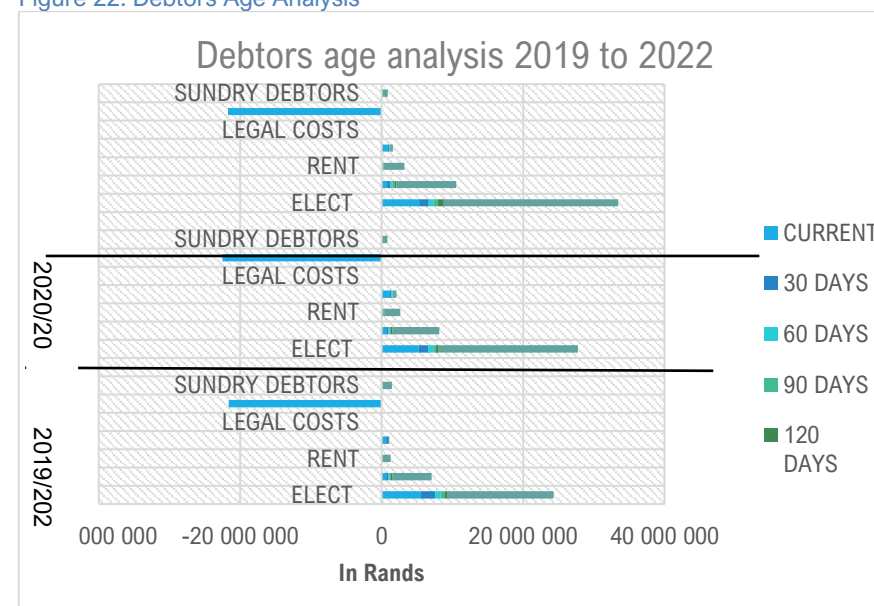


Table 38: Debtors Age Analysis as of 25 March 2023

	BREAKDOWN OF DEBTORS CATEGORIES						
	Current	30 days	60 days	90 days	120 days	150 days	Total
Bulk Development Properties	0.00	0.00	0.00	0.00	0.00	1,452,688.87	1,452,688.87
Business and Commercial Properties	3,184,629.06	1,022,570.08	633,451.78	733,101.16	501,826.27	15,066,154.08	21,141,732.43
Electricity	5,362,564.00	2,161,313.72	962,824.08	539,565.17	594,926.37	29,431,948.53	39,053,141.87
Industrial Properties	684,048.36	351,894.92	243,045.32	168,135.47	276,351.98	5,943,493.75	7,666,969.80
Mining and Quarry Properties	9,814.95	9,816.87	9,624.44	17,629.11	9,622.50	8,476,794.62	8,533,302.49
Protected Areas Properties	1,603.75	1,603.75	0.00	0.00	0.00	0.00	3,207.50
Public Service Infrastructure Properties	213,068.84	132,630.68	76,462.54	130,730.84	75,483.20	2,733,679.23	3,362,055.33
Refuse Removal	1,000,438.98	607,905.23	493,739.35	493,438.44	464,193.21	11,508,812.00	14,568,527.21
Rental	70,866.04	38,603.73	34,977.39	32,647.03	32,331.15	3,512,948.15	3,722,373.49
Residential Properties	12,615,298.13	5,178,103.45	3,007,426.39	2,707,499.78	2,336,741.34	102,211,196.80	128,056,265.89
Rural Agricultural Properties	1,452,952.72	725,679.51	502,443.06	906,504.13	447,306.58	10,115,220.17	14,150,106.17
State Owned Properties	0.00	0.00	0.00	0.00	0.00	619,824.65	619,824.65
Sundry Debtors	50,169.25	1,943,827.16	8,905.41	42,274.59	36,308.48	848,257.42	2,929,742.31
Vacant Land Properties	861,212.19	541,455.74	652,984.72	2,340,307.45	300,174.25	15,420,413.68	20,116,548.03
	25,506,666.27	12,715,404.84	6,625,884.48	8,111,833.17	5,075,265.33	207,341,431.95	265,376,486.04

## 7.5 Financial Management

Municipal financial management entails overseeing a number of interconnected components, including planning and budgeting, revenue, cash and expenditure management, procurement, asset management, reporting, and oversight. Each component helps to ensure that municipal spending is developmental, effective, and efficient, and that municipalities can be held accountable. The municipal manager is responsible for the financial management of the municipality, ultimately ensuring that all financial systems are in place and are properly maintained. Ensuring efficient and effective supply chain management and financial viability are two crucial components of uMngeni financial management.

### 7.5.1 Supply Chain Management

The Municipal Finance Management Act, Section 111, mandates that each municipality adopt and enforce a supply chain management strategy that complies with the Act's requirements. Supply chain management is strategic to the quest for improving service delivery in uMngeni. The uMngeni Council approved its SCM Policy as part of the budget process for the 2023/2024 financial year. The primary goals of the policy is to ensure secure and safe supplies in the municipality as well as local content, which describes small businesses and medium-size companies that make up the community. The Council's goal is to improve service delivery in uMngeni by implementing SCM policy measures that prioritise local businesses in the delivery of basic services. Each of the bid committees has been established and is operating normally. The stipulated turnaround time of ninety days for tender awards will be included as a performance measure for the Chief Financial Officer and has been included in the organisational SDBIP for the 2023/2024 financial year. This will help improve delays in the awarding of tenders and the execution of contracts. Before the beginning of the next financial year, 2023/2024 Procurement Plans will be completed by all departments and tabled to EXCO and Council.

The Auditor's Report identifies Unauthorized, Irregular, Fruitless, and Wasteful Expenditures (UIFW) as a municipal concern related to SCM processes. The AG Action has established actions and timeframes to address these issues. The following initiatives have been implemented to solve SCM Unit challenges:

- MANCO reporting on performance of service providers.

- Review all awards for 2020.21 for compliance with SCM and related procurement laws and regulations.
- Record all non-compliance identified in the UIFW register.
- Submit UIFW register to Internal Audit and MANCO for review.
- Develop standard operating procedures for accounting for UIFW in line with MFMA and SCM regulations.

The Audit Action Plan is included as Annexure I.5 of this IDP document.

### 7.5.2 Financial Viability /sustainability

The National Treasury defines financial viability as the municipal budget's sustainability and whether the municipality can meet its expenditure commitments from its own revenues and transfers, allowing for dependency. A municipality that is financially unviable is one that is not self-sufficient or relies on grants. As at the end of June 2021, the Cash/Cost Ratio was one month, which could be improved to be above the norm. The Current Ratio of 0.74 is below the accepted standard of 1:5 – 2:1 and could be improved by considering re-amortisation of long-term loans and selling any capital assets that are not generating a return on investment. If a Municipality has less than 100 percent Cash Reserves, it could negatively impact the Municipality's ability to comply with the conditions for creating the Reserves and on its ability to fund current and future operations. As indicated in Figure 25, the Municipality Level of Cash Backed Reserves as of June 2022 was sitting at 6 percent and this needs to improve.

E. Sustainability						
						6%
					Cash and cash Equivalents	4 624 718
					Bank Overdraft	-
					Short Term Investment	8 997 391
					Long Term Investment	-
					Unspent Grants	1 059 706
					Net Assets	1 171 039 105
					Share Premium	-
					Share Capital	-
					Revaluation Reserve	-
					Fair Value Adjustment Reserve	-
					Accumulated Surplus	975 567 081

Figure 23: Sustainability Ratio

### 7.6 Loans / borrowings and grant dependency

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The Municipality engages in several financing arrangements to minimise its interest rate costs and risk.

However, for simplicity the 2022/2023 MTREF is based on the assumption that all borrowings are undertaken using fixed interest rates for amortisation style loans requiring both regular principal and interest payments. As part of the compilation of the 2022/2023 MTREF the potential of smoothing out the debt profile over the long term will be investigated. Capital expenditure in local government can be funded by capital grants, own source revenue and long-term borrowing. The ability of the municipality to raise long-term borrowing is largely dependent on its creditworthiness and financial position. The current liability for borrowings for uMngeni will be R2.7 million in the 2022/2023 financial year whilst totalling R5.9 million in the MTREF. The municipal long term non-current

liabilities on borrowings amounts to a total of R15 million for 2022/2023 and amounting to R16.3 million in the MTERF period.

The ability of the municipality to take on additional financing from borrowing to invest in infrastructure projects can be calculated utilising the Capital Cost and Debt ratios. Capital Cost ratio indicates the cost required to service the borrowing and assesses the borrowing or payment obligation expressed as a percentage of Total Operating Expenditure. The Debt ratio on the other hand indicates the extent of Total Borrowings in relation to Total Operating Revenue. It indicates short- and long-term debt financing relative to operating revenue of the municipality and should be considered within the cash flow requirements of the Municipality. Based on the latest audited financial statement, the Municipality does have the capacity to borrow additional funding for infrastructure investment as indicated in Figure 26 below.

D. Liability Management							
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 100	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%		2%	2021/22 Projected 3
					Interest Paid	6 446 996	
					Redemption	2 456 707	
					Total Operating Expenditure	523 937 548	
					Taxation Expense		
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%		3%	2021/22 Projected 3
					Total Debt	11 303 181	
					Total Operating Revenue	498 999 806	
					Operational Conditional Grants	106 604 701	

Figure 24: Liability Ratio

## 7.7 Auditor General's opinion

The municipality improved its audit opinions for the most recent audited financial year with an unqualified audit opinion, which is a significant improvement after three consecutive financial years with qualified opinions in 2018/2020 to 2020/2021. The basis for qualifications in the last three financial years are as follows:

- 2019/2020 - Qualified due to material adjustment on these components assets, debtors, UIFW, budget.
- 2020/2021 - Qualified with other matters unauthorised expenditure, statement of comparison of budget and actual amounts, statement of net assets, cashflow statement.
- 2021/2022 - Unqualified

To improve compliance and address matters raised by the AG, the municipality has developed an AG Action Plan and is attached herewith as Annexure I.5 of this document. The Municipality will ensure stringent measures to address audit findings that have resulted in poor audit opinions. These include ensuring that the AG Action Plan is a standing item at MANCO, Audit Committee and MPAC and regular reports will be tabled at EXCO and Council in this regard.

## 7.8 FINANCIAL VIABILITY & MANAGEMENT: SWOT ANALYSIS AND KEY CHALLENGES

### 7.8.1 Financial Viability & Management SWOT Analysis

STRENGTHS	WEAKNESSES
Reliable and stable rates income base.	Dependency on MIG funding for capital projects.
Improved audit outcome.	High debtors' book.
Increased access to buy electricity.	Poor current ratio.
Well qualified finance staff.	Lack of access to buy electricity due to centralisation of services.
Creditors payment period is within the norm.	Lack of internal quarterly reviews.
The budget is fully funded.	Misalignment of budget to IDP priorities.
A debt ratio of 4% is well below the norm of 60%.	Inaccurate billing.
Growth in number of consumers.	
Projected increase in capital expenditure in the MTERF period.	
OPPORTUNITIES	THREATS
Good expenditure on grant funding may results in more funds being accessed.	Unaffordability by some residents to pay municipal services.
Data cleansing.	Illegal electricity connections.
Construction of a weigh bridge to increase revenue.	Unaffordability by some residents to pay municipal services.
	Non reliance on internal audit work by AG.

Invest in a live indigent register management system.	Unplanned settlements results in reduction in revenue.
Provision and implementation of smart billing systems and technologies.	
Converting from conventional electricity to smart prepaid meters.	

### 7.8.2 Financial Viability & Management Key Challenge

FINANCIAL VIABILITY & MANAGEMENT KEY CHALLENGE	
<b>Key challenge</b>	Electricity theft and high debtors' book
<b>Description</b>	<p>Tampering with municipal meters has resulted in millions of rands being lost. Electricity theft includes illegal connections, meter tampering and bypassing, illegal prepaid power vending, cable or infrastructure theft, and non-payment.</p> <p>A high debtors book in uMngeni Municipality can have several consequences such as reduced revenue, cash flow problems, increased debt, reduced credit worthiness, service delivery challenges. Overall, a high debtor's book in uMngeni Municipality can have serious consequences for the municipality's financial health and ability to provide essential services to its residents. It is therefore important for the municipality to implement effective debt collection strategies to reduce outstanding debts and ensure financial sustainability.</p>

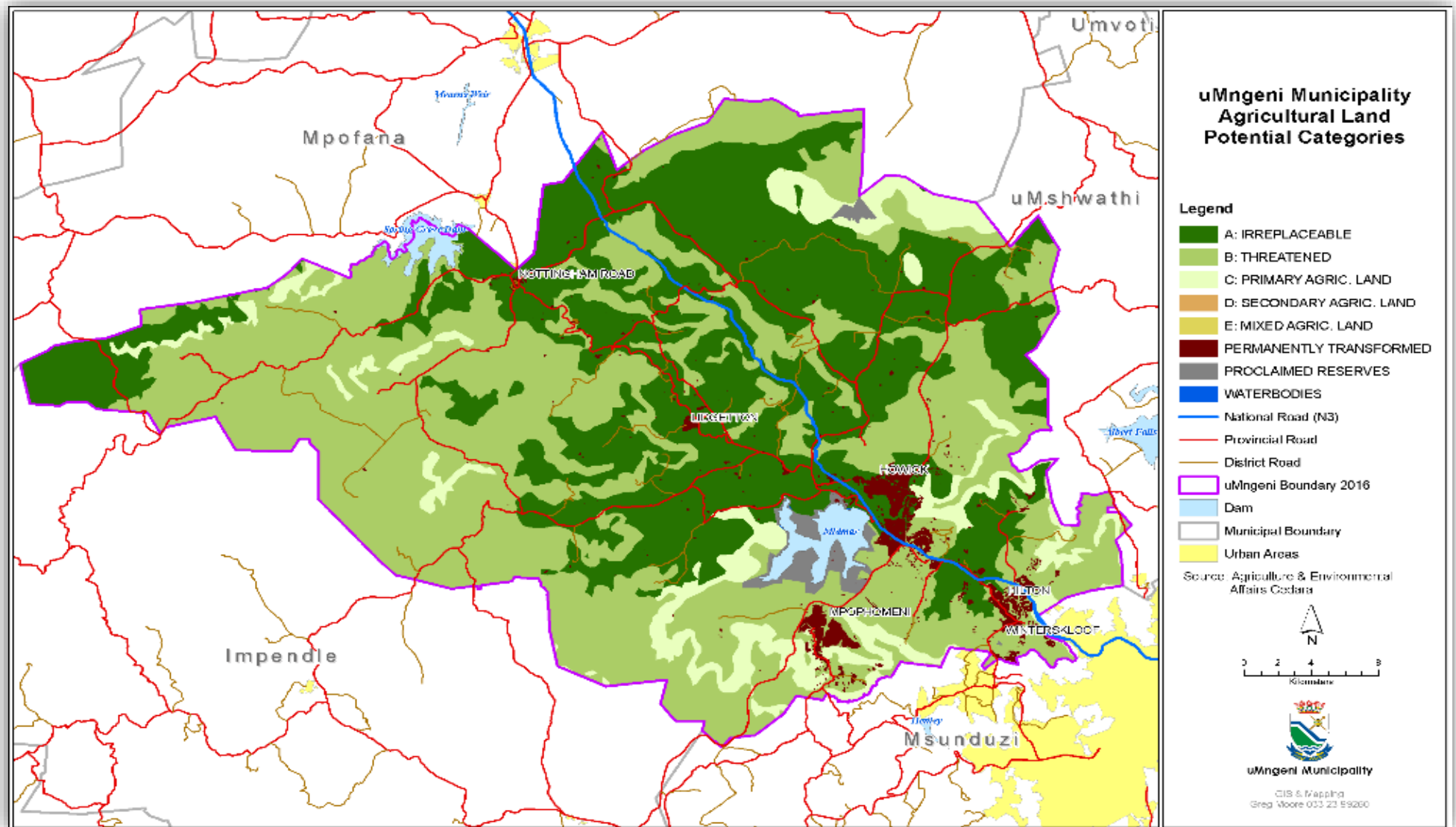


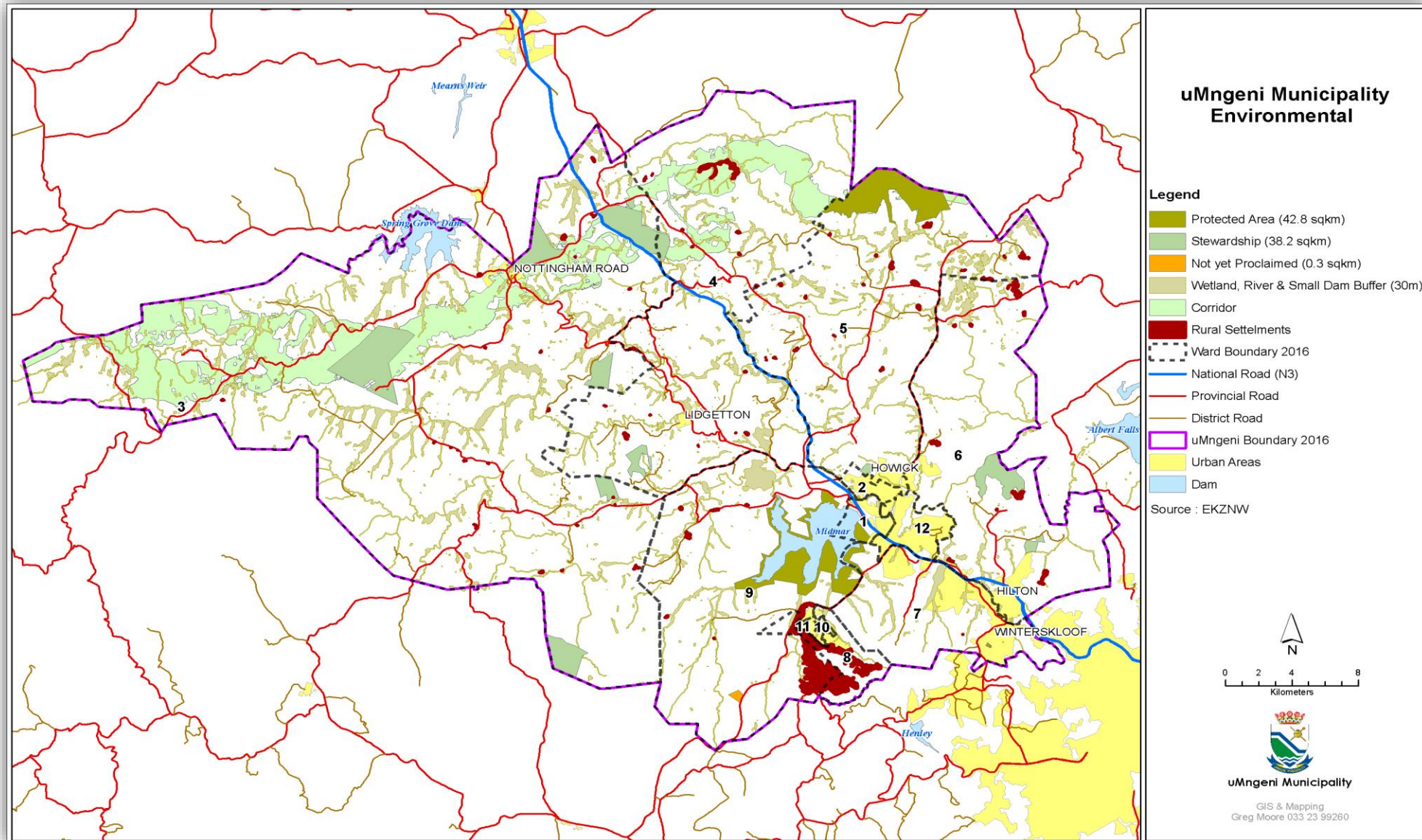
A background image showing several colorful pushpins (yellow, white, blue, and gold) pinned to a light blue surface, likely a map. The pushpins are arranged in a way that suggests a strategic layout or mapping process. The image is slightly blurred, focusing attention on the text in the foreground.

# STRATEGIC MAPPING

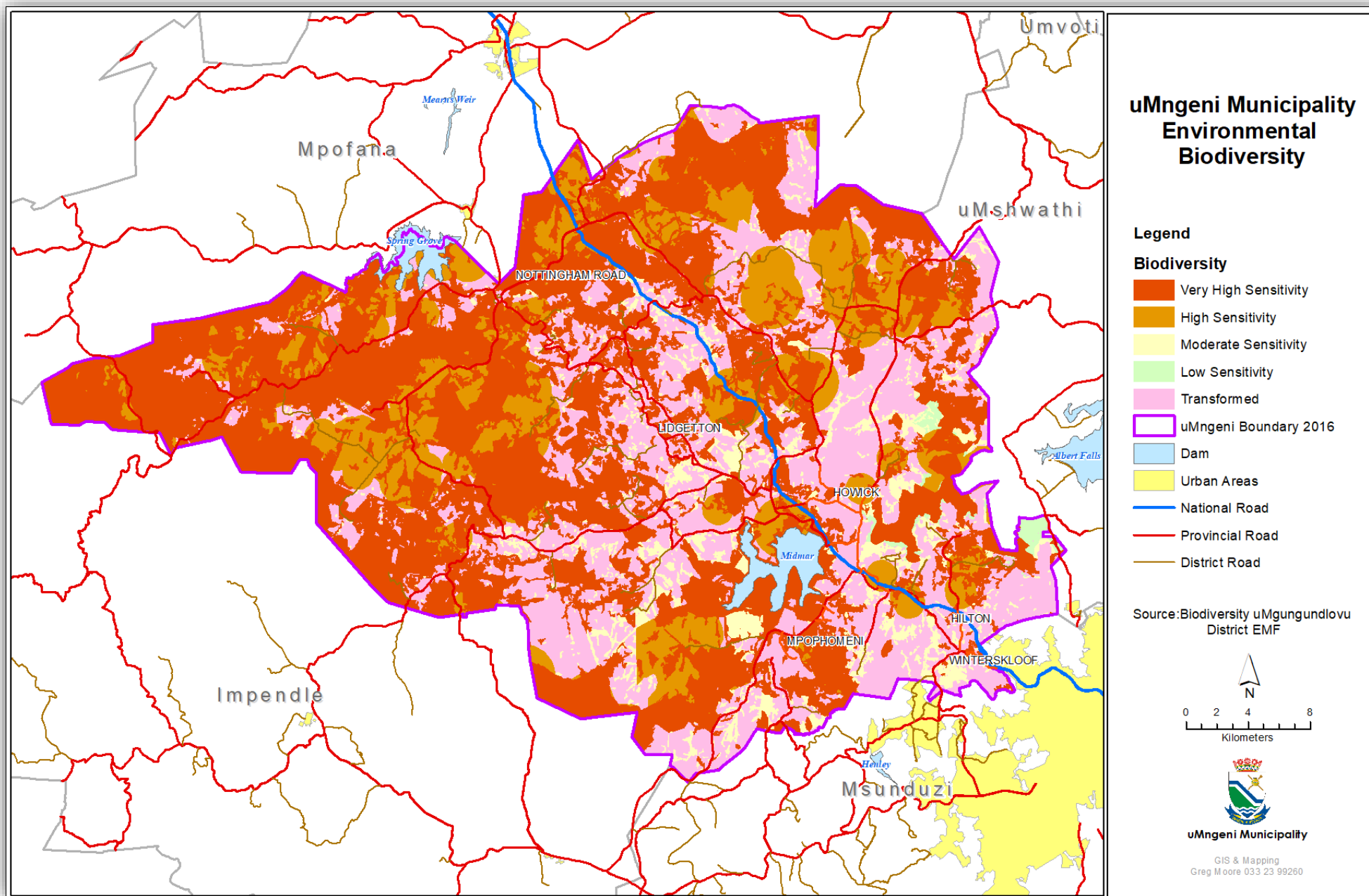
PAINTING A PICTURE  
OF OUR FUTURE.

## SECTION D – STRATEGIC MAPPING



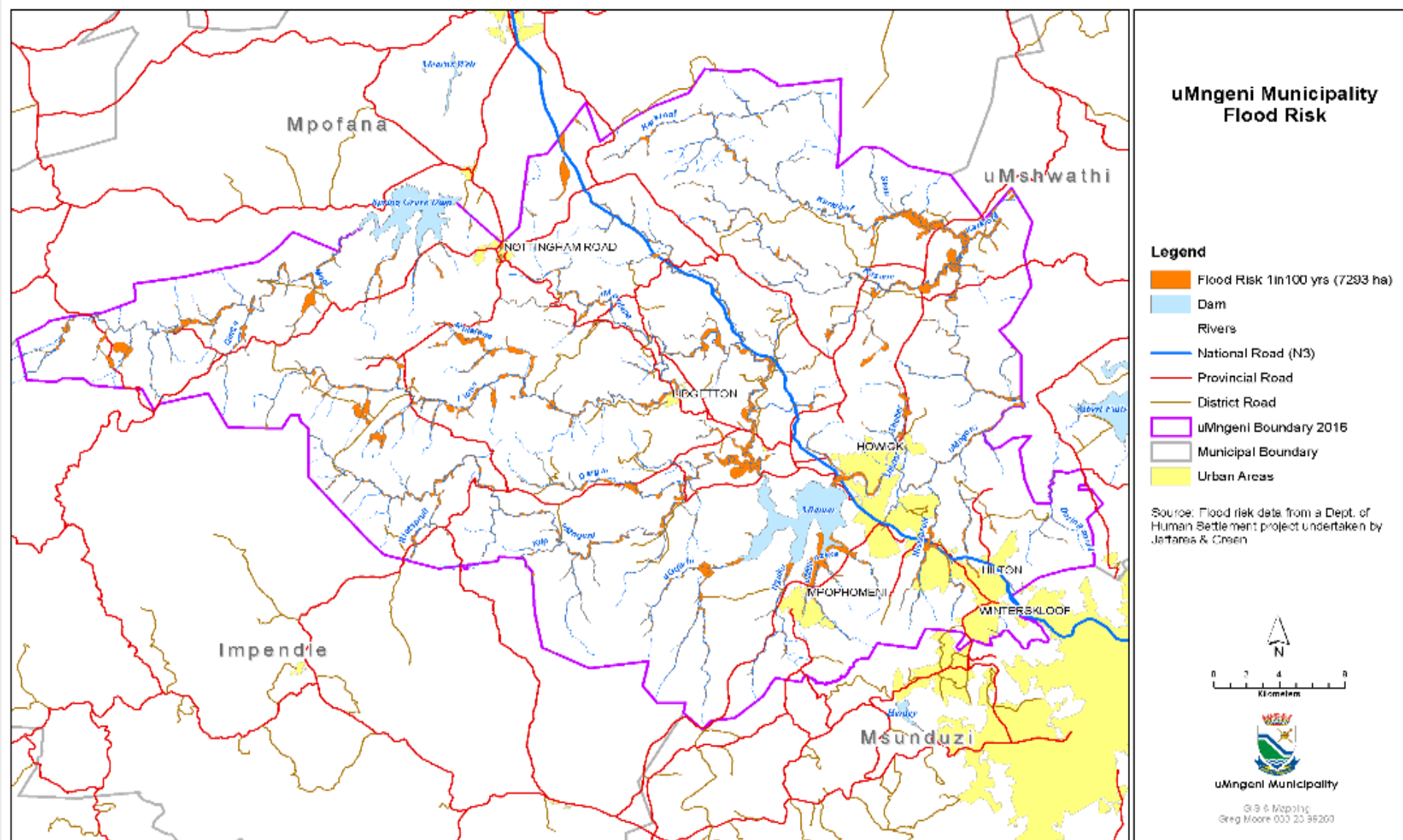












# STRATEGIC THRUST

**WHERE ARE WE HEADING TO NOW?**

## SECTION D: MUNICIPAL VISION, IDP GOALS AND STRATEGIC FOCUS AREAS

The Municipal Institute of Learning (MILE) facilitated a three-day workshop at Cedara Agricultural College on reviewing the uMngeni Municipal Strategic Framework from the 25th to the 27th of January 2022. In attendance were senior officials, councillors, leadership union representatives and other stakeholders from sector departments. Also, among the participants, were uMngeni Local Municipality leadership Honourable Mayor, Mr CJ Papas, and Deputy Mayor, Mr S Mnikathi.

Participants worked together in crafting a Strategic Action Plan relevant to uMngeni Local Municipality. The Strategic Action Plan encompasses the Strategic Opportunities, Strategic Challenges the Strategic Goals, Strategies and Programmes, Estimated Budget and Responsibility. It was adopted by the participants in consensus. The Strategic Action Plan clearly details the opportunities within the municipality, the challenges preventing these opportunities from being fully exploited, the underlying causes of these challenges, and the strategy to overcome them. The Strategic Action Plan is the foundation for this 5th generation IDP.

The Strategic Action Plan identified nine strategic goals and 115 strategies that will be implemented incrementally. Strategies have been prioritised to generate measurable key performance indicators that formed the basis for the 5 year Implementation Plan included in the next chapter of this document.

### 1.2 LONG-TERM VISION AND MISSION STATEMENTS

Governments at both the national and provincial levels have established strategies that will guide growth for at least the next 15 years. The KZN Provincial Growth and Development Strategy is consistent with the National Development Plan, and since these policies are the basis for development, the Municipality must include them in all planning. The vision of the municipality was established to serve as a reference for our actions and decisions. These basic but fundamental concepts drive our vision:

- We needed to be clear about the destination.
- We needed to be clear about the direction we need to take to get there.
- We needed to be clear on the distance we are travelling.
- We needed to be clear on the means of travelling.
- Lastly be clear on the where we are to get where want to.

A vision statement describes the organization as it would appear in a future successful state. An effective vision statement is inspirational and aspirational for all its citizens. A stakeholder consultation process took place in the formation of the new municipal vision and is as follows:

## VISION STATEMENT

“By 2035, the uMngeni Municipality will be a **beacon of excellence** and **efficiency** delivering **quality services**, **building safer communities** and **supporting sustainable socio-economic development**.”

## MISSION STATEMENT

“uMngeni Municipality through **people focussed development** will **improve its skills capacity** in order to deliver **quality services** and ensure **inclusive socio-economic growth**.”

Figure 25: Nine Point Action Plan



## 5.2 IDP GOALS AND STRATEGIC FOCUS AREAS

The Municipal Institute of Learning (MILE) facilitated a three-day workshop at Cedara Agricultural College on reviewing the uMngeni Municipal Strategic Framework from the 25th to the 27th of January 2022. In attendance were senior officials, councillors, leadership union representatives and other stakeholders from sector departments. Also, among the participants, were uMngeni Local Municipality leadership Honourable Mayor, Mr CJ Papas, and Deputy Mayor, Mr S Mnikathi. In the 2022/2023 financial year, there have been two further strategic planning sessions held in December 2022 and January 2023. Continuous strategic planning enables the municipality to identify and address challenges in a proactive and ongoing manner. This involves continuous review and refinement of the municipality's vision, mission, objectives and strategies to ensure they remain relevant and aligned with the needs of the community.

The recent strategic planning session held on 19 to 20 January 2023 aimed to achieve the following:

- Define the Purpose and Goals: The first step was to define the purpose of the strategic planning sessions. This involved identifying the key challenges facing the municipality, assessing the current state of affairs and developing a clear understanding of what the municipality hopes to achieve through the strategic planning process.

- **Formulate a Planning Team:** The next step was to form a team that will be responsible for overseeing the planning process. The teams included representatives from all various portfolio committees including elected officials and staff.
- **Conduct a SWOT Analysis:** A SWOT analysis was a tool used to assess the strengths, weaknesses, opportunities, and threats facing the municipality. This analysis provided valuable insights into the key issues that need to be addressed in the strategic planning process.
- **Develop a Strategic Plan:** Based on the results of the SWOT analysis, the planning teams developed a strategic plan that outlines the municipality's objectives, strategies. The implementation included in Section E is based on the priorities identified during the SWOT analysis.
- **Monitor Progress:** Once the strategic plan is in place, it's important to monitor progress on an ongoing basis. This will involve regular reviews of the plan, as well as ongoing data collection and analysis to measure the municipality's progress towards its objectives.
- **Adjust the Plan:** As circumstances change, it may be necessary to adjust the strategic plan to ensure it remains relevant and aligned with the needs of the community. This may involve revisiting the SWOT analysis and making changes to the municipality's mission, vision and objectives.

Table 39: IDP Goals link to KZN PGDS

KEY PERFORMANCE AREAS	PGDS GOALS	IDP GOALS
<b>Cross Cutting</b>	Spatial Equity	Improved and equitable access to land
	Environmental sustainability	
<b>Municipal Transformation and Organisational Development</b>	Human Resource Development	Innovative organisational systems
<b>Basic Service Delivery and Infrastructure Development</b>	Strategic Infrastructure	World class infrastructure investment
<b>Local Economic and Social Development</b>	Job Creation	Economic growth and job opportunities
	Human and Community Development	
<b>Municipal financial viability and management</b>	Governance and Policy	Efficient, effective customer-centred revenue collection
<b>Good Governance and Public Participation</b>	Governance and Policy	Collaborative and professional relationship between political and administration



Table 40: Strategic Goals and Objectives &amp; Strategic Focus Areas

KPA 1 - MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT					1.1.11 Develop central customer care centre.
					1.1.12 Strengthen law enforcement
					1.1.13 Utilisation of innovative and specialized traffic control initiatives.
					1.1.14 Utilisation of innovative and specialized traffic and emergency control initiatives.
KPA 2 - SERVICE DELIVERY AND INFRASTRUCTURE			GOAL 2	OBJECTIVE	STRATEGIC FOCUS AREA
1. Innovative organisational systems	1.1 Building a responsive and transparent government	1.1.1 Continuous skilling of employees.	2. World class infrastructure investment	2.1 Infrastructure development	2.1.1 Support investment in electricity supply and in alternative energies.
		1.1.2 Enhance and maintain good labour relation between employees and employer.			2.1.2 Review and develop a fixed assets masterplan.
		1.1.3 Modernise and continuous update of internal processes and systems.			2.1.3 Improve confidence in our institution through improved service delivery.
		1.1.4 Develop fit for purpose organisational structure.			2.1.4 Upgrade infrastructure of previously disadvantaged communities.
		1.1.5 Actively partner with institutions of Higher Learning			2.1.5 Secure and maintain our infrastructure and facilities.
		1.1.6 Building institutional capacity to reduce reliance on consultants.			
		1.1.7 Centralisation of resources in the provision of services.			
		1.1.8 Cascading performance in an effort to reward excellence.			
		1.1.9 Creation of team building platforms		2.2 Managing waste and	2.2.1 Ensure clean green communities.
		1.1.10 Commissioning regular, independent, employee satisfaction survey.			2.2.3 Development and management of integrated waste management systems.

	the environment	2.2.4 Collection of solid waste from previously / current disadvantaged communities.			3.1.10 Increase capacity and support to Operation Sukuma Sakhe (OSS).
<b>KPA 3 – LOCAL ECONOMIC AND SOCIAL DEVELOPMENT</b>			<b>KPA 4 – MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT</b>		
<b>GOAL 3</b>	<b>OBJECTIVE</b>	<b>STRATEGIC FOCUS AREA</b>	<b>GOAL 4</b>	<b>OBJECTIVE</b>	<b>STRATEGIC FOCUS AREA</b>
3. Economic growth and job opportunities	3.1 Creating jobs and growing the economy	3.1.1 Improve the ease of doing business.	4. Efficient, effective customer-centred revenue collection	4.1 Building a responsive and transparent government	4.1.1 Strengthen accountability mechanisms for usage of municipal assets.
		3.1.2 Growing partnerships for employment and innovation			4.1.2 Develop customer service and cost reduction plans in the delivery of municipal services.
		3.1.3 Promote a labour-intensive market environment.			4.1.3 Provide for transparent, efficient and effective system.
		3.1.4 Promote tourism, art and culture.			4.1.4 Completion, implementation and monitoring of a cost containment policy.
		3.1.5 Continuous review and implementation of LED strategy.			4.1.5 Develop an efficient debt recovery system with stated monthly measurables.
		3.1.6 Promote technology-based solutions for economic and social development.			4.1.6 Better use of technology and asset management.
		3.1.7 Create an enabling and conducive environment for economic growth and job opportunities.			4.1.7 Provide for strategic budgeting in line with IDP priorities.
		3.1.8 Improve opportunities offered to SMMES, informal traders, small-scale agriculture and tourism.			4.1.8 Maximize the economic benefit of all expenditures.
		3.1.9 Promote youth, gender and disability advocacy and the advancement of women.			4.1.9 Strict implementation of all finance and budget related policies.

		4.1.10 Provision and implementation of smart billing systems and technologies.			5.1.8 Invest in technologies to improve corruption detections.
		4.1.11 Continuous updating and reviewing of indigent register			5.1.9 Continuous reporting to oversight committee.
		4.1.12 Continuous updating and monitoring of the valuation roll.			5.1.10 Promote public responsibility to report corruption.
		4.1.13 Continuous updating of the billing data			5.1.11 Implementation of customer service charter.
KPA 5 – GOOD GOVERNANCE AND PUBLIC PARTICIPATION			KPA 6 – CROSS CUTTING		
GOAL 5	OBJECTIVE	STRATEGIC FOCUS AREA	GOAL	OBJECTIVE	STRATEGIC FOCUS AREA
5. Collaboration and professionalism between the political and administrative branches	5.1 Building a responsive and transparent government	5.1.1 Improve confidence in our institution through improved service delivery.	6. Improved and equitable access to land	6.1 Building safer communities	6.1.1 Ensure responsive disaster management approach.
		5.1.2 Improve responsiveness to residents using technology-based solutions.			6.1.2 Proactive steps to avoid unplanned settlements.
		5.1.3 Implementation of AG, internal audit findings			6.1.3 Ensure access to land using current legislative prescripts.
		5.1.4 Improve the functioning of intergovernmental relations (IGR).			6.1.4 Initiatives for natural resource management, conservation, and climate change mitigation
		5.1.5 Develop and review credible IDP.			6.1.5 Institutionalize and resource interventions aimed at enhancing safety for residents
		5.1.6 Strict implementation of code of conduct and rules of order.			
		5.1.7 Adhere to the rules, regulations and laws of the Republic.			

## SECTION E: IMPLEMENTATION PLAN

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
MUNICIPAL TRANSFROMATION AND INSTITUTIONAL DEVELOPMENT														
Organisational Inefficiencies	1.1	Building a responsive and transparent government	Improve responsiveness to residents using technology-based solutions	Establish and maintain an automated complaints management system	New KPI	June 2023	Annually	Annually	Annually	Annually			uMngeni	Director Administrative Support Services
Organisational Inefficiencies	1.1	Building a responsive and transparent government	Commissioning regular, independent, employee satisfaction survey	Number of employee satisfaction surveys conducted	New KPI	1	1	1	1	1	N/A		uMngeni	Director Administrative Support Services
Poor Revenue Collection	1.1	Building a responsive and transparent government	Utilisation of innovative and specialized traffic control initiatives	Number of traffic roadblocks conducted	96	96	96	96	96	96	N/A		uMngeni	Director Community Services & Public Services
Poor Revenue Collection	1.1	Building a responsive and	Utilisation of innovative and specialized	Number of roadside speed limit traps conducted	48	48	48	48	48	48	N/A		uMngeni	Director Community Services & Public Services

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
		transparent government	traffic control initiatives											
Organisational Inefficiencies	1.1	Building a responsive and transparent government	Enhance and maintain good labour relations between employees and employer	Number of local labour forum meetings convened	3	4	4	4	4	4	N/A		uMngeni	Director Administrative Support Services
Organisational Inefficiencies	1.1	Building a responsive and transparent government	Building institutional capacity to reduce reliance on consultants	All advertised positions filled within legislated timeframe	100%	100%	100%	100%	100%	100%			uMngeni	Director Administrative Support Services
Organisational Inefficiencies	1.1	Building a responsive and transparent government	Continuous skilling of employees	Number of municipal employees trained and upskilled	20	50	50	50	50	50	300		uMngeni	Director Administrative Support Services
Organisational Inefficiencies	1.1	Building a responsive and transparent government	Continuous skilling of employees/ skills audit	Number of regular employee skills audit conducted	1		1	1	1	1	N/A		uMngeni	Director Administrative Support Services



5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
Organisational Inefficiencies	1.1	Building a responsive and transparent government	Support skills development	Submission of a Workplace Skills Plan to LGSETA	April 2022	January	January	January	January	January	N/A		uMngeni	Director Administrative Support Services
Organisational Inefficiencies	1.1	Building a responsive and transparent government	Modernise and continuous update of internal processes and systems	Upgrade of IT infrastructure	New KPI	Upgrading of servers					300		uMngeni	Director Administrative Support Services
Organisational Inefficiencies	1.1	Building a responsive and transparent government	Modernise and continuous update of internal processes and systems	Upgrading and installation of recent IT systems	New KPI	Installation of an electronic document management		Establishment of an ERP System			700		uMngeni	Director Administrative Support Services
						Establish an automated performance								

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
						e mana geme nt syste m								
Organisational Inefficiencies	1.1	Building a responsive and transparent government	Develop fit for purpose organisational structure	Establishment and review of organisational structure	New KPI	July	Annu ally	Annual ly	Annual ly	Annual ly	N/A		uMngeni	Director Administrative Support Services
Organisational Inefficiencies	1.1	Building a responsive and transparent government	Adhere to the rules, regulations and laws of the Republic	Provision of resources to political office bearers	New KPI	Staff employed to assist political office beare rs  Provis ion of office space for all ward							uMngeni	Director Administrative Support Services

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
						councilors								
Organisational Inefficiencies	1.1	Building a responsive and transparent government	Actively partner with institutions of higher learning	Number of established partnerships with tertiary institutions		1	1	1	1	1	N/A		uMngeni	Director Administrative Support Services
Political Interference	1.1	Building a responsive and transparent government	Adhere to the rules, regulations, and laws of the Republic	Number of employee and councillors' induction and education workshops conducted		2	2	2	2	2	160		uMngeni	Director Administrative Support Services
Organisational Inefficiencies	1.1	Building a responsive and transparent government	Utilisation of innovative and specialized traffic control initiatives	Upgrading of traffic and safety measures	New KPI	Installation of CCTV cameras					150		uMngeni	Director Community Services & Public Services
						Upgrade Contr								

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
						ol Room								
	1.1	Building a responsive and transparent government	Maintenance and Management of facilities	Annual internal audit of condition facilities	0	1	1	1	1	1				Director Administrative Support Services
	1.1	Building a responsive and transparent government	Maintenance and Management of facilities	Quarterly assessment report on all facilities submitted to portfolio committee	4	4	4	4	4	4				Director Administrative Support Services

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
SERVICE DELIVERY AND INFRASTRUCTURE														
Electricity Theft	2.1	Infrastructure development	Support investment in electricity supply and in alternative energies	Number of dwellings provided with connections to mains electricity supply by the municipality	New KPI	13902	13902	13902	13902	13902	R160 369		uMngeni	Director Infrastructure & Public Works
Electricity Theft	2.1	Infrastructure development	Support investment in electricity supply and in alternative energies	Development of an electricity master plan	New KPI			Draft Master Plan	Approved Master Plan		TBC		uMngeni	Director Infrastructure & Public Works
Electricity Theft	2.1	Infrastructure development	Support investment in electricity supply and in alternative energies	Number of prepaid meters installed	New KPI	500	1500	1500	1500	1500	R2 000		uMngeni	Director Infrastructure & Public Works
Electricity Theft	2.1	Infrastructure development	Support investment in electricity supply and in	Number of households newly connected to	127	200	250	150	125	100	R3 855		Internal/DMRE	Director Infrastructure & Public Works



5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
			alternative energies	electricity supply										
Electricity Theft	2.1	Infrastructure development	Support investment in electricity supply and in alternative energies	Number of streetlights repaired	New KPI	500	958	627	944	532	2 500		Internal/DMRE	Director Infrastructure & Public Works
Ageing Infrastructure	2.1	Infrastructure development	Review and develop a fixed assets masterplan	Number of LED lights installed		440					4 000			Director Infrastructure & Public Works
Electricity Theft	2.1	Infrastructure development	Support investment in electricity supply and in alternative energies	Maintenance of electrical equipment		13	8	8	4	2	15 000		uMngeni	Director Infrastructure & Public Works

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
Electricity Theft	2.1	Infrastructure development	Support investment in electricity supply and in alternative energies	Provision of solar panels to households			500	500	500	550	TBC		Internal/DMRE	Director Infrastructure & Public Works
Electricity Theft	2.1	Infrastructure development	Support investment in electricity supply and in alternative energies	Provision of solar geysers to households	New KPI		500	500	500	500	TBC		Internal/DMRE	Director Infrastructure & Public Works
Electricity Theft	2.1	Infrastructure development	Support investment in electricity supply and in alternative energies	Construction of bulk electricity infrastructure	New KPI	25%	50%	75%	100%		12 000		Internal/DMRE	Director Infrastructure & Public Works
Ageing Infrastructure	2.1	Infrastructure development	Secure our infrastructure and facilities	Kilometers of roads rehabilitated (resurfacing)	6.7km	2km	3.5km	5km	6km	4,5km	64 000		uMngeni	Director Infrastructure & Public Works

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
Ageing Infrastructure	2.1	Infrastructure development	Secure our infrastructure and facilities	Kilometers for roads regravelling		3,5km	6km	7km	7,5km	4,5km	7 800 000		uMngeni	Director Infrastructure & Public Works
Ageing Infrastructure	2.1	Infrastructure development	Upgrade infrastructure of previously disadvantaged communities	Kilometers of municipal rural roads graded and surfaced			10k		15km	3km	3mil		uMngeni	Director Infrastructure & Public Works
Ageing Infrastructure	2.1	Infrastructure development	Secure our infrastructure and facilities	Number of public transport infrastructure provided and upgraded	New KPI	Widening and recon of uMge ni Bridge (Feasibility Study )	Acquiring funds	Planning	Implementation		External funding		uMngeni	Director Infrastructure & Public Works
Ageing Infrastructure	2.1	Infrastructure development	Upgrade infrastructure of previously disadvantaged communities	Number of community facilities built and upgraded	1	2		3		2	1 200		MIG Internal	Director Infrastructure & Public Works

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
Ageing Infrastructure	2.1	Infrastructure development	Secure our infrastructure and facilities	Metres of storm-water pipes installed	200m	500m					1 000		uMngeni	Director Infrastructure & Public Works
Ageing Infrastructure	2.1	Infrastructure development	Secure our infrastructure and facilities	Number of m² of potholes repaired		2000 m²	2000 m²	2000 m²	2000 m²	2000 m²	3 500		uMngeni	Director Infrastructure & Public Works
Ageing Infrastructure	2.1	Infrastructure development	Secure our infrastructure and facilities	Metres of road painting	New KPI		7000l /m	1000l /m	1000l /m	1000l /m	200		uMngeni	Director Infrastructure & Public Works
Ageing Infrastructure	2.1	Infrastructure development	Secure our infrastructure and facilities	Kilometers of walkways constructed	New KPI		0,3k m				500		uMngeni	Director Infrastructure & Public Works
Ageing Infrastructure	2.2	Managing waste and the environment	Development and management of integrated waste management systems	Percentage of households with access to weekly solid waste removal	75%	80%	80%	80%	80%	80%	N/A		uMngeni	Director Community Services & Public Services

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
Inequality (Social, Spatial, Economic)	2.2	Managing waste and the environment	Development and management of integrated waste management systems	Number of informal settlements receiving weekly solid waste removal	New KPI	5	5	5	5	5	N/A		uMngeni	Director Community Services & Public Services



5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2023/24	2024/25	2025/26	2026/27	2027/28				
LOCAL ECONOMIC AND SOCIAL DEVELOPMENT														
High Unemployment Rate	3.1	Creating jobs and growing the economy	Improve the ease of doing business	Average time taken to finalize business license applications	New KPI	21 days	21 days	21 days	21 days	21 days	N/A		uMngeni	Director Economic Development, Planning and Human Settlements
High Unemployment Rate	3.1	Creating jobs and growing the economy	Improve the ease of doing business	Average time taken to finalize informal trading permits	New KPI	21 days	21 days	21 days	21 days	21 days	N/A		uMngeni	Director Economic Development, Planning and Human Settlements
Inequality (Social, Spatial, Economic)	3.1	Creating jobs and growing the economy	Continuous review and implementation of LED strategy	Number of jobs created through municipality's local economic development initiatives including capital projects	New KPI	400	100	100	100	100	1 344		uMngeni	Director Economic Development, Planning and Human Settlements
Inequality (Social, Spatial, Economic)	3.1	Creating jobs and growing the economy	Continuous review and implementation of LED strategy	Development and review of an LED Strategy	September 2017	June 2023					0		uMngeni	Director Economic Development, Planning and Human Settlements

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2023/24	2024/25	2025/26	2026/27	2027/28				
High Unemployment Rate	3.1	Creating jobs and growing the economy	Improve the ease of doing business	Replacement of informal traders' stalls		8	10	10	12	12	700		uMngeni	Director Economic Development, Planning and Human Settlements
High Unemployment Rate	3.1	Creating jobs and growing the economy	Improve the ease of doing business	Designation of informal trading zones	New KPI	10					N/A		uMngeni	Director Economic Development, Planning and Human Settlements
High Unemployment Rate	3.1	Creating jobs and growing the economy	Improve the ease of doing business	Number of economic development forums convened	0	2	2	2	2	2	N/A		uMngeni	Director Economic Development, Planning and Human Settlements
High Unemployment Rate	3.1	Creating jobs and growing the economy	Engage government and the business chamber on enhancing job opportunities through internships and skills development programs	Number of investment summits convened	New KPI	1	1	1	1	1	100		uMngeni	Director Economic Development, Planning and Human Settlements

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2023/24	2024/25	2025/26	2026/27	2027/28				
High Unemployment Rate	3.1	Creating jobs and growing the economy	Continuous review and implementation of LED strategy	Number of LED initiatives implemented	New KPI		1	1	1	1			uMngeni EDTEA UMEDA	Director Economic Development, Planning and Human Settlements
Ineffective intergovernmental relations	3.1	Creating jobs and growing the economy	Support skills development	Number of business capacity trainings conducted	New KPI	4	4	4	4	4	300		uMngeni	Director Economic Development, Planning and Human Settlements
High Unemployment Rate	3.1	Creating jobs and growing the economy	Promote a labour-intensive market environment	Number of farming equipment provided to emerging farmers	New KPI	Provision of two cattle handling facilities and farming tools	Provision of two cattle handling facilities	Provision of two cattle handling facilities	Provision of two cattle handling facilities		300		uMngeni	Director Economic Development, Planning and Human Settlements

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2023/24	2024/25	2025/26	2026/27	2027/28				
High Unemployment Rate	3.1	Creating jobs and growing the economy	Promote a labour-intensive market environment	Number of fields cultivated for emerging farmers	New KPI	5 ha	10 ha	10 ha	10 ha	10ha			uMngeni	Director Economic Development, Planning and Human Settlements
High Unemployment Rate	3.1	Creating jobs and growing the economy	Improve the ease of doing business	Number of businesses assisted with access to local and international market	New KPI	2	2	2	2	2	50		EDTEA uMngeni	Director Economic Development, Planning and Human Settlements
High Unemployment Rate	3.1	Creating jobs and growing the economy	Improve the ease of doing business	Number of tourism attraction initiatives supported	New KPI	2	2	2	2	2	160		EDTEA uMngeni	Director Economic Development, Planning and Human Settlements
Inequality (Social, Spatial, Economic)	3.1	Creating jobs and growing the economy	Improve opportunities offered to SMMES, informal traders, small-scale agriculture and tourism	Development of Informal Trading Complexes	New KPI		Devel oped Infor mal Trade rs Com plex				TBC		EDTEA uMngeni	Director Economic Development, Planning and Human Settlements

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2023/24	2024/25	2025/26	2026/27	2027/28				
Inequality (Social, Spatial, Economic)	3.1	3.1 Creating jobs and growing the economy	Promote art and culture.	Number of libraries functionality and monitoring reports prepared and submitted to Council committees	4	4	4	4	4	4	N/A		uMngeni	Director Community Services & Public Services
Inequality (Social, Spatial, Economic)	3.1	3.1 Creating jobs and growing the economy	Promote art and culture.	Number of Museum functionality quarterly reports prepared and submitted to Council committees	4	4	4	4	4	4	N/A		uMngeni	Director Community Services & Public Services

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
FINANCIAL VIABILITY AND MANAGEMENT														
Organisational Inefficiencies	4.1	Building a responsive and transparent government	Strengthen accountability mechanisms for usage of municipal assets	Regular disposal of obsolete assets		May 2023	April 2 024	May 2025	May 2026	May 2027	160		uMngeni	Director Finance Services
	4.1	Building a responsive and transparent government	Strengthen accountability mechanisms for usage of municipal assets (Movables)	Date annual verification and assessment of asset register completed	June 2022	June 2023	June 2024	June 2025	June 2026	June 2027	N/A		uMngeni	Director Finance Services
Organisational Inefficiencies	4.1	Building a responsive and transparent government	Strengthen accountability mechanisms for usage of municipal assets (Immovables)	Date annual verification and assessment of asset register completed	June 2022	June 2023	May 2024	June 2025	June 2026	June 2027	N/A		uMngeni	Director Finance Services
Poor Revenue Collection	4.1	Building a responsive and transparent government	Provide for strategic budgeting in line with IDP priorities	Date multi-year budget tabled for Council adoption	31 May 2022	31 May 2023	31 May 2024	31 May 2025	31 May 2026	31 May 2027	N/A		uMngeni	Director Finance Services



5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
Poor Revenue Collection	4.1	Building a responsive and transparent government	Maximize the economic benefit of all expenditures	Creditors payment period	30 days	30 days	30 days	30 days	30 days	30 days	N/A		uMngeni	Director Finance Services
Poor Revenue Collection	4.1	Building a responsive and transparent government	Maximize the economic benefit of all expenditures	Percentage of Eskom debt settled within due date	100%	100%	100%	100%	100%	100%	N/A		uMngeni	Director Finance Services
Poor Revenue Collection	4.1	Building a responsive and transparent government	Provide for strategic budgeting in line with IDP priorities	Percentage Free Basics Services (FBS) budget spent	100%	100%	100%	100%	100%	100%	N/A		uMngeni	Director Finance Services
Poor Revenue Collection	4.1	Building a responsive and transparent government	Provision and implementation of smart billing systems and technologies	Percentage debtors' collection rate achieved	89%	95%	95%	95%	95%	95%	N/A		uMngeni	Director Finance Services
Poor Revenue Collection	4.1	Building a responsive and transparent government	Provision and implementation of smart billing systems	Percentage of rental income from municipal flats (leased out) collected	80%	95%	95%	95%	95%	95%	N/A		uMngeni	Director Finance Services

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
			and technologies											
Ageing Infrastructure	4.1	Building a responsive and transparent government	Ensure compliance with legislative prescripts when budgeting for maintenance of municipal infrastructure	Percentage budget on repairs and maintenance	2%	2%							uMngeni	Director Finance Services
Poor Revenue Collection	4.1	Building a responsive and transparent government	Continuous updating and reviewing of indigent register	Compilation and approval of the indigent register	June 2021	30 June	30 June	30 June	30 June	30 June	N/A		uMngeni	Director Finance Services
Poor Revenue Collection	4.1	Building a responsive and transparent government	Continuous updating and reviewing of indigent register	Compilation and review of an accurate valuation roll	June 2022	September 2022	June 2023	June 2024	June 2024	June 2024	4 574		uMngeni	Director Finance Services
Electricity Theft	4.1	Building a responsive and transparent government	Invest in a live indigent register management system	Launch and implement an indigent management system	New KPI		Live Indigent Management				N/A		uMngeni	Director Finance Services

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
							System							
Organisational Inefficiencies	4.1	Building a responsive and transparent government	Development of steering committee terms of references and SOPs	Number of finance SOPs developed and implemented	New KPI	5	5	1	1	1	N/A		uMngeni	Director Finance Services
Organisational Inefficiencies	4.1	Building a responsive and transparent government	Establish appropriate logistical facilities and systems for bulk purchases	Establishment of a stores facility for inventory	New KPI		Established storage facility				N/A		uMngeni	Director Finance Services  Director Administrative Support Services
Organisational Inefficiencies	4.1	Building a responsive and transparent government	To have an efficient, effective customer-centred financial management	Ensuring that all suppliers are compliant in all respect and trade with integrity [CSD compliant] & SARS and are updated on suppliers database	New KPI	Annually	Annually	Annually	Annually	Annually	N/A		uMngeni	Director Finance Services

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
Organisational Inefficiencies	4.1	Building a responsive and transparent government	To have an efficient, effective customer-centred financial management	Awarding advertised tenders within 90 days from the date of closing	90 days	90 days	90 days	90 days	90 days	90 days	N/A		uMngeni	Director Finance Services
Organisational Inefficiencies	4.1	Building a responsive and transparent government	To have an efficient, effective customer-centred financial management	Implementation of an efficient digital SCM processing system										
Organisational Inefficiencies	4.1	Building a responsive and transparent government	Completion, implementation, and monitoring of a cost containment policy	Percentage spent on cost containment measures	New KPI	0%	0%	0%	0%	0%	N/A		uMngeni	Director Finance Services
Poor Revenue Collection	4.1	Building a responsive and transparent government	Provision and implementation of smart billing systems and technologies	Establish and maintain a portal billing system	New KPI	September 2022	Annually	Annually	Annually	Annually	175		uMngeni	Director Finance Services

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
Organisational Inefficiencies	4.1	Building a responsive and transparent government	Continuous skilling of employees	% of municipal budget spent on employee skills development	New KPI	0.06%	0.09 %	0.5%	0.5%	0.5%			uMngeni	Director Finance Services  Director Administrative Support Services
Organisational Inefficiencies	4.1	Building a responsive and transparent government	Better use of technology and asset management	Upgrade the financial system to include an asset management module	New KPI	Install ed asset mana geme nt modul e					180		uMngeni	Director Finance Services

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
High Unemployment Rate	5.1	Building a responsive and transparent government	Modernise and continuous update of internal processes and systems	Establish and maintain a digital youth database platform for matriculates and graduates	New KPI	June 2023	Annually	Annually	Annually	Annually	50		uMngeni	Municipal Manager
High Unemployment Rate	5.1	Building a responsive and transparent government	Promote youth, gender and disability advocacy and the advancement of women	Number of youths owned businesses supported with financial incentives	New KPI	5	5	5	5	5	100		uMngeni	Municipal Manager
High Unemployment Rate	5.1	Building a responsive and transparent government	Promote youth, gender and disability advocacy and the advancement of women	Number of youths assisted with tertiary registration	20	25	25	25	25	25				Municipal Manager
High Unemployment Rate	5.1	Building a responsive and	Promote youth, gender and disability advocacy and	Number of youths assisted	New KPI	20	20	20	20	20	100		uMngeni	Municipal Manager



5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
		transparent government	the advancement of women	with skills development										
High Unemployment Rate	5.1	Building a responsive and transparent government	Promote youth, gender and disability advocacy and the advancement of women	Number of unemployed youths provided with work readiness	New KPI	50	50	50	50	50	250		uMngeni	Municipal Manager
Political Interference	5.1	Building a responsive and transparent government	Implementatio n of AG, internal audit findings	Auditor General opinion	Qualified	Unqu alified audit	Clean audit	Clean audit	Clean audit	Clean audit	N/A		uMngeni	Municipal Manager
Organisational Inefficiencies	5.1	Building a responsive and transparent government	Cascading performance to reward excellence	Number Senior Management Positions (as per organogram) Filled	5	6	6	6	6	6			uMngeni	Municipal Manager

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1 2022/23	Yr. 2 2023/24	Yr. 3 2024/25	Yr. 4 2025/26	Yr. 5 2026/27				
Organisational Inefficiencies	5.1	Building a responsive and transparent government	Cascading performance to reward excellence	Date S54/56 Performance Agreements signed, submitted to Council and publicized	January 2022	July 2022	July 2023	July 2024	July 2025	July 2026	N/A		uMngeni	Municipal Manager
Political Interference	5.1	Building a responsive and transparent government	Strict implementation of code of conduct and rules of order	Percentage of councillors and senior management who have declared their financial interests	New KPI	100%	100%	100%	100%	100%	N/A		uMngeni	Municipal Manager
Political Interference	5.1	Building a responsive and transparent government	Adhere to the rules, regulations and laws of the Republic	Number of council meetings convened		4	4	4	4	4	N/A		uMngeni	Municipal Manager

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
Political Interference	5.1	Building a responsive and transparent government	Adhere to the rules, regulations and laws of the Republic	Number of EXCO meetings convened	10	4	4	4	4	4	N/A		uMngeni	Municipal Manager
Political Interference	5.1	Building a responsive and transparent government	Adhere to the rules, regulations and laws of the Republic	Number of Portfolio Committee meetings convened	50	60	60	60	60	60	N/A		uMngeni	Municipal Manager
Political Interference	5.1	Building a responsive and transparent government	Adhere to the rules, regulations and laws of the Republic	Number of MPAC meetings convened	3	4	4	4	4	4	N/A		uMngeni	Municipal Manager

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
Political Interference	5.1	Building a responsive and transparent government	Adhere to the rules, regulations and laws of the Republic	Number of Audit Committee meetings convened	5	4	4	4	4	4	401		uMngeni	Municipal Manager
Political Interference	5.1	Building a responsive and transparent government	Improve responsiveness to residents using technology-based solutions	Number of public meetings convened		156	156	156	156	156			uMngeni	Municipal Manager
Organisational Inefficiencies	5.1	Building a responsive and transparent government	Develop a digital modernisation plan	Number of WiFi hotspot established		1	3	1	1	1	100		Private Sector / uMngeni	Municipal Manager
	5.1	Building a responsive and transparent government	Improve responsiveness to residents using technology-	Number of active social media platforms	1	2	2	2	2	2	N/A		uMngeni	Municipal Manager

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
			based solutions											
Political Interference	5.1	Building a responsive and transparent government	Improve responsiveness to residents using technology-based solutions	Date Annual Report submitted o Council for approval	March 2022	March 2023	Marc h 2024	March 2025	March 2026	March 2027	100		uMngeni	Municipal Manager
Organisational Inefficiencies	5.1	Building a responsive and transparent government	Creation of team building platforms	Performance targets achieved by the municipality	58%	90%	90%	90%	90%	90%	N/A		uMngeni	Municipal Manager
Organisational Inefficiencies	5.1	Building a responsive and transparent government	Cascading performance to reward excellence	Number of senior performance evaluations or reviews conducted	0	6	6	6	6	6	N/A		uMngeni	Municipal Manager

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2022/23	2023/24	2024/25	2025/26	2026/27				
High Unemployment Rate	5.1	Building a responsive and transparent government	Building institutional capacity to reduce reliance on consultants	Number of NGO and private sector partnerships established and maintained	New KPI	4	4	4	4	4	300		uMngeni	Municipal Manager
High Unemployment Rate	5.1	Building a responsive and transparent government	Modernise and continuous update of internal processes and systems	Number of innovative ideas supported	New KPI		1	1	1	1			uMngeni	Municipal Manager



5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2023/24	2024/25	2025/26	2026/27	2027/28				
CROSS CUTTING ISSUES (INCLUDING SPATIAL, ENVIRONMENTAL AND DISASTER MANAGEMENT)														
High Unemployment Rate	6.1	Building safer communities	Improve the ease of doing business	Average time taken to finalize business license applications	New KPI	21 days	21 days	21 days	21 days	21 days	N/A		uMngeni	Director Economic Development, Planning and Human Settlements
High Unemployment Rate	6.1	Building safer communities	Improve the ease of doing business	Average time taken to finalize informal trading permits	New KPI	21 days	21 days	21 days	21 days	21 days	N/A		uMngeni	Director Economic Development, Planning and Human Settlements
Electricity Theft	6.1	Building safer communities	Proactive steps to avoid unplanned settlements	Updating of general layouts	New KPI	1	1	1	1	1	600		uMngeni	Director Economic Development, Planning and Human Settlements
Electricity Theft	6.1	Building safer communities	Proactive steps to avoid unplanned settlements	Regularize invaded council owned land	New KPI		TBC	TBC	TBC	TBC	N/A		uMngeni	Director Economic Development, Planning and Human Settlements
Lack of Availability of Land	6.1	Building safer	Proactive steps to avoid	Number of council owned sites made	New KPI		10				N/A		uMngeni	Director Economic Development, Planning and

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2023/24	2024/25	2025/26	2026/27	2027/28				
		communities	unplanned settlements	available for residential use										Human Settlements
Organisational Inefficiencies	6.1	Building safer communities	Modernise and continuously update internal processes and systems	Digitisation of the building inspectorate process	New KPI	September 2023					200		uMngeni	Director Economic Development, Planning and Human Settlements
Organisational Inefficiencies	6.1	Building safer communities	Modernise and continuously update internal processes and systems	Digitisation of the town planning application process	New KPI	June 2023					200		uMngeni	Director Economic Development, Planning and Human Settlements
Lack of Availability of Land	6.1	Building safer communities	Develop land and housing subsidy policy to assist the poor	Development of the housing sector plan	June 2015	June 2023					300		uMngeni	Director Economic Development, Planning and Human Settlements
Inequality (Social, Spatial, Economic)	6.1	Building safer communities	Ensure access to land using current legislative	Review of the land use scheme as per section 45 of	June 2020	March 2023					N/A		uMngeni	Director Economic Development, Planning and Human Settlements

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2023/24	2024/25	2025/26	2026/27	2027/28				
				SPLUMA bylaws										
Inequality (Social, Spatial, Economic)	6.1	Building safer communities	Continuous review of spatial and environmental plans	Development of a SPLUMA compliant Spatial Development Framework	May 2022	May 2023					500		uMngeni	Director Economic Development, Planning and Human Settlements
Poor Revenue Collection	6.1	Building safer communities	Develop customer service and cost reduction plans in the delivery of municipal services	Percentage of Buildings plans processed within 90 days (0-90m²)	80%	100%	100%	100%	100%	100%	N/A		uMngeni	Director Economic Development, Planning and Human Settlements
Poor Revenue Collection	6.1	Building safer communities	Develop customer service and cost reduction plans in the delivery of municipal services	Percentage of Buildings plans processed within 90 days (>90 m²)	80%	100%	100%	100%	100%	100%	N/A		uMngeni	Director Economic Development, Planning and Human Settlements

5 YEAR SERVICE DELIVERY AND INFRASTRUCTURE IMPLEMENTATION PLAN														
Key Challenge	Obj Ref.:	Objectives	Strategic Focus Area	Performance Indicator	Baseline	5 Yr. Targets					Budget (R) ('000)	MSC OA Ref.:	Source	Responsibility (in Mun)
						Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5				
						2023/24	2024/25	2025/26	2026/27	2027/28				
Lack of Availability of Land	6.1	Building safer communities	Ensure access to land using current legislative prescripts	Number of housing projects report submitted to Council	4	4	4	4	4	4	N/A		uMngeni	Director Economic Development, Planning and Human Settlements
Inequality (Social, Spatial, Economic)	6.1	Building safer communities	Ensure access to land using current legislative prescripts	Number of subsidized housing units constructed using various human settlements programmes	New KPI					2119			uMngeni	Director Economic Development, Planning and Human Settlements
Inequality (Social, Spatial, Economic)	6.1	Building safer communities	Ensure access to land using current legislative prescripts	Number of title deeds registered to beneficiaries	57	200	200				N/A		uMngeni	Director Economic Development, Planning and Human Settlements
Inequality (Social, Spatial, Economic)	6.1	Building safer communities	Develop a climate resilience strategy	Date Disaster Management Plan reviewed and adopted by Council	May 2021	June	May	May	May	May	N/A		uMngeni	Director Community Services & Public Services

### 1.3 IDP IMPLEMENTATION PLAN PROGRESS REPORT

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The purpose of this progress report is to provide a progress report for the Integrated Development Plan (IDP) Implementation Plan for uMngeni Municipality. It forms an integral part of our continuous commitment to accountability, transparency, and good governance. The uMngeni Municipality takes its IDP seriously and is dedicated to ensuring that the strategies and projects outlined within it are actualised.

The Service Delivery and Budget Implementation Plan (SDBIP) serves as our primary tool for executing the IDP. It acts as a contract between the Municipality, Council, Management, and the community, illustrating the delivery of services and the capital projects outlined in the annual budget. The SDBIP enables the municipality to fulfill its obligations to the community, driving development and progress.

The progress report herein covers the period from Quarter 1 (Q1) through to Quarter 3 (Q3). Please note that this does not represent a complete annual report as Year 1 of the IDP implementation has not concluded. This update is instead intended to provide an interim overview of the progress made and the achievements accomplished thus far, offering insights into the actions we've undertaken to fulfill our IDP commitments.

This report aims to not only report on the progress made but also to promote the culture of performance management. It is through these periodic evaluations and reflections that we continuously improve, adjusting our approaches where necessary to ensure the effective delivery of quality services to the residents of uMngeni Municipality. The report has been attached as Annexure I.3.

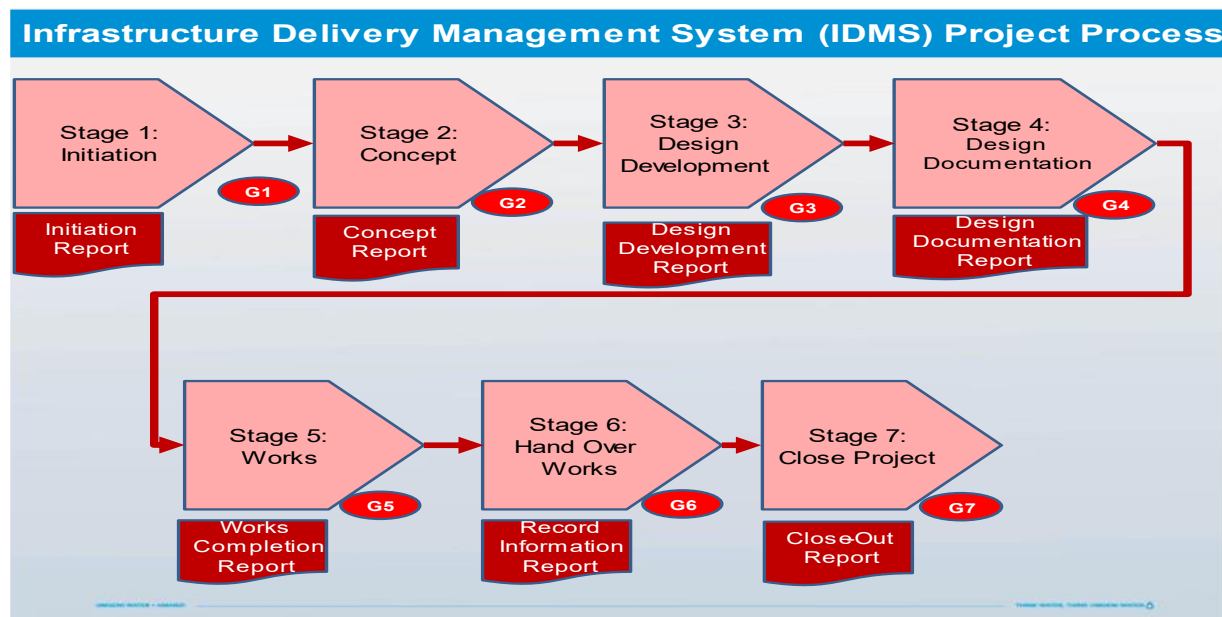
It is our earnest hope that this report provides a transparent view of our efforts and invites constructive feedback from all stakeholders, enabling us to better serve the community. Together, we can build an uMngeni Municipality that is responsive, accountable, and progressively better.

As we continue to implement the IDP and further our development initiatives, we are grateful for the continued support of our community, staff, and all stakeholders. We look forward to completing the remainder of the first year of the IDP implementation and to making further strides in service delivery and infrastructure development.

## 1.4 CAPITAL WORKS PROGRAMME

### 1.2.1 Infrastructure Delivery Management System (IDMS)

The Infrastructure Delivery Management System (IDMS) is a government management system for planning, budgeting, procurement, delivery, maintenance, operation, monitoring and evaluation of infrastructure. The municipality will strengthen internal controls in order to comply with IMDS process in the delivery of infrastructure projects.





### 1.2.2 Capital Investment Plan

IDP Ref. No	Project Name	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	Funding Source	Responsibility
		<b>MTERF BUDGET</b>			<b>Year 4</b>	<b>Year 5</b>		
<b>IDP22-27/1</b>	Bus shelters	R631 170,00	R1 000 000,00	R1 000 000,00			MIG	Director: I&PW
<b>IDP22-27/2</b>	Hhaza school Road (black top)	R8 700 000,00	R0,00	R0,00			MIG	Director: I&PW
<b>IDP22-27/3</b>	Mtholampilo Road walk way	R1 050 000,00	R0,00	R0,00			MIG	Director: I&PW
<b>IDP22-27/4</b>	Yellow Plant	R5 790 480,00	R4 960 837,00	R5 000 000,00			MIG	Director: I&PW
<b>IDP22-27/5</b>	Mnconjwana Road (black top)	R0,00	R7 500 000,00	R0,00			MIG	Director: I&PW
<b>IDP22-27/6</b>	Fordoun community facility	R0,00	R0,00	R3 500 000,00			MIG	Director: I&PW
<b>IDP22-27/7</b>	Nottingham Road public transport hub	R0,00	R1 200 000,00	R0,00			MIG	Director: I&PW
<b>IDP22-27/8</b>	Lidgetton Public transport hub	R0,00	R1 200 000,00	R0,00			MIG	Director: I&PW
<b>IDP22-27/9</b>	Re gravelling of roads (Dulela Street)	R3 000 000,00	R0,00	R0,00			MIG	Director: I&PW
<b>IDP22-27/10</b>	Re graveling of roads (Yarrow farm road, Colbourne farm road)	R3 000 000,00	R0,00	R0,00			MIG	Director: I&PW
<b>IDP22-27/11</b>	Re gravelling of roads (Nduna Dlamini Street, Nduna Mnguni Street and Mop Street)	R0,00	R3 000 000,00	R0,00			MIG	Director: I&PW
<b>IDP22-27/12</b>	Upgrade Howick South Hall	R0,00	R1 500 000,00	R0,00			MIG	Director: I&PW
<b>IDP22-27/13</b>	Old Howick Road rehabilitation	R0,00	R5 000 000,00	R5 000 000,00			MIG	Director: I&PW

IDP Ref. No	Project Name	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	Funding Source	Responsibility
IDP22-27/14	Cedara blacktop	R0,00	R0,00	R13 000 000,00			MIG	Director: I&PW
IDP22-27/15	Regravelling Shiyabazali	R0,00	R1 500 000,00	R0,00			MIG	Director: I&PW
IDP22-27/16	Upgrading of 27th Crescent Road to black top in ward 11	R3 700 000,00	R0,00	R0,00			MIG	Director: I&PW
IDP22-27/18	Nottingham Road street lights	R250 000,00	R0,00	R250 000,00			Internal	Director: I&PW
IDP22-27/19	Cedara street lights	R150 000,00	R0,00	R100 000,00			Internal	Director: I&PW
IDP22-27/20	In fill street lighting	R150 000,00	R150 000,00	R150 000,00			Internal	Director: I&PW
IDP22-27/21	Public lighting	R100 000,00	R100 000,00	R100 000,00			Internal	Director: I&PW
IDP22-27/22	Mast lighting	R650 000,00	R700 000,00	R700 000,00			Internal	Director: I&PW
IDP22-27/23	Energy resiliance	R350 000,00	R1 000 000,00	R500 000,00			Internal	Director: I&PW
IDP22-27/24	Karkloof Road street lighting	R0,00	R350 000,00	R100 000,00			Internal	Director: I&PW
IDP22-27/25	Mpophomeni Network upgrade (Bulk Infrastructure)	R16 876 000,00	R0,00	R0,00			DMRE	Director: I&PW
IDP22-27/26	Hilton New Bulk Point Supply	R0,00	R0,00	R0,00			DMRE	Director: I&PW
IDP22-27/28	Khanya Village Bulk Point Supply	R0,00	R0,00	R0,00			DMRE	Director: I&PW
IDP22-27/29	KwaHhaza Electrification Phase 3	R2 100 000,00	R0,00	R0,00			DMRE	Director: I&PW
IDP22-27/30	Mpophomeni Electrification Infills Phase 4	R2 100 000,00	R0,00	R0,00			DMRE	Director: I&PW
IDP22-27/31	uMngeni Farms Electrification	R400 000,00	R0,00	R0,00			DMRE	Director: I&PW
IDP22-27/32	EEDSM (Howick)	R4 000 000,00	R5 000 000,00	R0,00			DMRE	Director: I&PW

IDP Ref. No	Project Name	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	Funding Source	Responsibility
IDP22-27/33	Dennis Shepstone Drive Streetlights	R0,00	R0,00	R0,00			Internal	Director: I&PW
IDP22-27/34	Tractor	R550 000,00	R0,00	R0,00			Internal	Director: I&PW
IDP22-27/35	Howick Falls	R500 000,00	R1 000 000,00	R500 000,00			Internal	Director: EDP&HS
IDP22-27/36	Howick CBD Revitalisation	R500 000,00	R1 000 000,00	R500 000,00			Internal	Director: I&PW
IDP22-27/37	Mpophomeni Informal Traders Complex	R2 300 000,00	R1 000 000,00				Internal	Director: EDP&HS
IDP22-27/38	Mpophomeni Tourism assets	R100 000,00	R100 000,00	R100 000,00			Internal	Director: I&PW
IDP22-27/39	Tourism signs	R100 000,00	R100 000,00	R0,00			Internal	Director: EDP&HS
IDP22-27/40	Mpophomeni node	R0,00	R500 000,00	R1 500 000,00			Internal	Director: EDP&HS
IDP22-27/41	Hilton Rail trail	R100 000,00	R0,00	R100 000,00			Internal	Director: EDP&HS
IDP22-27/42	Nokulunga Gumede memorial	R100 000,00	R0,00	R0,00			Internal	Director: EDP&HS
IDP22-27/43	Combination signage	R150 000,00	R150 000,00	R150 000,00			Internal	Director: EDP&HS
IDP22-27/44	Midlands Tourism Experience	R0,00	R300 000,00	R300 000,00			Internal	Director: EDP&HS
IDP22-27/45	<b>MERRIVALE HEIGHTS</b>						Internal	Director: I&PW
	Carl Ohrtman		R1 760 000,00				Internal	

IDP Ref. No	Project Name	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	Funding Source	Responsibility
	Wilson Road	R2 180 000,00	R0,00				Internal	
	Holgate Rd	R0,00	R0,00	R276 000,00			Internal	
	Macalroy	R1 200 000,00	R0,00				Internal	
		R0,00	R0,00				Internal	
<b>IDP22-27/46</b>	<b>MERRIVALE</b>						Internal	Director: I&PW
	Geekie Rd	R0,00	R5 430 000,00	R0,00			Internal	
	Upfold Rd	R2 300 000,00	R0,00	R0,00			Internal	
	Ogalivie Rd	R0,00	R0,00	R4 140 000,00			Internal	
	Klaasen	R0,00	R600 000,00	R0,00			Internal	
		R0,00	R0,00	R0,00			Internal	
<b>IDP22-27/47</b>	<b>HOWICK WEST</b>						Internal	Director: I&PW
	Midmar Rd	R0,00	R4 200 000,00				Internal	
	Valley View Rd	R3 300 000,00					Internal	
	Lake Ave	R0,00	R957 000,00				Internal	
	Riverview Rd	R0,00	R0,00	R1 500 000,00			Internal	
	Star light Rd	R1 370 000,00	R0,00	R0,00			Internal	
	Lupin Rd	R739 000,00	R0,00	R0,00			Internal	
		R0,00	R0,00	R0,00			Internal	

IDP Ref. No	Project Name	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	Funding Source	Responsibility
<b>IDP22-27/48</b>	<b>HOWICK NORTH</b>						Internal	Director: I&PW
	Bell St	R0,00	R0,00	R7 250 000,00			Internal	
	Theed St	R0,00	R1 600 000,00	R0,00			Internal	
	Fraser St	R0,00	R0,00	R0,00			Internal	
	Mansfield	R917 000,00	R0,00	R0,00			Internal	
	Clerendon	R0,00	R1 800 000,00	R0,00			Internal	
	Eridene	R0,00	R0,00	R2 360 000,00			Internal	
	Clerendon	R0,00	R1 900 000,00	R0,00			Internal	
	Hayfields	R974 000,00	R0,00	R0,00			Internal	
	Plane	R670 000,00	R0,00	R0,00			Internal	
	Raylands	R0,00	R5 220 000,00	R0,00			Internal	
	Dirt Road next to Main (gravel)	R0,00	R0,00	R0,00			Internal	
	Buchanan	R1 400 000,00	R0,00	R0,00			Internal	
	Rietbuck	R678 000,00	R0,00	R0,00			Internal	
	Howick Bridge	R850 000,00	R0,00	R0,00			Internal	
	Ludgate Hill	R760 000,00	R0,00	R0,00			Internal	
	Sangster	R0,00	R0,00	R940 000,00			Internal	
							Internal	

IDP Ref. No	Project Name	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	Funding Source	Responsibility
<b>IDP22-27/49</b>	<b>LIDGETTON</b>						Internal	Director: I&PW
	Lidgetton Bridge	R500 000,00	R0,00	R0,00			Internal	
							Internal	
<b>IDP22-27/50</b>	<b>HILTON</b>						Internal	Director: I&PW
	Amy Wilson	R0,00	R0,00	R0,00			Internal	
	Celtis Lane	R3 050 000,00	R0,00	R0,00			Internal	
	Crompton (gravel)	R0,00	R0,00	R0,00			Internal	
	Dalry (gravel)	R0,00	R0,00	R0,00			Internal	
	Mt Michael (Gravel)	R0,00	R0,00	R5 180 000,00			Internal	
	Groenekloof	R0,00	R3 345 000,00	R0,00			Internal	
	Quarry Rd	R1 820 000,00	R0,00	R0,00			Internal	
	Acutt	R0,00	R100 000,00	R0,00			Internal	
	Hillary Rd			R2 600 000,00			Internal	
	Mallory	R0,00	R1 900 000,00	R0,00			Internal	
							Internal	
<b>IDP22-27/51</b>	<b>HOWICK SOUTH</b>						Internal	Director: I&PW
	Tumbleweed Rd	R720 000,00	R0,00	R0,00			Internal	
	Sparks Rd			R1 400 000,00			Internal	



IDP Ref. No	Project Name	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	Funding Source	Responsibility
	Weaver Rd	R0,00	R980 000,00	R0,00			Internal	
							Internal	
<b>IDP22-27/52</b>	<b>HILTON GARDENS</b>	R23 428 000,00	R29 792 000,00	R25 646 000,00			Internal	Director: I&PW
	Elizabeth			R3 470 000,00			Internal	
	Mimosa	R604 000,00	R0,00	R0,00			Internal	
	Settling	R763 000,00	R0,00	R0,00			Internal	
	William Younger	R0,00	R0,00	R3 900 000,00			Internal	
<b>IDP22-27/53</b>	Khayelisha Housing B2 Intersection & stormwater outlet	R0,00	R0,00	R0,00			Internal	Director: I&PW
<b>IDP22-27/54</b>	Howick CBD Revitalisation	R0,00	R0,00	R0,00			Internal	Director: I&PW
<b>IDP22-27/55</b>	Howick Main Street upgrade additional lane	R0,00	R0,00	R0,00			Internal	Director: I&PW
<b>IDP22-27/56</b>	Hilton Avenue traffic flow improvements refuge lanes and intersections	R0,00	R0,00	R0,00			Internal	Director: I&PW
<b>IDP22-27/57</b>	Mandela Capture Site	R12 000 000,00	R0,00	R0,00			Internal	Director: EDP&HS
<b>IDP22-27/58</b>	Curry's Post landfill site upgrade	R0,00	R0,00	R0,00			Internal	Director: I&PW
<b>IDP22-27/59</b>	Howick Falls Precinct upgrade	R0,00	R0,00	R0,00			Internal	Director: EDP&HS
<b>IDP22-27/60</b>	uMngeni Bridge reconstruction	R0,00	R0,00	R0,00			Internal	

IDP Ref. No	Project Name	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	Funding Source	Responsibility
IDP22-27/61	Mpophomeni Museum refurbishment	R0,00	R0,00	R0,00			Internal	Director: EDP&HS
IDP22-27/62	Human Settlements Projects Bulk Infrastructure	R0,00	R0,00	R0,00			Internal	Director: I&PW
IDP22-27/63	Khanya Village Bulk Point Supply	R0,00	R0,00	R0,00			Internal	Director: I&PW
IDP22-27/64	KwaHhaza Electrification Phase 3	R0,00	R0,00	R0,00			Internal	Director: I&PW
IDP22-27/65	uMngeni Farms Electrification	R0,00	R0,00	R0,00			Internal	Director: I&PW
IDP22-27/66	Informal Trading Stalls	R0,00	R0,00	R0,00			Internal	Director: EDP&HS
IDP22-27/67	Mare Street Walkway	R0,00	R0,00	R0,00			Internal	Director: I&PW
IDP22-27/68	uMngeni Driver's Licence Testing Centre	R0,00	R0,00	R0,00			Internal	Director: CS&PS
IDP22-27/69	SMME Incubation Facility	R0,00	R0,00	R0,00			Internal	Director: EDP&HS
IDP22-27/70	Mpophomeni Business District	R0,00	R0,00	R0,00			Internal	Director: EDP&HS
IDP22-27/71	Allemans and Grays Court Refurbishment	R0,00	R0,00	R0,00			Internal	Director: EDP&HS
	<b>TRAFFIC and PUBLIC SAFETY DEPARTMENT</b>						Internal	
IDP22-27/72	Vehicles	R0,00	R1 000 000,00	R500 000,00			Internal	Director: CS&PS

IDP Ref. No	Project Name	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	Funding Source	Responsibility
<b>IDP22-27/73</b>	CCTv cameras, control room and systems	R680 000,00	R150 000,00	R100 000,00			Internal	Director: CS&PS
<b>IDP22-27/74</b>	Equipment	R180 000,00	R180 000,00	R180 000,00			Internal	Director: CS&PS
<b>IDP22-27/75</b>	Firearms and ammunition	R150 000,00	R100 000,00	R100 000,00			Internal	Director: CS&PS

### 1.2.3 Maintenance Programme

## 2 SECTION F: FINANCIAL PLAN

### 8.1 Introduction

The goal of this chapter is to lay out a multi-year financial plan that will ensure long-term financial sustainability. The financial plan is critical to ensuring that the municipality continues to effectively carry out its mandate without jeopardising its capital base and moves toward self-sufficiency in meeting the growing demands of service delivery.

The multi-year financial plan is prepared for a five-year period, with special emphasis on infrastructure investment, which is an important developmental component of the IDP. uMngeni will focus on greater financial health and sustainability through this plan, making capital investment project collaboration with other levels of government and private sector investors much easier. It is critical that uMngeni stimulates the macroeconomic environment in order to attract private sector investment in uMngeni. uMngeni's ability to access much-needed financial resources to invest in new and maintain existing infrastructure assets will be enhanced as a result of this approach.

This plan will also concentrate on expanding uMngeni's revenue sources in relation to its costs in order to ensure that the municipality remains a financially viable and sustainable going concern. The uMngeni must use available financial resources in an effective, efficient, and cost-effective manner to ensure that outputs meet the objectives outlined in the IDP. The financial strategies outlined in this plan must aid in the achievement of those

goals. It should be noted that this multi-year financial plan will cover key focus areas for the next five years, if not longer. However, due to the fact that national budgets are

Treasury's Municipal Budget and Reporting Regulations only cover the next financial year and the two outer financial years following; budget information provided in this chapter will only cover the next three financial years.

Following that, there will be a discussion of key focus areas such as a financial framework, financial strategies, financial policies, budget assumptions, operating revenue, operating expenditure, capital expenditure, capital expenditure funding, and a concluding statement.

### 8.2 Financial Framework

It must be noted that not all municipalities are the same and this should be kept in mind when assessing the financial health of and the setting of benchmarks for a municipality. A municipality can be categorised as a developed or a developing municipality. uMngeni is a developing or growing municipality.

Developing the municipality will require significant additional resources and funding to conduct the growth that is expected of them. With the demands for growth come risks that need to be managed. The priority from the financial perspective is the viability and sustainability of the municipality. This financial plan and related strategies will need to address a number of

key areas in order to achieve this goal. The areas which have been identified are detailed below.

### 8.2.1 Revenue Adequacy and Certainty

It is essential that uMngeni has access to adequate sources of revenue from its own operations and intergovernmental transfers to enable it to carry out its functions. It is furthermore necessary that there is a reasonable degree of certainty with regard to the source, amount, and timing of revenue. The 2023 DORA has laid out the level of funding from National Government that will be received for the 2022/2022 to 2023/2024 financial years and these amounts have been included in the budget.

It is important to track the respective sources of revenue received by the municipality as they can be quite different and can vary substantially depending upon the phase that the municipality is in. Knowledge of the sources of funds will illustrate the municipality's position more accurately, its ability to secure loans relative to its income and its borrowing capacity.

### 8.2.2 Cash / Liquidity Position

Cash and cash management is vital for the short- and long-term survival and good management of any organisation. This is also the case with uMngeni. The appropriate benchmarks (formulas aligned to National Treasury MFMA Circular 71) which can assist in assessing the financial health of the municipality are:

The **current ratio**, which expresses the current assets as a proportion to current liabilities. A current ratio in excess of one to one (1:1) is considered to be healthy. The liquidity ratio was as follows for the previous years:

30 June 2018		1:1.62
30 June 2019		1:1.80
30 June 2020		1:1.27
30 June 2021		1:0.74

These improved liquidity levels are the result of a revised cash management strategy implemented in the last budget cycles. The operating budget needs to produce yearly cash generated from operating activities to improve the cash backed reserves and all collectable revenue needs to be collected on an ongoing basis.

The target for the next five years is to have a liquidity ratio in excess of 1.5:1

Debtor's turnover ratio (net debtors), which have a great impact on the liquidity of the Municipality. This ratio measures the time it takes the municipality to recover its outstanding debts.

The debtor's turnover ratio was as follows for the previous years:

30 June 2018		106 days
30 June 2019		122 days
30 June 2020		226 days
30 June 2021		166 days

uMngeni will attempt to maintain the debtor's turnover ratio to less than 60 days over the medium term to long-term. The collection rate has a great impact on the liquidity of the municipality and has been averaging at 90 percent in the past. Due to the current economic climate, it is anticipated that the collection rate will remain under pressure for the MTREF period.

30 June 2018		76%
30 June 2019		85%
30 June 2020		91%
30 June 2021		92%

The major impact on the debt collection was the impact of the Covid 19 pandemic which had a financial impact on the residents and businesses. Collection rates are also under pressure as the increasing tariffs and the cost of services become more unaffordable to households. It is expected that the collection rate will remain in excess of 92 percent over the medium

term. All debt older than 90 days have been provided for in the operating budget as a debt impairment provision.

### 8.2.3 Sustainability

The uMngeni ensures that its budget is fully funded. As there are limits on revenue, it is necessary to ensure that services are provided at levels that are affordable; and, that the full costs of service delivery are recovered. However, to ensure that households which are too poor to pay for even a portion of their basic services at least have access to these basic services; there is a need for the subsidisation of these households through an indigent support subsidy.

### 8.2.4 Effective and Efficient Use of Resources

In an environment of limited resources, it is essential that the municipality make maximum use of the resources at its disposal by using them in an effective and efficient manner. Efficiency in operations and investment infrastructure increases access to basic services that can be rendered with the scarce resources. For this reason, the operating budget is catered– only for absolutely necessary allocations.

### 2.1.5 Accountability, Transparency and Good Governance

The municipality is accountable to the people who provide the resources. The budgeting process and other financial decisions are thus open to public scrutiny and public participation. In addition, the accounting and financial reporting procedures are designed so that it minimises opportunities for



corruption. In addition, accurate financial information is produced within acceptable timeframes

### **8.2.6 Equity and Redistribution**

The municipality must treat people fairly and justly when it comes to the provision of services.

The “equitable share” from national government will be used primarily for targeted subsidies to indigent households. In addition, the municipality will continue to cross-subsidise between high- and low-income consumers within a specific service or between services.

Unfunded and/or underfunded mandates remain a financial burden to uMngeni’s customer base due to national and provincial transfers not following the functions that uMngeni perform on behalf of government.

### **8.2.7 Development and Investment**

In order to deal effectively with backlogs in services, there is a need for the municipality to maximise its investment in municipal infrastructure. The policies of the municipality encourage the maximum degree of private sector investment.

### **8.2.8 Macro-Economic Investment**

As the municipality plays a significant role in the economy of KwaZulu Natal, it is essential that it operates efficiently within the national and provincial

macro-economic framework. uMngeni’s financial and developmental activities support the national and provincial fiscal policy.

### **8.2.9 Borrowing**

The strong capital market in South Africa (commercial banks and other lending institutions like the DBSA, etc.) provides an additional instrument to access financial resources. The municipality may not borrow to balance its operating budget and to finance any operating expenditure. uMngeni has a borrowing policy in place that ensures the municipality borrows in a responsible and prudent manner. In order to have access to this market, the municipality will continue to maintain accurate and appropriate financial accounting and reporting systems. The municipality will also seek credit ratings from ratings agencies.

The manner in which the municipality manages debt or takes on new debt to finance investment activities will have a significant impact on the solvency and long-term viability.

## **8.3 Financial Strategies**

With the above framework as a background, strategies and programmes have been identified and form part of the financial plan to achieve the desired objective of viability and sustainability.

### 8.3.1 Revenue Raising Strategies

The following are some of the more significant programmes that have been identified:

- The annual review and implementation of the credit control and debt collection policy. This policy and the relevant procedures detail all areas of customer care, credit control, debt collection, including procedures for non-payment.
- The annual review and maintenance of a uniform tariff policy. This policy will ensure that fair tariffs are charged in a uniform manner throughout the municipal area.
- The annual review and maintenance of an indigent policy. This policy defines the qualification criteria for an indigent household and the level of free basic services enjoyed by indigent households.
- The annual review and maintenance of a property rates policy. This will ensure that a fair rates policy and an updated valuation roll are applied to the entire municipal area and will aim to ensure that all properties are included in the municipality's records. Furthermore, the policy will ensure that valuations are systematically carried out on a regular basis for all properties. It must be noted that the valuation roll has been implemented as from 1 July 2015 and will be valid until 30 June 2022.

- Irrecoverable debt, and prescribed debt will be considered for write off on an annual basis

### 8.3.2 Asset Management Strategies and Programmes

The following are some of the more significant programmes that have been identified:

- The ongoing maintenance of an integrated asset management system. This programme involves the ongoing updating of a suitable integrated asset management system. It also includes the capturing of all assets onto the system, the maintenance of this system and the production of a complete asset register in terms of the GRAP Accounting Standards requirements.
- The review and update of asset and risk insurance procedures and the renewal of the insurance portfolio. This programme will involve the identification of risks in conjunction with insurers and all heads of departments. It will also include the review of the existing insurance portfolio (inclusive of self-insurance where appropriate) and the renewal of the insurance policy as per renewal terms.

### 8.3.3 Financial Management Strategies and Programmes

The following are some of the more significant programmes that have been identified:

- The implementation of the MFMA Regulations – Municipal Standard Chart of Accounts (mSCOA) was implemented on 1 July 2017. The municipality is in compliance with the mSCOA Regulations, but ongoing improvements to the systems are done on an annual basis.
- The integration of computerised systems and acquisition of the required hardware and software within the municipality to ensure that information is accurate, relevant, and timeous, which will facilitate the smooth running and effective management of the municipality. This is done in compliance with the mSCOA Regulations.
- Development of a GRAP compliant Medium-Term Revenue and Expenditure
- Framework compliant with National Treasury's Municipal Budget and Reporting Regulations.
- Implementation of integrated development planning and budgeting using community consultation processes.
- Reviewing and updating of asset, budget and accounting policies and procedures.
- Training and development of financial and other staff. The aim of this project will be to constantly ensure that the financial and other staff members receive the training they require to ensure a cost-effective and efficient service to the municipality and its customers and to ensure

full compliance with the MFMA Regulations on Minimum Competency Levels.

- Enhancing budgetary controls and timeliness of financial data. Building the capacity of the Budget and Treasury Office (BTO) to ensure that financial information for reporting purposes is generated timeously. It will also include the monitoring and reporting on budget variances and effective treasury management.

#### 8.3.4 Capital Financing Strategies and Programmes

The following are some of the more significant programmes that have been identified:

- The annual review and implementation of a borrowing policy. This policy will ensure that any borrowings taken by the municipality will be done in a responsible manner and that the repayment and servicing of such debt will be affordable.
- The annual review and implementation of a policy on donor funding.
- The development of a capital investment framework.

#### 8.3.5 General Financial Philosophy

The financial philosophy of uMngeni is to provide a sound financial base and the resources necessary to sustain an excellent level of municipal services for the citizens of uMngeni.

It is the goal of the municipality to achieve a strong financial position with the ability to withstand local and regional economic impacts; to adjust efficiently to the community's changing service requirements; to effectively maintain, improve and expand the municipality's infrastructure; to manage the municipality's budget and cash flow to the maximum benefit of the community; to prudently plan, coordinate and implement responsible and sustainable community development and growth; and to provide a high level of fire and other protective services to assure public health and safety.

Based on the financial framework, financial strategies and the general financial philosophy statement, the municipality has to develop financial policies that support the above. The uMngeni financial policies shall also address the following fiscal goals:

- To keep the municipality in a fiscally sound position in both the long and short term;
- To maintain sufficient liquidity through regular reviews and adjustments to meet normal operating and contingent obligations;
- To apply credit control policies which maximise collection while providing relief to the indigent;
- To implement credit control policies that recognise the basic policy of customer care and convenience;
- To maintain and protect existing infrastructure and capital assets;

- To provide a framework for prudent borrowing; and,
- To direct the municipality's financial resources toward meeting the goals as set out in the municipality's Integrated Development Plan.

### 8.3.6 Budget Related Policies

The annual budget is the central financial planning document, directed by the IDP that embodies all revenue and expenditure decisions. It establishes the level of services to be provided by each department. The budget will be subject to monthly control and be reported to Council with recommendations of actions to be taken to achieve the budget goals. The budget will be subject to a mid-year review, which will result in an Adjustments Budget if required. Special Adjustments Budgets may also be approved by Council where circumstances permit.

Adequate maintenance and replacement of the municipality's assets (property, plant, and equipment) will be provided for in the annual budget. It will be informed by Council's Asset Management Policy. The municipality will aim to achieve a target of allocating 10 percent of the operating budget to repairs and maintenance over the next five-year period.

The budget shall balance recurring cash operating expenses to recurring cash operating revenues. The budget will have revenue plans based on realistically expected revenue to be collected and expenditure figures. Plans will be included to achieve maximum revenue collection percentages.

### **8.3.7 Capital Infrastructure Investment Policies**

The municipality will establish and implement a comprehensive three-year capital budget. This budget will be updated annually to ensure that bulk infrastructure services and internal infrastructure services together with the different funding sources are planned in an integrated and coordinated manner. An annual capital investment budget will be developed and adopted by uMngeni as part of the annual budget. The municipality makes all capital improvements in accordance with the IDP.

Unspent capital project budgets shall not be carried forward to future fiscal years unless the project expenditure is committed. Capital Expenditure funded from grant funding may be rolled over to the next financial year provided that all relevant approvals have been obtained. Council can approve the rollover of capital expenditure funded by cash backed reserves. Routine capital needs will be financed from current revenues (Capital Replacement Reserve) as opposed to the issuance of long-term debt. The municipality will maintain all assets at a level adequate to protect the municipality's capital investment and to minimise future maintenance and replacement costs.

### **8.3.8 Revenue Policies**

The municipality will estimate annual revenues through a conservative, objective, and analytical process based on realistically expected revenue to be collected. The municipality will consider market rates and charges levied by other public and private organisations for similar services in establishing

rates, fees, and charges. uMngeni will set fees and user charges at a level that fully supports the total direct and indirect costs of operations. Tariffs will be set to reflect the developmental and social policies of Council. These principles will be embedded in a Tariff Policy that will be updated on an annual basis.

uMngeni will maintain a valuation system based on market values of all properties within its boundaries, and such valuation roll will be reviewed every 5 years.

The municipality will adjust its fees where appropriate to reflect inflationary and cost increases. These principles and the raising of property rates are contained in the Property Rates Policy.

The municipality will continue to identify and pursue grants and appropriations from province, central government and other agencies that are consistent with the municipality's goals and strategic plan and to eradicate unfunded mandates.

### **8.3.9 Credit Control Policies and Procedures**

uMngeni will follow an aggressive policy of collecting revenues from those who can afford to pay for their services. For this purpose, a Credit Control and Debt Collection Policy has been adopted by Council.

### 8.3.10 Supply Chain Management

The Supply Chain Management Policy will ensure that goods and services are procured compliant with legislative requirements in a fair, equitable, transparent, competitive, and cost- effective manner. The SCM policy also includes the disposal of goods or assets not needed anymore for basic service delivery and it must be read in conjunction with Council's Disposal of Assets Policy.

### 8.3.11 Cash Management and Investment Policy

In terms of Section 13(2) of the Municipal Finance Management Act each municipality must establish an appropriate and effective cash management and investment policy. Investments of the municipality shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The portfolio shall remain sufficiently liquid to enable the municipality to meet daily cash flow demands and conform to all state and local requirements governing the investment of public funds. The preservation of principal is the foremost objective of the investment program. uMngeni will continue the current cash management and investment practices, which are designed to emphasise safety of capital first, sufficient liquidity to meet obligations second, and the highest possible yield third. These principles are embedded in the Cash Management and Investment Policies of Council.

UMNGENI LOCAL MUNICIPALITY			INVESTMENT REGIS		Jun-22		
	NUMBER	OPENING BALANCE AS PER AFS 2020/2021	DEPOSITS	WITHDRAWALS	INTEREST EARNED	BALANCE	
ABSA BANK							ABSA
OPERATIONAL CALL ACCOUNT	9244671585	2 202 859,93	53 000 000,00	55 400 000,00	437 239,07	40 099,00	CALL ACCOUNT
CALL ACCOUNT	9154612908	63 408,40	21 178 000,00	21 345 930,00	246 112,62	121 591,02	CALL ACCOUNT - MIG
FIXED DEPOSIT	2074952988	203 286,64	-	-	6 985,21	210 271,85	MASSIFICATION GRANT
CALL ACCOUNT	9312757198	759 704,68	16 559 000,00	16 560 700,00	139 972,12	897 974,80	INEG / INEP
CALL ACCOUNT	9312756980	277 594,89	-	-	7 424,67	285 019,56	PLANNING SCHEMES SUPPORT
ABSA TOTAL		3 506 854,54	90 737 000,00	93 526 630,00	837 733,69	1 554 958,23	
FIRST NATIONAL BANK							FIRST NATIONAL BANK
FIXED DEPOSIT	7437 235 7316	237 466,31	-	-	7 701,08	245 167,39	OWN REVENUE
RAND MERCHANT BANK	RU 500475 658	2 660 596,00	-	-	103 759,47	2 764 355,47	SECURITY
FIXED DEPOSIT	7454 7419 339	2 255 409,25	-	-	87 598,55	2 343 007,80	SECURITY
CALL ACCOUNT	6254 7030 875	25 229,24	1 000 000,00	1 001 218,20	26 623,95	50 434,99	FMO
CALL ACCOUNT	6282 1205 425	1 289 472,76	-	1 233 658,08	34 708,69	90 723,37	HUMAN SETTLEMENTS GRANT
FNB TOTAL		6 468 373,56	1 000 000,00	2 234 876,28	260 391,74	5 493 889,02	
CALL ACCOUNT - INVESTEC	100 503 504 504	1 645 243,08	1 106 065,00	2 784 170,46	32 862,38	-0,00	RESERVES
CALL ACCOUNT - INVESTEC		-	1 927 000,00	-	21 580,58	1 948 580,58	
INVESTEC TOTAL		1 645 243,08	3 033 065,00	2 784 170,46	54 442,96	1 948 580,58	
TOTAL INVESTMENTS		11 620 471,18	94 770 065,00	98 545 676,74	1 152 568,39	8 997 427,83	TOTAL INVESTMENTS

### 8.3.12 Debt Management Policies

Long-term borrowing will be used to finance capital improvements as approved in the municipality's Capital Budget. Capital projects financed shall be financed for a period not exceeding the expected useful life of the project. The municipality will not incur debt to finance current operations. Finance lease obligations, or other debt instruments may be used as a medium-term method of borrowing for the financing of vehicles, computers, other specialised types of equipment, or other capital improvements. All these principles are embedded in the Borrowing Policy of Council.



Borrowing should be limited to 40% of the total operating budget and value, and the debt servicing cost should be kept at manageable levels.

### 8.3.13 Asset Management Policies

The objective of the asset management policy is to prescribe the accounting and administrative policies and procedures relating to Property, Plant & Equipment (PPE), which are immovable and moveable assets of uMngeni, and, computer software as well as servitudes which are intangible assets of uMngeni Local Municipality. The principles and policy statements are embedded in the Asset Management Policy of Council.

### 8.3.14 Accounting Policies

The principle on which uMngeni operate with regard to the presentation, treatment and disclosure of financial information forms part of the Accounting Policy adopted in the compiled annual financial statements.

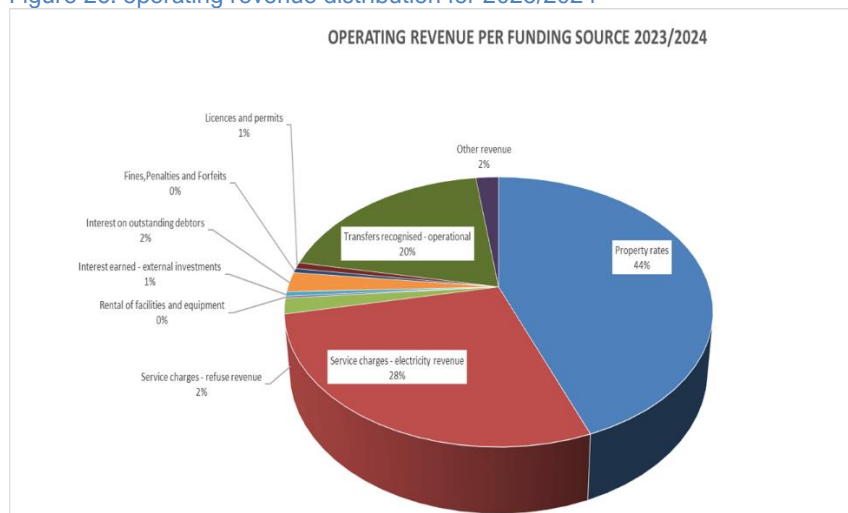
## 8.4 Budget Assumptions

Based on the financial framework, financial strategies and financial policies the MTREF budget was compiled. Key assumptions relating to the MTREF budget also included the following:

- Provincial government grants for the years 2022/23 to 2024/25 are as per the Provincial Gazettes promulgated on 7 April 2021.
- National government grants for the years 2022/23 to 2024/25 are as per the Division of Revenue Act (DoRA) promulgated on 5 February 2021.
- Inflation has been estimated in line with NT Budget Circular 112, with the CPI projected to be 4 percent in 2022/23, 4,44 percent and 4,45 percent respectively.
- The salary bill cost-of-living increase budgeted for 2022/23 amounts to 4 percent, 4,44 percent & in 2023/2024 and increases to 4,45 percent in the last year of the MTREF.
- Bulk electricity purchases increased with 9,61 percent for the 2022/23 financial year and remains the same for the next two indicative years.
- A tariff increases of 4 percent for property rates has been budgeted for the 2022/23 financial year and the same percentage increase for the two outer years.
- Electricity tariffs will increase with 9,61 percent for the 2022/23 financial year. Increases of 9,61 percent has been budgeted for the next two financial years. These increases are still subject to final NERSA announcements of the bulk increase to municipalities.
- Refuse tariffs increase with 4 percent for the 2022/23 financial year and a projected 4,44 percent for 2023/24 and 4,45 percent for 2024/25.

The budget is based on current service levels with no provision for growth in property rates and other services.

Figure 26: operating revenue distribution for 2023/2024



## 8.5 Operating Revenue

In order to serve the community and to render the services needed, revenue generation is fundamental to financial sustainability. The reality is that we are faced with developmental backlogs and poverty challenging our revenue generation capacity. The needs (being capital or operational of nature) always exceed the available financial resources. This becomes more obvious when compiling the annual budget and comparing it with the community's needs as recorded in the IDP. This is a worldwide problem and therefore available financial resources should be utilised where it delivers the biggest impact on outcomes that will improve the quality of life

of our local communities. The operating revenue will now be discussed and analysed.

### 8.5.1 Operating revenue by source

The operating revenue excl. capital revenue for 2023/2024 is budgeted at R574,573,854 which is an increase of 11 percent from the 2022/2023 adjusted budget. The Income Budget has been compiled based on projected billing, however provision has been made for a 95 percent collection rate through the provision of funds for the impairment of debtors.

The projected revenue are as follows:

Table 41: Projected revenue

Description	Adjustments Budget Year 2022/2023	Budget Year 2023/2024	%	Budget Year 2024/2025	%	Budget Year 2025/2026
<b>Revenue By Source</b>						
Property rates	240,778,674	253,564,477.00	44%	265,989,137.00	43%	278,490,626.00
Service charges - electricity revenue	132,024,204	158,870,919.00	28%	178,790,299.00	29%	201,219,921.00
Service charges - refuse revenue	10,201,592	10,752,478.00	2%	11,268,597.00	2%	11,798,221.00
Rental of facilities and equipment	1,299,998	1,370,048.00	0%	1,435,968.00	0%	1,503,458.00
Interest earned - external investment	2,877,067	3,029,552.00	1%	3,178,000.00	1%	3,327,366.00
Interest on outstanding debtors	17,079,822	13,677,456.00	2%	14,347,651.00	2%	15,021,991.00
Fines, Penalties and Forfeits	2,831,623	2,957,170.00	1%	3,102,065.00	1%	3,247,862.00
Licences and permits	4,177,596	4,399,009.00	1%	4,614,561.00	1%	5,932,707.00
Transfers recognised - operational	100,531,874	114,187,350.00	20%	117,835,000.00	19%	127,072,750.00
Other revenue	7,468,046	11,765,395.00	2%	12,337,541.00	2%	11,815,513.00
<b>NET OPERATING INCOME</b>	<b>519,270,496.00</b>	<b>574,573,854.00</b>	<b>100%</b>	<b>612,898,819.00</b>	<b>100%</b>	<b>659,430,415.00</b>

### 8.5.2 Analysis of projected operating revenue

Property Rates – all properties are rated in terms of the Municipal Property Rates Act and levied accordingly. Residential properties benefit from a residential reduction in their rate in that the first R150 000 of their property values are exempted from property rates. This benefit is accounted for as Income Foregone.

Service Charges for Services – this category comprises sale of Electricity and Refuse. This is the main municipal services and accounts for 27 percent of the operating income of Council.

Operating Grants and Subsidies have been budgeted for as per the Division of Revenue Act.

### 8.6 Operating Expenditure

The operating expenditure for 2023/2024 is budgeted at R574 357 430 which an increase of 11 percent from the 2022/2023 adjusted budget. This includes a provision for salary increases of 5,4 percent, operating cost and contracted services of 16 percent. Bulk purchases are budgeted at 34 percent of the total expenditures. The expenditure budget is for the MTERF period is outlined in Table 45 are as follows:

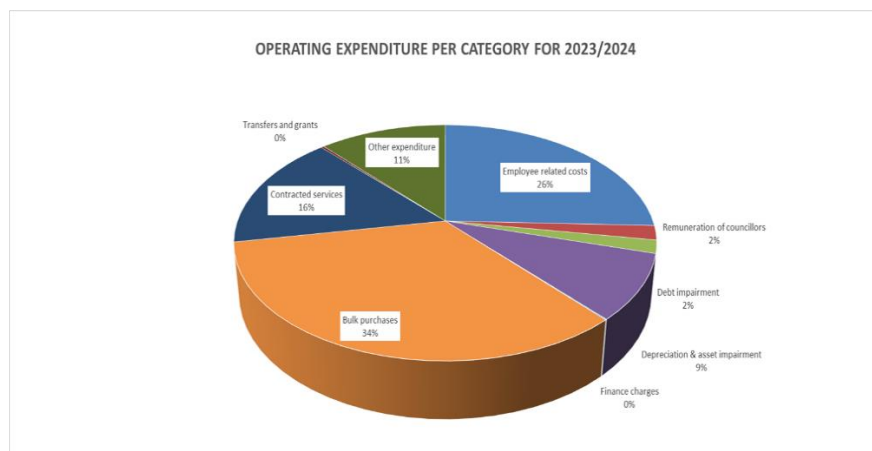
Table 42: Expenditure budget

Less :Expenditure By Type						
Employee related costs	138,562,364.00	147,206,655.00	26%	154,225,106.00	25%	161,465,555.00
Remuneration of councillors	10,746,368.00	11,326,672.00	2%	11,870,354.00	2%	12,428,261.00
Debt impairment	9,824,179.00	10,242,707.00	2%	10,742,271.00	2%	11,247,159.00
Depreciation & asset impairment	48,649,742.00	51,491,265.00	9%	53,985,790.00	9%	56,495,903.00
Finance charges	477,392.00	508,441.00	0%	532,846.00	0%	557,890.00
Bulk purchases	160,369,680.00	193,566,204.00	34%	218,149,112.00	36%	245,854,049.00
Contracted services	87,185,226.00	91,760,171.00	16%	95,060,745.00	16%	99,842,001.00
Transfers and grants	1,260,000.00	1,527,670.00	0%	1,601,589.00	0%	1,676,862.00
Other expenditure	62,010,534.00	66,727,645.00	12%	66,512,994.00	11%	69,560,188.00
<b>Total Expenditure</b>	<b>519,085,485.00</b>	<b>574,357,430.00</b>	<b>100%</b>	<b>612,680,807.00</b>	<b>100%</b>	<b>659,127,868.00</b>

#### 8.6.1 Operating expenditure by type

The detail of the operating budget is contained in the Medium-Term Revenue and Expenditure Framework for the period 2023/2024 – 2025/2026.

Figure 27: Operating expenditure distribution



### Analysis of operating expenditure

The main sections of the expenditure in the operating budget are the following: -

#### Employee Related Costs

The increases in this includes a projected general salary increase of 5,4 percent to all staff members. The total salary package of the Council amounts to 2 percent of the total expenditure.

#### Bulk Purchases

This category was increased with the tariff increases for Eskom.

The Council has little control over the abovementioned expenditure – bulk purchases represent 34 percent of the expenditure budget.

### Depreciation

Depreciation accounts for 9 percent of the expenditure budget. Depreciation is the systematic expensing of the value of an asset as it is used up and does not relate to any cash payment made (nor is the money owed to anyone for that matter). A road can last for 40 years and every year 1/40th of the road is “used up” and that must be shown as an expenditure item called depreciation. The intention is to set these funds aside so that there is cash available at the end of the useful life of the asset to replace the asset. This budget also provides for offset depreciation. This is done to avoid increasing rates and taxes to provide for assets that were revalued with the implementation of GRAP 17. This will be reviewed as part of the long-term financial plan to ensure that there is a balance between amounts provided for asset renewals and affordability of rates and taxes.

### Repairs and Maintenance

With the implementation of mSCOA, repairs and maintenance will no longer be shown as a separate line item, but the expenditure will be classified according to the nature of the expenditure (i.e. salaries, materials, contractors, etc.) with a project segment showing that the expenditure is related to repairs and maintenance. This new categorisation has led to the budget for repairs and maintenance now being 5,8 percent of the operating budget.

## 8.7 Capital Expenditure

A three (3) year capital budget below has been prepared for the MTERF period.

Table 43: Capital Budget

Capital Budget 2023 /2024				Annual Budget	Annual Budget	Annual Budget	
Section	Item	Item Description	2023/2024	2024/2025	2025/2026	Project	
Technical Services	Acquisitions	Assets:Non-current Assets:Pr	25,871,650.00	26,443,000.00	27,575,500.00	Mig Projects	
Electricity	Acquisitions	Assets:Non-current Assets:Pr	4,000,000.00	5,000,000.00	-	uMngeni Public Lighting	
Electricity	Acquisitions	Assets:Non-current Assets:Pr	1,513,820.18	1,587,997.37	1,662,633.24	Electrification Project	
Electricity	Substation INEP		16,876,000.00	15,000,000.00	15,672,000.00	Substation	
Finance	Acquisitions	Assets:Non-current Assets:Pr	424,614.97	445,421.11	466,355.90	Procurement of furniture and office equipment	
Executive & Council	Acquisitions	Assets:Non-current Assets:Pr	1,194,147.68	1,252,660.91	1,311,535.97	Procurement of furniture and office equipment	
Community Services	Acquisitions	Assets:Non-current Assets:Pr	431,167.00	452,294.18	473,552.01	Procurement of furniture and office equipment	
Planning & Development	Acquisitions	Assets:Non-current Assets:Pr	767,637.00	805,251.21	843,098.02	Procurement of furniture and office equipment	
Information Technology	Acquisitions	Assets:Non-current Assets:Pr	315,900.00	331,379.10	346,953.92	Procurement of furniture and office equipment	
Human Resources	Acquisitions	Assets:Non-current Assets:Pr	345,206.04	362,121.14	379,140.83	Procurement of furniture and office equipment	
Technical Services	Acquisitions	Assets:Non-current Assets:Pr	467,104.78	489,992.92	513,022.58	Procurement of furniture and office equipment	
Roads	Acquisitions	Assets:Non-current Assets:Pr	11,382,930.00	11,940,693.57	12,501,906.17	Roads Rehabilitation	
Refuse Removal & Landfill site	Acquisitions	Assets:Non-current Assets:Pr	105,300.00	110,459.70	115,651.31	Skip Bins	
Planning & Development	Acquisitions	Assets:Non-current Assets:Pr	1,400,000.00	-	-	Informal Trader Infrastructure - Grant	
			65,095,477.65	64,221,271.21	61,861,349.95		

The National Treasury benchmark of 30 percent to 40 percent of the capital budget to be spent on renewal projects were considered and the impact of proposed projects on the operational budgets of future years was evaluated. It is not sustainable to construct facilities where there are not sufficient operating funds available to operationalize the facilities and as such no facilities that cannot be operationalized with the current available resources were budgeted for.

The capital expenditure funding trends are set out in Figure 30 below. The detailed capital budget is contained in the Medium-Term Revenue and Expenditure Framework for the period 2023/2024 – 2025/2026.

## 8.8 Conclusion

The continued improvement and development of an effective financial planning process aids the municipality in fulfilling its facilitating role to capacitate the community to build a prosperous future for all. This Financial Plan with its financial framework, financial strategies and financial policy framework contribute to ensuring that uMngeni remains financially viable and sustainable and that quality municipal services are provided economically to all communities within its area of jurisdiction.

The multi-year Financial Plan contains realistic and credible revenue and expenditure forecasts which should provide a sound basis for improved financial management and institutional development as well as service delivery improvements and implementation. The strategy towards cash backing and funded budgets will certainly ensure the sustainability of the Municipality over the short, medium and long-term.

## 8.9 Sector Department Projects

Project Name	Ward	Budget	Activity	Status	Responsibility
<b>Howick Government Precinct</b>	2	R91 522 900			
Howick Falls Precinct Development	2	R5 000 000	Regeneration of the Howick Falls Precinct through tourism infrastructure development		EDTEA
Informal Economy Infrastructure Development (IEID)		R3 200 000	Enhance & develop informal trader infrastructure		EDTEA
Municipal Employment Initiative (MEI)	All wards	R1 500 000	Support informal and micro businesses to stimulate LED in townships and rural areas		EDTEA
Invasive Alien Species Programme	All wards	R440 636	Control and manage the spread of invasive alien plants		EDTEA
Provision of Routine and Safety Maintenance on Various Roads Within Howick - Merrivale Area Office	All wards	R70 000 000			EDTEA
P163 Km		R1 100 000			DOT



D244		R853 499.44	Betterment and Re-gravelling		DOT
D293		R2 431 342.53	Betterment and Re-gravelling		DOT
D390			Betterment and Re-gravelling		DOT
D515			Betterment and Re-gravelling		DOT
D666		R1 007 419.75	Betterment and Re-gravelling		DOT
D734			Betterment and Re-gravelling		DOT
D815			Betterment and Re-gravelling		DOT
P134			Betterment and Re-gravelling		DOT
P141		R 8 996 828.32	Betterment and Re-gravelling		DOT
P144			Betterment and Re-gravelling		DOT
P163			Betterment and Re-gravelling		DOT
P526		R2 105 230.37	Betterment and Re-gravelling		DOT



## 8. SECTION G: ANNUAL OPERATIONAL PLAN (DRAFT SDBIP)

The approved 2022/2023 SDBIP is available as separate document from the IDP. The Municipal Finance Management Act (MFMA) Circular No. 88 of 30 November 2017 provided guidance to metropolitan municipalities on a common set of performance indicators applied from the 2018/19 planning and reporting cycle onwards. The 1st addendum to MFMA Circular No. 88 of 4 December 2019 provided further guidance and clarity to metropolitan municipalities on the preparation of statutory planning and reporting documents required for the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF). The 2nd addendum to MFMA Circular No. 88 of 17 December 2020 expanded the reform in four respects: 1) it more closely integrated and guided planning, budgeting and reporting reforms; 2) it significantly expanded and revised the set of MFMA Circular No. 88 indicators applicable to metropolitan municipalities; 3) it expanded the application of these reforms and the indicators to all municipalities differentially applied per category of municipality in a piloting phase; and 4) it introduced evaluations in the context of these reforms. At the time of introducing the reform in 2017, guidance was provided that Outcome indicators should “...include a medium-term target for both the end of the electoral term (5th year) and the outer year of the MTREF (3rd year shifting out).” This was reiterated with the following guidance “Where baseline data is already available, a target for the horizon of the MTREF should be set for these indicators ... with performance tracked in relation to this target, as well as the last municipal year of the electoral term”. Setting two outcome indicator targets for the end of the local government term and for the MTREF has proven confusing, particularly because the MTREF is a rolling target.

Municipalities are expected to include a medium-term target for Outcome indicators for the electoral term (5th year). Following the 2021 Local Government Elections, this means that Outcome indicator targets should be set for the medium-term planning horizon: 2026/27. It should be noted that Outcome indicators will still be tracked on an annual basis in Annual Performance Reports for monitoring purposes, but that determinations of outcome ‘performance’ should be linked to medium-term target-setting for the outer year of the local government term of office.

The existing MFMA Circular No. 88 guidance to give expression to outcome indicators in the IDP (and annual IDP update) and output indicators in the SDBIPs will continue to apply to metropolitan municipalities only. Due to the continuing pilot process in the 2022/23 financial year, intermediate cities, district and local municipalities, will not be required to incorporate the indicators in their existing performance indicator tables in the IDP and SDBIP. Instead, these indicators should again find expression in a dedicated Annexure to the IDP and SDBIP which clearly indicates the MFMA Circular No. 88 indicators applicable to the municipality at the Tier 1 and 2 levels of readiness. The indicators applicable to uMngeni are attached under Annexure I.1.

## DRAFT SDBIP 2023/2024 – TOP LAYER

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objective	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseline (based on last year audited 2021/2022)	Annual target for 2023/2024	Q 1 Proje ction	Q 2 Proje ction	Q 3 Proje ction	Q 4 Proje ction	2023/2024 BUDGET VOTE	2023/2024 BUDGET	Portfolio of evidence	Responsibility
KEY PERFORMANCE AREA - MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT																
1.1.1 - 1	1. Innovative organisational systems	1.1 Building a responsive and transparent government	1.1.1 Continuous skilling of employees	Number of municipal employees trained and upskilled	Input	Number	New KPI	50	N/A	25	N/A	25	20170619 021377 OPEX (Training and Development)	R790 500,00	Attendance registers and service provider invoice (where applicable)	Director Administrative Support Services
1.1.1 - 2				Number of regular employee skills audit conducted	Input	Number	New KPI	1	N/A	1	N/A	N/A	N/A		Skills audit report submitted to portfolio committee	Director Administrative Support Services
1.1.1 - 3				Date of submission of a Workplace Skills Plan to LGSETA	Input	Date	Apr-22	31-May-24	N/A	N/A	N/A	31-May-24	20170619 021377 OPEX (Training and Development)	R790 500,00	Date proof of submission or dated acknowledgement of receipt	Director Administrative Support Services

UMNGENI LOCAL MUNICIPALITY																			
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																			
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseline (based on last year audited 2021/2022)	Annual target for 2023/2024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2024 BUDGET	Portfolio of evidence	Responsibility			
									Proje ction	Proje ction	Proje ction	Proje ction							
1.1. 1 - 4							% of municipal budget spent on employee skills development	Input	Perce nt	New KPI	0,09%	0,09%	N/A	N/A	N/A	N/A		Financial/Budg et report	Chief Financial Officer
1.1. 2 - 1						1.1.2 Enhance and maintain good labour relations between employees and employer.	Number of local labour forum meetings convened	Input	Numb er	5	4	1	1	1	1	N/A		Minutes of meeting/s	Director Administ rative Support Services
1.1. 3 - 1			1.1.3 Modernise and continuous update of internal processes and svstems	Number of departmental meetings held per quarter	Input	Numb er	New KPI	12 (per depart ment)	3 (per dept.)	3 (per dept.)	3 (per dept.)	3 (per dept.)	N/A		Minutes of meetings	All dept.			

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measu re	Baseli ne (based on last year audite d 2021/2 022)	Annual target for 2023/2 024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2 024 BUDG ET	Portfolio of evidence	Respons ibility
									Proje ction	Proje ction	Proje ction	Proje ction				
1.1. 4 - 1			1.1.4 Develop fit for purpose organisatio nal structure.	Date of approval of reviewed of organisational structure	Input	Date	New KPI	31- Mar-24	N/A	N/A	31- Mar- 24	N/A	N/A		Council resolution	Director Administ rative Support Services
1.1. 5 - 1			1.1.5 Actively partner with institutions of Higher Learning	Number of established partnerships with tertiary institutions	Input	Date	New KPI	31- Mar-24	N/A	N/A	31- Mar- 24	N/A	N/A		Copy of agreement signed	Director Administ rative Support Services
1.1. 6 - 1			1.1.6 Building institutiona l capacity to reduce reliance on consultant s.	Percentage of advertised positions filled within 60 days	Input	Perce nt	New KPI	100%	100%	100%	100%	100%	N/A		Copy of advert and appointment letter	Director Administ rative Support Services
1.1. 6- 2				Number of employee and councillors' induction and education workshops conducted	Input	Numb er	New KPI	2	N/A	1	1	N/A	N/A		Attendance registers and service provider invoice (where applicable)	Director Administ rative Support Services



UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measu re	Baseli ne (based on last year audite d 2021/2 022)	Annual target for 2023/2 024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2 024 BUDG ET	Portfolio of evidence	Respons ibility
									Proje ction	Proje ction	Proje ction	Proje ction				
			1.1.7 Centralisati on of resources in the provision of services.	To be confirmed												
1.1. 8 - 1			1.1.8 Cascading performan ce in an effort to reward excellence .	Number Senior Management Positions (as per organogram) Filled	Input	Numb er	6	6	6	N/A	N/A	N/A	N/A		Copy of signed performance agreement	Municipa l Manager
1.1. 8 - 2				Date S54/56 Performance Agreements signed, submitted to Council and publicized	Input	Numb er	15- Feb-22	14- Aug-23	14- Aug- 23	N/A	N/A	N/A	N/A		Copy of advert and council resolution	Municipa l Manager
1.1. 8 - 3				Percentage of performance targets achieved by the municipality	Input	Numb er	59%	90%	75%	80%	85%	95%	N/A		Copy of quarterly performance report	Municipa l Manager

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref. no.	Goal	Objective	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseline (based on last year audited 2021/2022)	Annual target for 2023/2024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2024 BUDGET	Portfolio of evidence	Responsibility
									Projection	Projection	Projection	Projection				
1.1.8 - 4				Number of senior performance evaluations or reviews conducted	Input	Percent	Nil	2	N/A	N/A	2	N/A	N/A		Copy of evaluation report	Municipal Manager
1.1.8 - 5				Number of line manager performance evaluations/reviews conducted	Input	Number	New KPI	4 (per dept.)	1 (per dept.)	1 (per dept.)	1 (per dept.)	1 (per dept.)	N/A		Copy of evaluation reports	All departments
1.1.9 - 1			1.1.9 Creation of team building platforms	Number of team building and wellness programmes implemented	Input	Number	3	3	N/A	1	1	1	20210707996267 OPEX (Employee Wellness)	R200 260,00	Notices/Invitation, attendance register and summary report signed by EAP Officer and HR Manager.	Director Administrative Support Services
1.1.10 - 1			1.1.10 Commissioning regular, independent, employee satisfaction survey.	Number of employee satisfaction surveys conducted	Input	Number	New KPI	31-Dec-23	N/A	31-Dec-23	N/A	N/A	N/A		Survey report submitted to portfolio committee	Director Administrative Support Services

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measu re	Baseli ne (based on last year audite d 2021/2 022)	Annual target for 2023/2 024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2 024 BUDG ET	Portfolio of evidence	Respons ibility
									Proje ction	Proje ction	Proje ction	Proje ction				
			1.1.11 Develop central customer care centre.	To be confirmed												
			1.1.12 Strengthen law enforceme nt	To be confirmed												
1.1. 13 - 1			1.1.13 Utilisation of innovative and specialized traffic and emergenc y control initiatives.	Number of traffic roadblocks conducted	Output	Numb er	109	96	24	24	24	24	N/A		Portfolio Committee Reports	Director Commun ity Services & Public Safety
1.1. 13 - 2				Number of roadside speed limit traps conducted	Output	Numb er	44	48	12	12	12	12	N/A		Portfolio Committee Reports	Director Commun ity Services & Public Safety
KEY PERFORMANCE AREA - BASIC SERVICE DELIVERY																

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseli ne (based on last year audited 2021/2022)	Annual target for 2023/2024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2024 BUDGET	Portfolio of evidence	Respons ibility
									Proje ction	Proje ction	Proje ction	Proje ction				
2.1.1 - 1	2. World class infrastructure investment	2.1 Infrastructure development	2.1.1 Support investment in electricity supply and in alternative energies.	Number of dwellings provided with connections to mains electricity supply by the municipality	Output	Number	New KPI	13 902	13 902	13 902	13 902	13 902	20170619 021386 OPEX (INEP)	R4 600 000,00	Invoice, completion certificate/ progress report (signed by SP, Manager & Director) and list of beneficiaries	Director Infrastructure & Public Works
2.1.1 - 2				Number of prepaid meters installed	Output	Number	New KPI	1 500	375	375	375	375	20171120 050251 OPEX (Administrative and Support Staff)	R5 749 380,00	Invoice, completion certificate/ progress report (signed by SP, Manager & Director) and list of beneficiaries	Director Infrastructure & Public Works
2.1.1 - 3				Number of households newly connected to electricity supply	Output	Number	338	250	62	62	62	64	20170619 021386 OPEX (INEP)	R4 600 000,00	Invoice, completion certificate/ progress report (signed by SP, Manager & Director) and list of beneficiaries	Director Infrastructure & Public Works
2.1.1 - 4				Number of streetlights repaired	Output	Number	New KPI	957	240	239	239	239	20200720 980986 OPEX (Maintenance of	R2 632 500,00	Invoice, completion certificate/progress report (signed by SP,	Director Infrastructure & Public Works

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measu re	Baseli ne (based on last year audite d 2021/2 022)	Annual target for 2023/2 024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2 024 BUDG ET	Portfolio of evidence	Respons ibility
									Proje ction	Proje ction	Proje ction	Proje ction				
													street lights)		Manager & Director)	
2.1. 1 - 5				Number of electrical equipment maintained	Output	Numb er	New KPI	8	N/A	N/A	N/A	8	20200720 980987 OPEX (Maintena nce of unspecifie d assets - faults)	R5 535 069,00	Invoice, completion certificate/prog ress report (signed by SP, Manager & Director)	Director Infrastru cture & Public Works
2.1. 1 - 6				Provision of solar panels to households	Output	Numb er	New KPI	500	125	125	125	125			Invoice, completion certificate/ progress report (signed by SP, Manager & Director) and list of beneficiaries	Director Infrastru cture & Public Works
2.1. 1 - 7				Provision of solar geysers to households	Output	Numb er	New KPI	500	125	125	125	125			Invoice, completion certificate/ progress report (signed by SP, Manager & Director) and list of beneficiaries	Director Infrastru cture & Public Works

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseline (based on last year audited 2021/2022)	Annual target for 2023/2024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2024 BUDGET	Portfolio of evidence	Respons ibility
									Proje ction	Proje ction	Proje ction	Proje ction				
2.1. 1 - 8				Percentage of completion of sub-station in Mpophomeni Phase 1 project	Output	Perce nt	New KPI	50%	N/A	30%	40%	50%			Progress report signed by Manager and GM	Director Infrastru cture & Public Works
			2.1.2 Review and develop a fixed assets masterplan	To be confirmed												
2.1. 3 - 1			2.1.3 Improve confidence in our institution through improved service delivery.	Number of council owned sites made available for residential use	Output	Numb er	New KPI	10	N/A	N/A	N/A	10			Portfolio Committee Report	Director Economi c Develop ment, Planning and Human Settleme nts
2.1. 4 - 1			2.1.4 Upgrade infrastru cture of previously disadvanta ged	Number of metres of road painting done	Output	Numb er	New KPI	1000m	250m	250m	250m	250m	20200720 980981 OPEX (Maintena nce of unspecifie d assets)	R12 344 130,00	Reports submitted to portfolio committee	Director Infrastru cture & Public Works



UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measu re	Baseli ne (based on last year audite d 2021/2 022)	Annual target for 2023/2 024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2 024 BUDG ET	Portfolio of evidence	Respons ibility
2.1. 4 - 2			communiti es.	Number of kilometers of walkways constructed	Output	Numb er	New KPI	0,3km	N/A	N/A	N/A	0,3km	20200720 980981 OPEX (Maintena nce of unspecifie d assets)	R12 344 130,00	Invoice, completion certificate/prog ress report (signed by SP, Manager & Director)	Director Infrastru cture & Public Works
2.1. 4 - 3			2.1.5 Secure and maintain our infrastru cture and facilities.	Number of quarterly assessment reports on all municipal properties submitted portfolio committee	Output	Numb er	New KPI	4	1	1	1	1	N/A		Reports submitted to portfolio committee	Director Administ rative Support Services
2.1. 4 - 4				Number of kilometers of roads rehabilitated (resurfacing)	Output	Numb er		3,5km	N/A	N/A	N/A	3,5km	20200720 980981 OPEX (Maintena nce of unspecifie d assets)	R12 344 130,00	Invoice, completion certificate/prog ress report (signed by SP, Manager & Director)	Director Infrastru cture & Public Works
2.1. 4 - 5				Kilometers for roads regravelling	Output	Numb er		6km	N/A	N/A	N/A	6km	20200720 980981 OPEX (Maintena nce of unspecifie d assets)	R12 344 130,00	Invoice, completion certificate/prog ress report (signed by SP, Manager & Director)	Director Infrastru cture & Public Works

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseli ne (based on last year audited 2021/2022)	Annual target for 2023/2024	Q 1 Proje ction	Q 2 Proje ction	Q 3 Proje ction	Q 4 Proje ction	2023/2024 BUDGET VOTE	2023/2024 BUDGET	Portfolio of evidence	Respons ibility
2.1.4 - 6				Kilometers of municipal rural roads graded and surfaced	Output	Numb er	New KPI	10km	N/A	N/A	N/A	10km	20200720 980981 OPEX (Maintenance of unspecified assets)	R12 344 130,00	Invoice, completion certificate/progress report (signed by SP, Manager & Director)	Director Infrastructure & Public Works
2.1.4 - 7				Number of m <sup>2</sup> of potholes repaired	Output	Numb er	5061m <sup>2</sup>	2000m <sup>2</sup>	500m <sup>2</sup>	500m <sup>2</sup>	500m <sup>2</sup>	500m <sup>2</sup>	20200720 980981 OPEX (Maintenance of unspecified assets)	R12 344 130,00	Invoice, completion certificate/progress report (signed by SP, Manager & Director)	Director Infrastructure & Public Works
2.1.4 - 8				Percentage budget on repairs and maintenance	Output	Perce nt	115%	100%	N/A	30%	60%	100%	20200720 980981 OPEX (Maintenance of unspecified assets)	R12 344 130,00	Financial/Budget report	Director Infrastructure & Public Works
		2.2 Managing waste and the	2.2.1 Ensure clean green communities.	To be confirmed												

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseline (based on last year audited 2021/2022)	Annual target for 2023/2024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2024 BUDGET	Portfolio of evidence	Responsibility
									Projection	Projection	Projection	Projection				
2.2.2 - 1		environment	2.2.2 Development and management of integrated waste management systems.	Percentage of formally serviced areas with access to weekly solid waste removal	Output	Percent	New KPI	80%	80%	80%	80%	80%	N/A		Weekly schedule signed by Supervisor, Manager & GM	Director Community Services & Public Safety
2.2.2 - 2				Increase percentage of compliance standards on Curry's Post landfill site to meet	Output	Percent	New KPI	20%	N/A	N/A	20%	N/A	20170619021601 OPEX (Maintenance of landfill site)	R1 500 000,00		Director Infrastructure & Public Works
2.2.2 - 3			2.2.3 Collection of solid waste from previously / current disadvantaged communities.	Number of informal settlements that receive refuse removal services monthly	Output	Number	New KPI	4	4	4	4	4	N/A		Weekly schedule signed by Supervisor, Manager & GM	Director Community Services & Public Safety
KEY PERFORMANCE AREA - LOCAL ECONOMIC DEVELOPMENT & SOCIAL SERVICES																
3.1.1 - 1	3. Economic growth and job opportunities	3.1 Creating jobs and growing the economy	3.1.1 Improve the ease of doing business.	Percentage of business license applications processed and finalized within 21 days	Output	Percent	33%	80%	80%	80%	80%	80%	N/A		Copy of applications received and copy of business licence	Director Economic Development, Planning and Human

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseli ne (based on last year audited 2021/2022)	Annual target for 2023/2024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2024 BUDGET	Portfolio of evidence	Respons ibility
									Proje ction	Proje ction	Proje ction	Proje ction				
																Settleme nts
3.1. 1 - 2				Number of informal traders' stalls replaced	Output	Numb er	4	10	N/A	N/A		N/A	20200720 981122 OPEX (Managem ent fee - trading stalls)	R700 000,00	Completion certificate and invoice	Director Economi c Develop ment, Planning and Human Settleme nts
3.1. 1 - 3				Number of economic development forums convened	Input	Numb er	New KPI	2	N/A	1	N/A	1	N/A		Minutes of meeting/s	Director Economi c Develop ment, Planning and Human Settleme nts

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseline (based on last year audited 2021/2022)	Annual target for 2023/2024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2024 BUDGET	Portfolio of evidence	Responsibility
									Proje ction	Proje ction	Proje ction	Proje ction				
3.1.1 - 4				Number of businesses assisted with access to local and international market	Output	Numb er	New KPI	2	N/A	1	N/A	1	20170619021930 OPEX (Municipal services-SMMEs)	R579 700,00	Copy of reports submitted to portfolio committee	Director Economic Development, Planning and Human Settlements
3.1.1 - 5				Number of tourism attraction initiatives supported	Output	Numb er	New KPI	2	N/A	1	N/A	1	20210707996259 OPEX (Tourism)	R358 360,00	Correspondence/minutes of meeting/reports to portfolio committee	Director Economic Development, Planning and Human Settlements
3.1.2 - 1			3.1.2 Engage government and the business chamber on enhancing job opportunities	Percentage of informal trading permits applications processed and finalised within 21 days	Output	Perce nt	New KPI	80%	80%	80%	80%	80%	N/A		Copy of application received and copy of trading permit	Director Economic Development, Planning and Human Settlements

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseline (based on last year audited 2021/2022)	Annual target for 2023/2024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2024 BUDGET	Portfolio of evidence	Respons ibility
									Proje ction	Proje ction	Proje ction	Proje ction				
3.1.2 - 2			es through internships and skills development programs.	Number of investment summits convened	Output	Numb er	New KPI	1	N/A	1	N/A	N/A	20170619 021930 OPEX (Municipal services-SMMEs)	R579 700,00	Notice/Invitation and attendance register	Director Economic Development, Planning and Human Settlements
3.1.2 - 3				Number of business capacity trainings conducted	Output	Numb er	New KPI	4	1	1	1	1	20170619 021930 OPEX (Municipal services-SMMEs)	R579 700,00	Copy of notice/invitation and attendance register	Director Economic Development, Planning and Human Settlements
3.1.3 - 1			3.1.3 Promote a labour-intensive market environment.	Number of farming equipment provided to emerging farmers	Output	Numb er	New KPI	3	N/A	1	1	1	20190710 031994 OPEX (Agriculture)	R631 800	Report submitted to the portfolio committee	Director Economic Development, Planning and Human Settlements



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SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measu re	Baseli ne (based on last year audite d 2021/2 022)	Annual target for 2023/2 024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2 024 BUDG ET	Portfolio of evidence	Respons ibility
									Proje ction	Proje ction	Proje ction	Proje ction				
3.1. 3 - 2				Total number of hectors (ha) of fields cultivated for emerging farmers	Output	Numb er	New KPI	10ha	N/A	3	3	4	20190710 031994 OPEX (Agricultur e)	R631 800	Report submitted to the portfolio committee	Director Economi c Develop ment, Planning and Human Settleme nts
3.1. 4 - 1			3.1.4 Promote art and culture.	Number of Museum functionality quarterly reports prepared and submitted to Council committees	Output	Numb er	9	4	1	1	1	1	N/A		Portfolio Committee report	Director Commu nity Services & Public Services
3.1. 5 - 1			3.1.5 Continuous review and implementation of LED strategy.	Number of jobs created through municipality's local economic development initiatives including capital projects	Output	Numb er	New KPI	100	N/A	N/A	N/A	100	20171120 050333 OPEX (Learnersh ips and internship s)	R1 565 764,00	Notice/Invitatio n and attendance register	Director Economi c Develop ment, Planning and Human Settleme nts

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
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									Proje ction	Proje ction	Proje ction	Proje ction				
3.1.5 - 2				Number of LED initiatives implemented	Output	Numb er	New KPI	1	N/A	N/A	1	N/A			Notice/Invitation and attendance register/portfolio committee report	Director Economic Development, Planning and Human Settlements
3.1.6 - 1			3.1.6 Promote technology -based solutions for economic and social development.	Number of WiFi hotspot established	Output	Numb er	New KPI	3	N/A	1	2	N/A	20170619 021439 OPEX (Information Services)	R3 567 849,00	Invoice and completion certificate	Director Economic Development, Planning and Human Settlements
3.1.7 - 1			3.1.7 Create an enabling and conducive environment for economic growth and job opportunities.	Number of libraries functionality and monitoring reports prepared and submitted to Council committees	Output	Numb er	7	4	1	1	1	1	NN		Copy of portfolio committee report	Director Community Services & Public Services

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measu re	Baseli ne (based on last year audite d 2021/2 022)	Annual target for 2023/2 024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2 024 BUDG ET	Portfolio of evidence	Respons ibility
									Proje ction	Proje ction	Proje ction	Proje ction				
3.1. 8 - 1			3.1.8 Improve opportuniti es offered to SMMES, informal traders, small-scale agriculture and tourism.	Date of development of Informal Trading Complexes	Output	Date	New KPI	31- May-24	N/A	N/A	N/A	31- May- 24			Invoice and completion certificate	Director Economi c Develop ment, Planning and Human Settleme nts
3.1. 8 - 2				Number of community tourism organisations provided with financial support	Output	Numb er	New KPI	3 (per annum)	3 (per quarte r)	3 (per quarte r)	3 (per quarte r)	3 (per quarte r)	20210503 063912 OPEX (Grants and subsidies)	R484 840,00		Director Economi c Develop ment, Planning and Human Settleme nts
3.1. 9 - 1				3.1.9 Promote youth, gender and disability advocacy and the	Output	Numb er	New KPI	5	N/A	5	N/A	N/A	20170619 021923 OPEX (Youth Developm ent)	R1 167 843,00	Copy of approval letter and order number	Municipa l Manager

UMNGENI LOCAL MUNICIPALITY																
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseli ne (based on last year audited 2021/2022)	Annual target for 2023/2024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2024 BUDGET	Portfolio of evidence	Respons ibility
									Proje ction	Proje ction	Proje ction	Proje ction				
3.1.9 - 2			advancem ent of women.	Number of youths assisted with tertiary registration	Output	Numb er	New KPI	25	N/A	N/A	25	N/A	20170619 021923 OPEX (Youth Developm ent)	R1 167 843,00	List of beneficiaries and copy of order number	Municipa l Manager
3.1.9 - 3				Number of youths assisted with skills development	Output	Numb er	New KPI	20	N/A	20	N/A	N/A	20170619 021923 OPEX (Youth Developm ent)	R1 167 843,00	List of beneficiaries and proof of registration/attendance register	Municipa l Manager
3.1.9 - 4				Number of unemployed youths provided with work readiness	Output	Numb er	New KPI	50	12	12	12	14	20170619 021923 OPEX (Youth Developm ent)	R1 167 843,00	List of beneficiaries, attendance register/report	Municipa l Manager
3.1.9 - 5				Number of sector special programmes supported by the municipality	Output	Numb er	New KPI	4	1	1	1	1	20170619 021918 OPEX (Municipal Services - Community Developm ent) & (Gift and promotional items - HIV/AIDS)	R510 823,00	Portfolio committee/EXCO reports	Municipa l Manager

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SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
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									Proje ction	Proje ction	Proje ction	Proje ction				
3.1.10 - 1			3.1.10 Increase capacity and support to Operation Sukuma Sakhe (OSS).	Number of OSS programmes implemented/ Supported	Output	Numb er	1	4	1	1	1	1	20170619 021918 OPEX (Municipal Services - Community Development) & (Gift and promotional items - HIV/AIDS)	R510 823,00	Portfolio committee reports	Municipa l Manager
KEY PERFORMANCE AREA - FINANCIAL VIABILITY AND MANAGEMENT																
4.1.1 - 1	4. Efficient, effective customer-centred revenue collection	4.1 Building a responsive and transparent government	4.1.1 Strengthen accountability mechanisms for usage of municipal assets.	Number of obsolete assets disposal activities conducted	Input	Numb er of activities	New KPI	1	N/A	N/A	N/A	1	20220714 052573 OPEX (Business and Financial Management - Asset Management)	R1 949 675	List of assets disposed and council resolution	Chief Financial Officer
4.1.1 - 2				Date annual verification and assessment of asset register completed	Input	Date	New KPI	30 June 2024	N/A	N/A	N/A	30-Jun-24	20220714 052573 - OPEX (Business and Financial Management - Asset	R1 949 675	Copy of assessment report submitted to Council	Chief Financial Officer

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SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
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									Proje ction	Proje ction	Proje ction	Proje ction				
													Managem ent)			
4.1.1 - 3				Percentage of rental income from municipal flats (leased out) collected	Impact	Perce nt	83%	80%	80%	80%	80%	80%	N/A		Monthly reports	Chief Financial Officer
4.1.1 - 4				Date of establishment of a stores facility for inventory	Input	Date	New KPI	31 May 2024	N/A	N/A	N/A	31-May-24			Invoice and completion certificate	Chief Financial Officer
4.1.12 - 1			4.1.2 Develop customer service and cost reduction plans in the delivery of municipal services.	Number of service delivery progress reports submitted to Council	Input	Numb er	New KPI	4	1	1	1	1	N/A		Copy of report and council resolution	Municipa l Manager

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SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseli ne (based on last year audited 2021/2 022)	Annual target for 2023/2 024	Q 1 Proje ction	Q 2 Proje ction	Q 3 Proje ction	Q 4 Proje ction	2023/2024 BUDGET VOTE	2023/2 024 BUDG ET	Portfolio of evidence	Respons ibility
4.1. 3 - 1			4.1.3 Provide for transparent, efficient and effective system.	Number of evaluations conducted to ensure that all suppliers are compliant in all respect and trade with integrity [CSD compliant] & SARS and are updated on suppliers database	Input	Numb er	New KPI	2	N/A	1	N/A	1	N/A		Updated supplier database signed by SCM and verified by CFO	Chief Financial Officer
4.1. 3 - 2				Percentage of bids (between R200k - R 50 million) awarded within a stipulated time (90 days) from the date of closing to BAC recommendation to MM	Input	Perce ntage	New KPI	100%	100%	100%	100%	100%	N/A		Spreadsheet off all bids showing date of advert and date of award signed by Manager and CFO	Chief Financial Officer



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SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseli ne (based on last year audited 2021/2022)	Annual target for 2023/2024	Q 1 Proje ction	Q 2 Proje ction	Q 3 Proje ction	Q 4 Proje ction	2023/2024 BUDGET VOTE	2023/2024 BUDGET	Portfolio of evidence	Respons ibility
4.1.3 - 3				Percentage of bids ( above R50m) awarded within a stipulated time (120 days) between date of tender closing to recommendation by BAC to MM)	Input	Perce ntage	New KPI	100%	100%	100%	100%	100%	N/A		Spreadsheet off all bids showing date of advert and date of award signed by Manager and CFO	Chief Financial Officer
4.1.3 - 4				Percentage of official orders issued (between R30k - R200k) awarded within a stipulated time (20 days) between advertising and award	Input	Perce ntage	New KPI	100%	100%	100%	100%	100%	N/A		Spreadsheet off all bids showing date of advert and date of award signed by Manager and CFO	Chief Financial Officer
4.1.4 - 1			4.1.4 Completion, implementation and monitoring of a cost	Number of reports on implementation of cost containment measures submitted	Input	Numb er	New KPI	4	1	1	1	1	N/A		Copy of report submitted to Council	Chief Financial Officer

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									Projection	Projection	Projection	Projection				
			containment policy.													
			4.1.5 Develop an efficient debt recovery system with stated monthly measurables.	To be confirmed												
			4.1.6 Better use of technology and asset management.	To be confirmed											Council resolution	Chief Financial Officer
4.1.7 - 1			4.1.7 Provide for strategic budgeting in line with IDP priorities.	Date multi-year budget tabled for Council adoption	Input	Date	May-22	31 May 2024	N/A	N/A	N/A	31-May-24	N/A		Council resolution	Chief Financial Officer

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SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
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									Proje ction	Proje ction	Proje ction	Proje ction				
4.1.8 - 1			4.1.8 Maximize the economic benefit of all expenditures.	Average number of days taken to pay creditors	Input	Date	22 days	30 days	30 days	30 days	30 days	30 days	N/A		Section 52D report	Chief Financial Officer
4.1.9 - 1			4.1.9 Strict implementation of all finance and budget related policies.	Percentage of councillors and senior management who have declared their financial interests	Input	Perce nt	New KPI	100%	100%	N/A	N/A	N/A	N/A		Copy of signed declaration forms	Municipa l Manager
4.1.9 - 2				Percentage of Eskom debt settled	Input	Perce nt	100%	100%	100%	100%	100%	100%	20170619 021610 OPEX (Bulk purchases )	R193 566 204	Copy of invoice and POP	Chief Financial Officer
4.1.9 - 3				Number of finance SOPs developed and implemented	Input	Numb er	New KPI	5	N/A	2	3	N/A	N/A		Council resolution/portf olio approval	Chief Financial Officer

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SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
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									Projection	Projection	Projection	Projection				
4.1.10 - 1			4.1.10 Provision and implementation of smart billing systems and technologies.	Percentage debtors' collection rate achieved	Input	Percent	90%	95%	95%	95%	95%	95%	N/A		Section 52D report	Chief Financial Officer
4.1.11 - 1			4.1.11 Continuous updating and reviewing of indigent register	Percentage Free Basics Services (FBS) budget spent	Input	Percent	94%	80%	30%	59%	70%	100%	20210707996653 OPEX (FBE-Electricity)	R737100,00	Section 52D report	Chief Financial Officer
4.1.11 - 2				Date of compilation and approval of the indigent register	Impact	Date	New KPI	30-Jun-24	N/A	N/A	N/A	30-Jun-24	N/A		Council resolution	Chief Financial Officer
4.1.11 - 3				Date of launching and implementing an indigent management system	Input	Date	New KPI	30-Jun-24	N/A	N/A	N/A	30-Jun-24			Invoice and completion certificate	Chief Financial Officer

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			4.1.12 Continuous updating and monitoring of the valuation roll.	To be confirmed												
			4.1.13 Continuous updating of the billing data	To be confirmed												
KEY PERFORMANCE AREA - GOOD GOVERNANCE AND PUBLIC PARTICIPATION																
5.1.1 - 1	5. Collaboration and professionalism between the political and administrative branches	5.1 Building a responsive and transparent government	5.1.1 Improve confidence in our institution through improved service delivery.	Percentage of calls attended by the control room	Input	Percent	New KPI	90%	90%	90%	90%	90%	N/A		Telephone report/record	Director Community Services & Public Safety
5.1.2 - 1			5.1.2 Improve responsiveness to residents using technology	Establish and maintain an automated complaints management system	Output	Date	New KPI	31-Dec-23	N/A	31-Dec-23	N/A	N/A	20170619021439 OPEX (Information Services)	R3 567 849,00	Invoice and completion certificate	Director Administrative Support Services

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SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
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									Proje ction	Proje ction	Proje ction	Proje ction				
5.1.2 - 2			-based solutions.	Number of active social media platforms	Input	Numb er	New KPI	2	2	2	2	2	N/A		Report submitted to portfolio committee	Municipal Manager
5.1.3 - 1			5.1.3 Implementation of AG, internal audit findings.	Auditor General opinion	Input	Clean audit	Qualified	Clean audit	N/A	Clean audit	N/A	N/A	20220714 052581 OPEX (External Audit fees)	R3 047 661,00	AG Final report	Municipal Manager
			5.1.4 Improve the functioning of intergovernmental relations (IGR).	To be confirmed												
5.1.5 - 1			5.1.5 Develop and review credible IDP.	Percentage score of IDP Review credibility	Input	Perce nt	New KPI	75%	N/A	75%	N/A	TBC	20220714 052604 OPEX (Annual subscriptions social economic data - professional fees)	R179 180,00	MEC Letter	Municipal Manager

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									Proje ction	Proje ction	Proje ction	Proje ction				
5.1.5 - 2				Date of tabling of the IDP to Council	Input	Date	31-May-22	31-May-24	N/A	N/A	31-May-24	N/A	N/A		Council resolution	Municipal Manager
			5.1.6 Strict implementation of code of conduct and rules of order.	To be confirmed												
5.1.7 - 1			5.1.7 Adhere to the rules, regulations and laws of the Republic.	Number of council meetings convened	Input	Number	10	4	1	1	1	1	N/A		Minutes of meetings	Municipal Manager
5.1.7 - 2				Number of EXCO meetings convened	Input	Number	5	4	1	1	1	1	N/A		Minutes of meetings	Municipal Manager
5.1.7 - 3				Number of portfolio committee meetings convened	Input	Number	21	60	15	15	15	15	N/A		Minutes of meetings	Municipal Manager
5.1.7 - 4				Number of MPAC meetings convened	Input	Number	3	4	1	1	1	1	N/A		Minutes of meetings	Municipal Manager



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									Proje ction	Proje ction	Proje ction	Proje ction				
5.1.7 - 5				Number of public meetings convened	Input	Numb er	New KPI	156	39	39	39	39	N/A		Verification report	Municipa l Manager
5.1.7 - 6				Date Annual Report submitted o Council for approval	Input	Date	31- Mar-22	31- Mar-24	N/A	N/A	31- Mar- 24	N/A	N/A		Council resolution	Municipa l Manager
5.1.7 - 7				Percentage of Buildings plans processed within 90 days (0-90m²)	Outcome	Perce nt	85%	80%	80%	80%	80%	80%	N/A		Summary report signed by author and approved by GM	Director Economi c Develop ment, Planning and Human Settleme nts
5.1.7 - 8				Percentage of Buildings plans processed within 90 days (>90 m²)	Outcome	Perce nt	91%	80%	80%	80%	80%	80%	N/A		Summary report signed by author and approved by GM	Director Economi c Develop ment, Planning and Human Settleme nts

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SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																
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									Proje ction	Proje ction	Proje ction	Proje ction				
			5.1.8 Invest in technologies to improve corruption detections.	To be confirmed												
5.1.9 - 1			5.1.9 Continuous reporting to oversight committee.	Number of Oversight Committee Meetings convened	Input	Number	New KPI	1	N/A	N/A	1	N/A	20170619 021468 OPEX (Audit Committee)	R949 244,00	Minutes of meetings	Municipal Manager
5.1.9 - 2				Number of Audit Committee meetings convened	Input	Number	4	4	1	1	1	1	20170619 021468 OPEX (Audit Committee)	R949 244,00	Minutes of meetings	Municipal Manager
5.1.9 - 3				Number of Audit Committee reports submitted to Council	Input	Number	3	4	1	1	1	1	N/A		Council resolution	Municipal Manager
			5.1.10 Promote public responsibility to report corruption.	To be confirmed												

UMNGENI LOCAL MUNICIPALITY																
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									Proje ction	Proje ction	Proje ction	Proje ction				
			5.1.11 Implementation of customer service charter.	To be confirmed												
KEY PERFORMANCE AREA - CROSS CUTTING																
6.1.1 - 1	6. Improved and equitable access to land	6.1 Building safer communities	6.1.1 Ensure responsive disaster management approach.	Date Disaster Management Plan reviewed and adopted by Council	Input	Date	31-May-22	31-May-24	N/A	N/A	N/A	31-May-24	N/A		Council resolution	Director Community Services & Public Services
6.1.2 - 1			6.1.2 Proactive steps to avoid unplanned settlements.	Percentage of SPLUMA applications processed within legal timeframes	Outcome	Percent	100%	80%	80%	80%	80%	80%	N/A		Summary report signed by author and approved by GM	Director Economic Development, Planning and Human Settlements
6.1.3 - 1			6.1.3 Ensure access to land using current legislative prescripts.	Number of housing projects progress reports submitted to Council	Input	Number	6	4	1	1	1	1	N/A		Copy of reports submitted to portfolio committee	Director Economic Development, Planning and Human

UMNGENI LOCAL MUNICIPALITY																		
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024																		
Ref . no.	Goal	Objecti ve	Strategic focus area	Key performance indicator	Indicator type	Unit of Measure	Baseline (based on last year audited 2021/2022)	Annual target for 2023/2024	Q 1	Q 2	Q 3	Q 4	2023/2024 BUDGET VOTE	2023/2024 BUDGET	Portfolio of evidence	Responsibility		
									Proje ction	Proje ction	Proje ction	Proje ction						
					<td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Settleme nts</td>													Settleme nts
6.1.3 - 2					<td>Number of title deeds registered to beneficiaries</td> <td>Out put</td> <td>Numb er</td> <td>New KPI</td> <td>200</td> <td>50</td> <td>50</td> <td>50</td> <td>50</td> <td>N/A</td> <td></td> <td>Copy of title deeds issued</td> <td>Director Economic Development, Planning and Human Settlements</td>	Number of title deeds registered to beneficiaries	Out put	Numb er	New KPI	200	50	50	50	50	N/A		Copy of title deeds issued	Director Economic Development, Planning and Human Settlements

To be finalised within 28 days after adoption of Budget.

## 9. SECTION H: ORGANISATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

### Performance Management Processes

Performance management is defined as a strategic approach to management which equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organization in terms of indicators and targets' efficiency, effectiveness and impact. The operation of PMS enables implementation of IDP through PMS monitoring, implementation and reporting tools. Implementation of IDP over a single financial year is given effect through a Service Delivery Budget Implementation Plan (SDBIP) and performance agreements of Municipal Manager and S56 Managers.

The focus of the SDBIP is both financial and non-financial measurable performance objectives in the form of service delivery targets and other performance indicators. The SDBIP is essentially a management and implementation tool which sets in-year information, such as quarterly service delivery and monthly budget 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. Performance planning commences with the development or review of the Integrated Development Plan, at the beginning of the term of council or as part of annual review of IDP. IDP constitutes an important part of PMS and it is important to integrate work done during review of IDP into PMS and ensure that PMS is an extension of IDP. The 2020/2021 Integrated Development Plan

Review was developed and adopted by Council on 30 June 2020. The SDBIP informed by IDP objectives was signed and approved by the Mayor on 14 July 2020. The key performance areas and indicators of performance contained in the SDBIP were cascaded into departmental SDBIP, and further into individual (S56/57 Managers) SDBIP which ensures appropriate alignment between organizational and individual performance.

### Performance Summary

This report contains highlights from the key performance measures included in the 2021/2022 IDP Review. These priority measures constitute the municipal scorecard for 2021/2022 financial year. The results are assessed using traffic light criteria, according to their performance against improvements targets.

The report presents the year-end performance results for 2021/2022. The high-level performance of the municipality in the year under review captures the overall performance summary in relation to 97 key performance indicators which formed part of the 2021/2022 Service Delivery and Budget Implementation Plan (SDBIP) derived from the municipal IDP objectives.

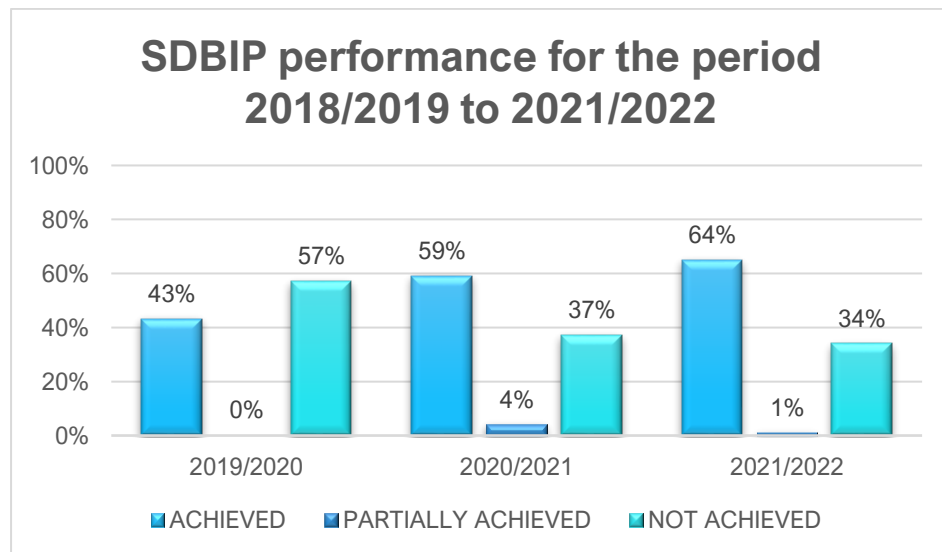
In relation to the 2021/2022 financial year end (30 June 2022) performance results, the final position shows 64% of the targets have been achieved, improved by 5% from the 2020/2021 financial year. Targets that were not achieved were 35% in the year under review with 1% being partially achieved.

The best performing Key Performance Areas (KPAs) in the year under review are as follows:

- Basic Service Delivery – achieved 81% of the set targets.

- Cross Cutting - achieved 86% of the set targets.
- Municipal Transformation and Organisational Development – achieved 64% of the set targets.
- Good Governance and Public Participation – achieved 63% of the set targets.
- Financial Viability and Management – achieved 54% of the set targets.
- Local Economic Development – achieved 50% of the set targets.

A graphical breakdown below of the Municipality's organisational SDBIP performance for the period 2019/2020 to 2021/2022:



## SECTION I: ANNEXURES

### I.1 Status of Sector Plans

No.	Name of Sector Plan	Adoption Date	Development / Review status
I.1.1	Local Economic Development Strategy		Final Draft
I.1.2	Housing Sector Plan	2015	Outdated
I.1.3	Integrated Waste Management Plan (IWMP)	2020	Completed
I.1.4	Strategic Environmental Assessment	2022	Completed
I.1.5	Agricultural Sector Plan	2020	Completed
I.1.6	Community Safety Plan	2019	Completed
I.1.7	Revenue Enhancement Strategy	2022	Completed
I.1.8	Employment Equity Plan	2020	Completed
I.1.9	Mpophomeni Nodal Plan	2020	Completed
I.1.10	Workplace Skills Plan		

I.1.11	SMME and Cooperative Strategy		Completed
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The status of the applicable municipal policies and sector plans are outlined on page 84 and 85 of the IDP Review.



