THE NEWCASTLE
MUNICIPALITY
NEWCASTLE KWAZULU - NATAL

INTEGRATED DEVELOPMENT PLAN

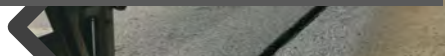
2024/2025 REVIEW

MAY 2024







BY 2035, NEWCASTLE WILL BE A RESILIENT AND ECONOMICALLY VIBRANT CITY

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Executive Summary

According to Chapter 5, Section 25 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), "a municipal council must, within a prescribed period after the start of its elected term, adopt a single, all-inclusive strategic plan for the development of the municipality." Newcastle Municipality's 5th Generation IDP seeks to outline the development agenda for the municipality for the period 2022/2023 to 2026/2027 (5 years). It informs the budget responds to the aspirations and needs of the community of Newcastle. It is a document that sets the level of economic growth for the city through the identification of economic opportunities and areas of potential investment.

Newcastle lies over 1 854km² within the District of Amajuba Municipality and 350km off shore. It is an inland municipality and seats on the boundary line of 3 Provinces specializing in different local productions (Mpumalanga-Mining, Free State - agriculture & KZN - marine economy). It is traversed by good road and rail network which is of national importance. N11 as a mobility corridor is an alternative to N3 and links Johannesburg City Region with Ethekwini Metropolis. More economically inclined to benefit from positive spin-offs destined for the Country's economic engine, JHB due to the proximity.



MUNICIPAL VISION

BY 2035, NEWCASTLE WILL BE A RESILIENT AND ECONOMICALLY VIBRANT CITY.

MISSION STATEMENTS.

NEWCASTLE LOCAL MUNICIPALITY TOGETHER WITH ITS CITIZENRY, COMMITS TO REALIZE ITS VISION THROUGH INNOVATIVE SERVICE EXCELLENCE, ACCELERETATED SERVICE DELIVERY, SUSTAINABLE INFRASTRUCTURE DEVELOPMENT, PROMOTING SOCIO-ECONOMIC DEVELOPMENT AND SPATIAL INTEGRATION.

CORE VALUES

• Honesty and Integrity; • Consultation; • Service Standards;	• Courtesy; • Access; • Information; • Giving Best Value;	• Effective Complaints Management; • Openness and Transparency.

PRIORITY DEVELOPMENT ISSUES

- Sound Financial Management/Viability (incl. Debt collection and management);
- Improved access to basic service delivery (i.e. water, sanitation, electricity, housing, waste removal);
- Local Economic Development (eradication of poverty and unemployment);
- Improved quality of roads and storm-water infrastructure (including sidewalks);
- Environmental sustainability (environmental conservation/ management);
- Accelerated Municipal Transformation and Corporate Development;
- Improved access to public facilities (including educational facilities – provincial mandate);
- Improved community safety;
- Improved access to basic health services (NB: provincial mandate); and
- Improved access to land (including Land Reform) and housing

To this end, the Municipality has put in place a Development Programme for the attainment of the Municipal Vision "Vision 2035 Development Programme":

PROJECT NAME	LOCATION	PROJECT VALUE	CURRENT SPENT	IMPACT
INDUSTRIAL DEVELOPMENT				
Industrial Development and expansion of the Riverside Industrial Park	Midway between Newcastle Eastern and Western Region	R 2.5 billion (Estimated No. of Jobs – 3000)		Aggressive Industrialisation Programme
Newcastle Aerotropolis/ Airport City	Midway between Newcastle Eastern and Western Region : *Partially commenced*	R37 million	R37 mil	Convenience in moving goods and people
Creation of the New Town Development (JBC Block)	Midway between Madadeni and Osizweni townships	R20.4 billion	R205 mil	Economic opportunities in close proximity to the communities
MIXED USE DEVELOPMENT: *Partially Commenced*				
Medical City	Adjacent to the existing Medi-Clinic precinct	R250 mil	R15 mil	Diversification of medical services
Equarand Precinct	Vicinity of the Newcastle Regional Mall		R7 mil	Enhancement of economy through mixed use development
Viljoen Park Housing Project	Opposite the Arbor Park area along the proposed new N11 Route	R350 mil		Diversification of housing opportunities
GOVERNMENT PRECINCT DEVELOPMENT				
Twin Towers *(Private Developer)*	CBD: Tower Block: *Design Stage*	R200 mil	R200 000	Provision of a one-stop-shop for government services

PROJECT NAME	LOCATION	PROJECT VALUE	CURRENT SPENT	IMPACT
METRO CONVENTION CENTRE DEVELOPMENT				
Metropolitan Convention Centre (MCC)	Farmers Hall Precinct			Attraction of national scale events
INFRASTRUCTURE DEVELOPMENT				
Bulk Infrastructure water and Sanitation	Eastern, Western, Northern Region	R1.5 billion	R115 mil	Improved access to water and sewer services
Western extension of Albert Wessel's Drive	Between N11 intersection at the UTI building and the proposed Link Road in the Lennixton area		R5 mil	Improved access and ease of traffic movement
Extension of Link Road to the P483, East	The dead Road Behind the Casino		R7 mil	Ease of traffic movement
Installation of Services for Housing Projects	Ward 1, 15, 16, 18, 21, 25, & 34		R90 000 000	Improved access to basic services
EDUCATIONAL DEVELOPMENT				
Multi Campus University& Accommodation	Urgent need for a feasibility study	R1.3billion conservative		Enhancement of educational services and opportunities
Amajuba TVET College Student Residence	Newcastle western region: Amajuba Area		R6 mil	Improved management of student accommodation
TRANSPORT AND LOGISTICS				
N11 Realignment by SANRAL	Intersection of P483 and N11 (2023)		R2 mil	Ease of traffic movement
Truck Stop	Charlestown			Provision of supporting facilities to truck drivers
N11 a good alternative to N3 (Inland logistics hub)	Newcastle: Desktop feasibility	70 mil		More goods to be transported via Newcastle
AGRICULTURAL PRODUCTION				
Agricultural Programmes	Eastern and Rural Region		500k	Food security
SPORT, ARTS & CULTURE				
Arts, Sports, Culture and Recreation	Eastern and Northern Region			Youth development
Upgrade the Weir Wall/ Construction of the New dam	Lennoxton			Improved management of the Ncandu River
Monte Vista Regional Sport Precinct	Old Casino: To commence in 2022/23	R197 million	R6 mil	Attraction of national sporting events
ENTERTAINMENT AND LEISURE PRECINCT				
Newcastle Central Park: Precinct 1: The Park	Ncandu River meander, intersection of Memel and Volskrust Roads.	R12 million (Approved by Enviro Affairs) 2023		Enhancement of Tourism
Precinct 2: The River				Improved management of the Ncandu River
Ntshingwayo Dam	On the boarder line between Newcastle and Dannhauser			Enhancement of Tourism
The Weir Dam	Boundary of the Lennoxton area			Enhancement of Tourism

Particular focus will be paid to the following key areas of strategic intervention:-

❖ ***Local Economic Development***

The Municipality has a responsibility to create a climate conducive for the flourishment of both public and private sector investments. As such, the Municipality is committed to working with other government agencies and departments to deliver state of the art economic infrastructure that will facilitate development of effective services to the business sector.

- Consequently, in order for the Newcastle Municipality to prevail in attaining Vision 2035 and become an economically vibrant city, the focus on the following activities:
- Industrialisation of the City of Newcastle;
- Resuscitation and expansion of the mining sector;
- Agricultural Programmes for SMME's;
- Enhancement of the Tourism Sector and Marketing of the City.

Ultimately, economic development initiatives need to actively address the socio-economic issues identified in order to create a conducive environment for business to operate. In efforts to curb unemployment and contribute to poverty alleviation, the Municipality has undertaken the implementation of the Public Works EPWP Programme, developed hawker shelters both in the West and East of the City to manage and promote informal trade. In further facilitating growth of the economy, the municipality is looking at measuring the performance of the economy on a quarterly basis, conducting a skills audit as part of Municipal Employment Initiatives in order to ascertain the skill-set of the Newcastle Citizenry. Additionally, the Municipality is looking into institutionalising Youth Development to manage and address issues that relate to the youth and also have structures in place to address economic issues when it relates to people living with disabilities.

❖ ***Strategic and Basic Infrastructure Development***

Newcastle Municipality is the sphere of government that is closest to the communities. This bestows a huge responsibility to deliver services where the municipality is directly responsible in coordinating the delivery of services. The Basic Services Key Performance Area outlines the municipality's performance in the overall delivery of basic and infrastructural services and products. As far as this KPA is concerned, the strategic objectives are the following:

- To provide an efficient and effective water, sanitation and electrical, road and stormwater service to all areas in Newcastle;
- To ensure on-going compliance of all services in accordance with respective legislation;
- To research and apply Revenue Enhancement measures, minimize risks and maximize accountability, i.e. reducing water and electricity loses;
- To develop a Comprehensive Infrastructure Master Plan;
- Construction of a new raw water source in order to improve access to potable water;
- Upgrade Wastewater Collection and Treatment Facilities;
- Roads and Stormwater Master Plan;

- Improved roll-out of capital program towards basic road infrastructure particularly within the Newcastle-East area.
- Improve access to public facilities through refurbishment of the related infrastructure.
- ICT Infrastructure (broadband) and introduction of new technology in order to improve access i.e. outdoor gym equipment, ICT systems within libraries etc.
- Improved roll-out of the housing program in order to meet the housing demand.
- Servicing of sites for people to build their own homes;

❖ ***Municipal Transformation and Organisational Development***

The attainment of development goals as outlined above requires the municipality to establish effective systems and procedures for both municipal administration and local governance. This includes attracting and retaining well trained, experienced and committed employees, and having the required systems in place that enables world class administrative capabilities. This will enable the municipality to create a comprehensive administrative that will support the Vision 2035 Development Programme.

The Municipality has measures in place to manage skills/talent when it relates to the personnel within the employ of the institution; these include, but not limited to the Saff Retention Policy and the Recruitment and Selection Policy. The policies in place are crucial to serve as a tool towards the attainment of the Vision 2035 by ensuring that the municipality selects and retails the accurate skill-set. The Municipality is operating with a vacancy rate of 46.4%. The Municipality is in the process of putting in place a system to measure individual performance of municipal staff (Individual Performance Management System). Additionally, the Municipality is due for a job evaluation process in order to review functions that relate to each and every position.

❖ ***Financial Viability and Management***

Funds are a critical input in the process towards the attainment of the Municipal Vision. Due to such, it is critically important to ensure that the municipality is able to generate sufficient funds to be able to deliver services and facilitate development. Also important is the ability to account for the use and disbursements of public funds.

Newcastle Municipality is currently operating with an unfunded budget, which was assessed and confirmed by the Provincial Treasury Office to in July 2021. To change this, the Municipality has set the following strategies in place:

- Improve the collection rate for rates and services (78%-83%);
- Full access to conditional grants;
- Disposal of unused land and other assets;
- Delay recruitment of non-critical positions;
- No new loans until key loans are paid up (2030);
- Limit expenditure on non-core items (cost containment measures);
- Reduce internally funded capital expenditure;
- Improve payment of major creditors (bulk and statutory);
- Ensure all VAT refunds are claimed;

- Cash-backing of reserves, provisions, and grants.

The outstanding debtors can be broken down as follows, per financial year, per category: -



The Municipality has developed an incentive scheme in efforts to address the outstanding debt and instil a payment culture by focusing on the current account whilst the debt is written off provided there are no defaults on the account moving forward.

❖ *Good Governance and Public Participation*

The Municipality is committed to putting in place systems and procedures for accountable local governance. This includes oversight responsibilities, auditing function, risk management, etc. Members of the public will be kept informed and engaged in all Municipal affairs. Additionally, in order to cap corruption, the Municipality aims to promote whistle blowers and ensure their protection. The Municipality has put measures in place to eradicate Unauthorised, Irregular, Fruitless and Wasteful Expenditure

Newcastle Municipality has a fully functional Internal Audit Unit that conducts audits in accordance with the "Code of Ethics" and Standards for the Professional Practice of Internal Auditing" from The Institute of Internal Auditors, as well as other corporate governance regulations. Newcastle Municipality has implemented a Risk Management System in compliance with Section 62(1)(c)(i) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003). Newcastle Municipality recognizes risk management as a critical part of the municipality's strategic management, which is a process whereby the municipality, both systematically and intuitively, mitigates the risk attached to its 'Strategic Objectives' with the ultimate goal of achieving sustained benefit within each programme and across the portfolio of activities. Risk Management is therefore recognized as an integral part of sound organizational management and is being promoted throughout the municipality as good management practice for ensuring good governance. The Municipality aims to create an inhouse wealth of knowledge in order to limit dependency on consultants.

Public participation is an important tool for determining the exact development needs prevailing in the communities, and these are established during various forms of public meetings. Newcastle Local Municipality is currently utilizing the following mechanisms for public participation in order to develop and/or review the IDP:-

- IDP Representative Forum (IDP RF)
- Izinduna Forum

- Media
- Radio Slots
- The Newcastle Website
- Ward Committees
- IDP/Budget Road Shows
- Constituency Meetings
- Social Media Platforms
- Traditional Healers

❖ ***Cross Cutting Issues***

Particular focus will be paid on the development and implementation of systems and procedures for effective land use and environmental management.

The Municipality has a Spatial Development Framework (SDF) which seeks to achieve spatial equity either by way of distribution of land in a fair manner and redress approach, or in the formation of sustainable human settlements. The Newcastle Municipality developed a capital investment framework as part of this SDF, which identify where funds will be allocated through the spatial priorities and corresponding implementation strategies identified within the Western Service Delivery Region (WSDR), Eastern Service Delivery Region (ESDR) and Rural Service Delivery Region (RSDR). The Capital Investment Framework for this SDF assists the Newcastle Municipality to address spatial distortions and inequalities of past policies in the form of densification, compaction and nodal development.

Furthermore, the Municipality has in place a Disaster Management Plan covering all 34 wards of the Municipality which have varied levels of vulnerability to disasters. The area of Newcastle is also prone to wide range of natural and man-made risks and hazards that, in some instances, may result in disasters. These mainly include floods and fires which occur during any part of the year usually resulting in serious damages, costs, loss of life and/or property, infrastructure, and economic livelihoods. The Newcastle Municipality Disaster Management Plan aims to achieve the following objectives:

- Prevention and reduction of disaster risks;
- Mitigation of impacts; preparedness for effective response to disasters;
- Minimize loss and property damage; and quick recovery from the impacts.

The Plan articulates actions to prevent and mitigate disasters and how risk reduction measures are dealt with in the long-term and managing emergencies in the shorter term, including aspects of preparedness, response and recovery.

CHAPTER 1:

INTRODUCTION.

1. INTRODUCTION.

1.1. Purpose of the IDP.

The Integrated Development Plan is assembled in an integrated approach that involves a variety of stakeholders in order to ensure the implementation of proposals and strategies. It is meant to be a tool towards the attainment of the municipality's vision 2035, and also a foundation for incremental development of the city and all areas falling within the municipality's jurisdiction. During the past few decades, the planning community realised that in order to control the destiny of the built environment, given the dynamics of a changing political, economic and technological environment, more structured and formalised planning is required. Due to this, municipalities within South Africa adopted **Integrated Development Planning** as a tool essential for effective planning and development.

The Forum for Effective Planning and Development (1998) defined Integrated Development Planning as follows:-

"A **participatory approach** to integrate economic, sectoral, spatial, social, institutional, environmental and fiscal strategies in order to support the optimal allocation of scarce resources between sectors and geographical areas and across the population in a manner that provides sustainable growth, equity and the empowerment of the poor and the marginalised."

The value of integrated development planning for municipalities is embedded in the formulation of focused plans that are based on community development needs. This approach is meant to assist in curbing wasteful expenditure and perpetual spending patterns. The adoption of a business orientated approach is not intended at running the municipality like a profit-bound organisation, but rather to ensure that scarce resources are allocated and spent effectively.

According to Chapter 5, Section 25 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), "municipal council must, within a prescribed period after the start of its elected term, adopt a single, all inclusive and strategic plan for the development of the municipality." Newcastle Municipality's 5th Generation IDP seeks to outline a development agenda for the municipality for the period 2022/2023 to 2026/2027 (5 years). It informs the budget and also tries by all means to respond to the aspirations and needs of the community of Newcastle. It is a document that sets the level of economic growth for the city through the identification of economic opportunities and areas of potential investment.

1.2. Background to the Newcastle Local Municipality.



Figure 1: The location of Newcastle within South Africa.

According to the most recent statistics (Census 2022) conducted by Statistics SA, Newcastle Local Municipality (KZN252) remains the highest contributor in terms of population growth within Amajuba District Municipality. As of 2022, the population of Newcastle is recorded at 507 710 people, thus marking a 39.8% increase over an 11-year period, which translates to 144 474 people. This means that on average, Newcastle has experienced a 1.9% annual growth rate, which translates to 6 901 people per year. Newcastle has also experienced a significant increase in the total youth proportion of the population. In terms of the wider KwaZulu-Natal Province, Newcastle ranks 2nd as the local municipality with the highest number of people when compared to other local municipalities, with the highest being the Msunduzi Local Municipality. The population of Newcastle is spread unevenly over 34 wards as per the outcomes of the ward delineation process by the Demarcation Board.

Furthermore, there has been a 38.6% increase (32 492) in the number of households within Newcastle from 84 271 in 2011 to 116 763 in 2022, with the average household size remaining constant at 4.3 people per dwelling unit. In relation to other local municipalities within the KwaZulu-Natal Province, in the year 2011, Newcastle Local Municipality was ranked 3rd after the Msunduzi and uMhlathuze Local Municipalities respectively with regards to the highest number of households. However, recent statistical figures reveal that Newcastle Local Municipality has moved up to the 2nd place following the Msunduzi Municipality and uMhlathuze Municipality has assumed 3rd place.

- Newcastle in History.

Traditionally, the town of Newcastle started off as Post-Halt Number 2 on the journey between Durban (then Port Natal) and the Zuid-Afrikaansche Republiek (Transvaal) and Johannesburg. It was strategically positioned in the year 1854, by the Surveyor General of the Natal Colony, Dr. P. C. Sutherland. The city was later known as the Waterfall River Township because of the Ncandu River and, in 1864, the town of Newcastle was founded on the site becoming the forth settlement to be established in natal after Durban, Weenen and Pietermaritzburg. Newcastle was named after the British Colonial Secretary, the Duke of

Newcastle and, in 1873 Newcastle became a separate electoral division. In the year 1876, Fort Amiel was built as a barrier against the Zulus.

In 1897, a sandstone construction of the town hall started and it was completed two years later in 1899. The town hall was constructed in commemoration of Queen Victoria's diamond, the '60th Jubilee.' The town was also used as a depot by the British during the First and Second Boer War. It also functioned as a major transport junction and a popular stopover for wagons and post chaises during the late 19th century. Newcastle also served as an arena when the British preparation work for the Pretoria Convention of 1881 was done. In 1890, the first train arrived in Newcastle and in the year 1891, Newcastle was declared a district with its own administrative unit. The discovery of coal reserves brought a new era of prosperity and the planning of several ambitious building projects.

Newcastle Local Municipality is one of the three local municipalities that make up Amajuba District Municipality, with the others being Dannhauser and eMadlangeni Local Municipalities. It is located on the North-Western part of the KwaZulu-Natal Province and borders onto Free State and Mpumalanga Provinces to the West and North respectively. The local municipalities of eMadlangeni and Dannahauser are located along the Eastern and Southern boundaries of Newcastle. Spatially Newcastle covers an area of approximately 1 854km² in extent. A high majority of the people (80%) within Newcastle reside within the Newcastle East area, which is predominantly township and semi-rural areas characterised by a general lack of adequate infrastructure.

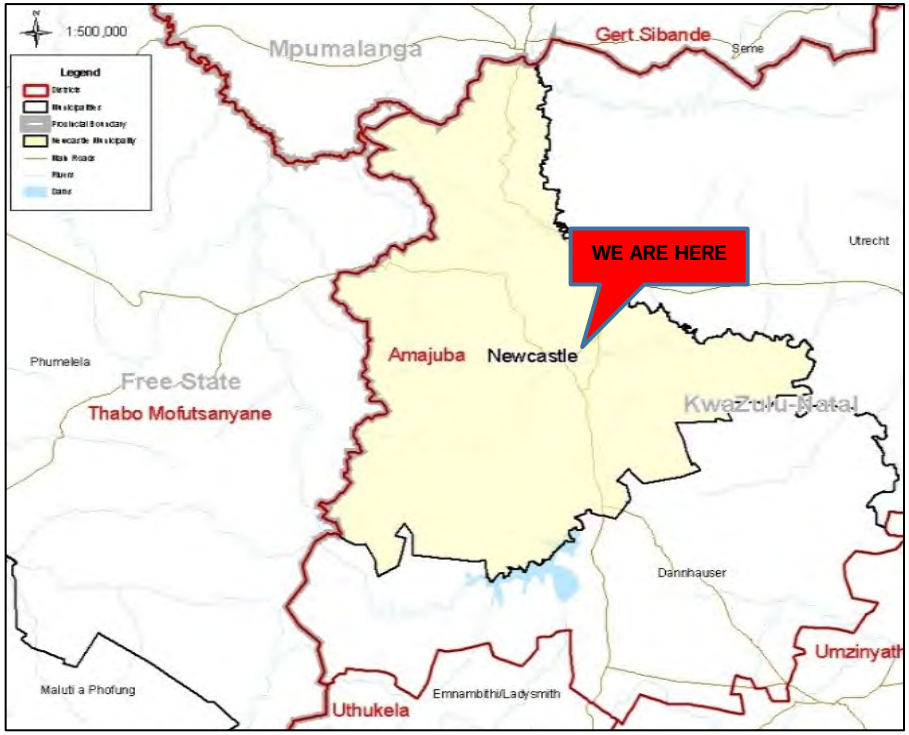


Figure 2: The location of Newcastle within the Amajuba District.

- Municipal Boundaries.

The boundaries of Newcastle Local Municipality were delineated in terms of the Municipal Demarcation Act, 1998 (Act No. 27 of 1998), and takes in account population movement trends, regional economic patterns and the current land use pattern. Currently Newcastle has 34 wards and out of these wards, wards 1, 6, 7, and 30 fall under the custodianship of the Local Tribal Authorities (Inkosi u-Khathide and Inkosi u-Hadebe) held in trust on behalf of the Ingonyama Trust Board, in terms of the KwaZulu-Natal Ingonyama Trust Act, 1994 (Act No. 3KZ of 1994). As

mentioned above, the population is spread unevenly amongst 34 wards with the majority of the population residing in the Newcastle-East area. The boundaries are not just administrative, but are also intended towards the promotion of social cohesion and economic development that's mindful to environmental sustainability, whilst at the same time strengthening the existing regionally significant economic and functional linkages.

Newcastle Local Municipality is well placed to benefit from regional economic growth given its strategic location at the nexus of major tourism, logistics, farming and industrial routes. It is located halfway between Johannesburg and the harbours of Durban and Richards Bay, hence contributing to the export of manufactured goods and supply to the Gauteng market. Newcastle is also endowed with good access infrastructure to the areas mentioned above, and such includes quality road and railway networks. The town is situated on the national rail route between the Durban Container Terminal and City Deep in the Gauteng Province, and has within its confines, a major rail exchange terminal, supporting railway stations and extensive goods break-bulk and/or warehousing facilities.

- Performance of the Economy.

The town's local authority has jurisdiction over the surrounding maize, livestock and dairy farms including the industrial areas such as Karbochem, Mittal Steel South Africa (previously ISPAT/ISCOR), and the textile service industry. In addition, the city is also well endowed with coal reserves hence opportunities for coal mining within the area. The Blackrock Casino and Entertainment Hotel provides much entertainment to Newcastle and the surrounding areas. The Newcastle Mall which was constructed by Zen Prop as a R500 million investment, is found adjacent to the Black Rock Casino and Entertainment Hotel, and it serves as a one-stop shopping destination for the wider region of Northern KwaZulu-Natal.

During the period 2001 to 2011 there was a decline in the level of unemployment within Newcastle by 23%, from 60% (87 619 people) in the year 2001 to 37 686 (37%) in 2011. In terms of unemployment by gender, the highest concentration was recorded as being amongst the female population. With regards to formal employment by sector within Newcastle, the following entails a brief overview of the sectors employing the majority of the population in Newcastle as of the year 2012:-

- Trade/retail – 8 888 people;
- Government services – 18 324 people;
- Manufacturing – 6 419 people; and
- Finance – 5 375 people.

- Socio-economic Profile.

As of 2013 the GDP of Newcastle was recorded as occupying 80% of the total GDP (0.7%) generated by Amajuba District as a contribution to the overall KwaZulu-Natal Province's GDP. In terms of the Human Development Index, Newcastle is recorded as sitting at 0.57 which is deemed by the United Nations Development Programme as being medium human development index. The Gini Coefficient on the other hand assumes a municipality working towards addressing inequalities. In the year 2002 inequality was estimated at 0.65 and in 2012 it

was estimated to be 0.62 hence marking a move towards perfect equality. Regarding the levels of poverty, Newcastle has also experienced a decrease from 56% in 2002, 51% in 2006, and subsequently 44% in 2012. In terms of the most recent stats from Global Insight (2018), a very high majority of the households in Newcastle (70%) earn a combined income of less than R40,000 per annum, which translates to an average of R3 300 per month. This is significantly below the national average of household income, which is R103 204 per year, or R8,600 per month. This has implications on the Indigent Support provided by the municipality to the community of Newcastle. In 2011 the total number of households earning less that R40,000 was 68%, which is 58 427 households out of 86 024 households, and it has since increased in 2018 to 70%, which is 61 436 households out of a total number of 90 347 households.

1.3. Objectives of the Integrated Development Plan.

The Newcastle Municipality's Integrated Development Plan adopts a long term planning horizon, but also presents a short-to-medium term strategic agenda, and a detailed five year programme commencing in the 2016/2017 financial year and ending in 2021/2022 financial year. This period coincides with the term of office of the incumbent Council and aligns with the budget cycle. The IDP is prepared in accordance with the requirements of the Municipal Systems Act, 2000 (Act No. 32 of 2000) and the associated regulations. Below is an abstract of the aforementioned act.

Section 25 (1) of the Municipal Systems Act, 2000 (Act No. 32 of 2000):-

Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, all inclusive and strategic plan for the development of the municipality which-

a) Links integrates and coordinates plans and takes into account proposals for the development of the municipality;

b) Aligns the resources and capacity of the municipality with the implementation of the plan;

c) Complies with the provisions of this Chapter; and

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

The IDP is intended to serve as a strategic guide for public sector investment and development. It is based on the issues articulated by all stakeholders and is informed by the national and provincial development imperatives. The objectives of Newcastle Municipality's IDP are as follows:-

- To guide decision making in respect of service delivery and public sector investment;
- To inform budgets and service delivery programs of various government departments and service agencies;
- To coordinate the activities of various service delivery agencies within Newcastle Municipality's area of jurisdiction;
- To engage communities and other key interested and affected parties in municipal affairs, particularly the continuous integrated development planning process; and

- To position the municipality to make a meaningful contribution towards meeting the district and provincial development targets and priorities.

1.4. Framework of the Integrated Development Plan.

Newcastle Local Municipality's IDP is presented in four main sections which is in line with Section 26 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) which prescribes the key components of an IDP, and an emphasis on development outcomes. The objectives of the IDP are as follows:-

- To give an outline of the key development needs and trends based on an analysis of the current level of development (**Situational Analysis**).
- A strategic framework which outlines Council's long term vision with specific emphasis on the municipality's most critical strategic objectives, strategies and actions plans (**Development Strategies**).
- A capital program which entails a one year program, a three year program aligned to the Medium-Term Expenditure Framework and the Five Year Plan (**Capital Investment Projects**).
- An implementation framework which includes sector plans, more specifically the financial plan, the spatial development framework, the organizational performance management system, and an organizational transformation and institutional development plan (**Integration**).

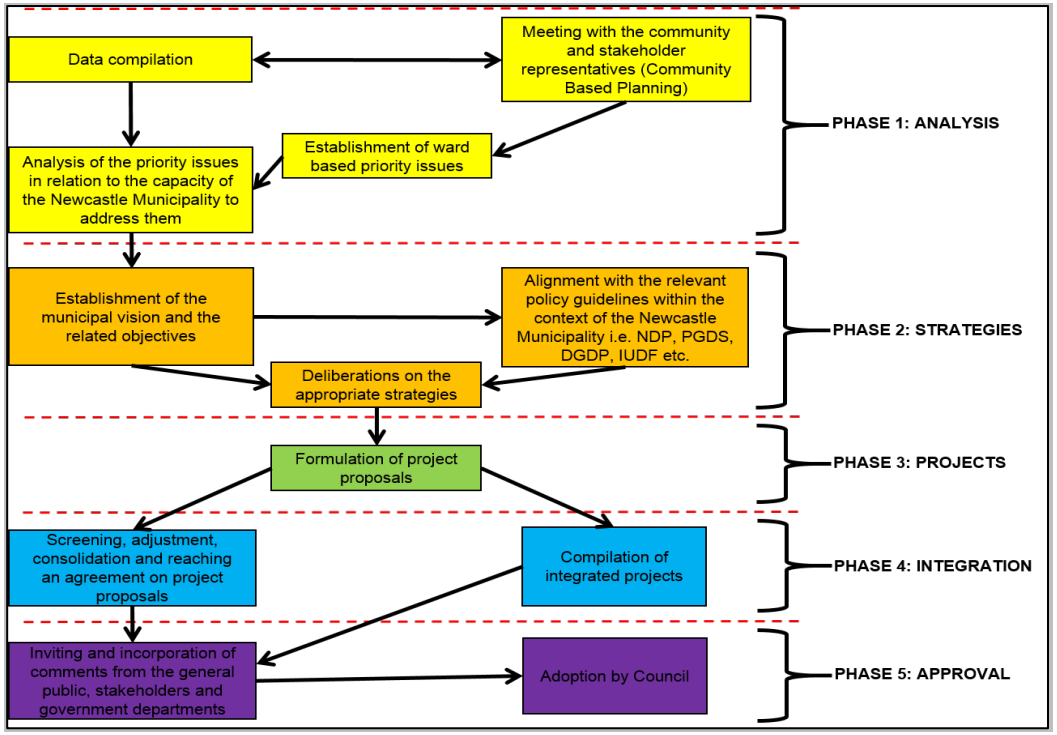


Figure 3: Diagrammatic overview of the NLM IDP Process.

The IDP informs the Medium-Term Expenditure Framework (MTEF), and guides the annual budget process. Furthermore, Chapter 4, Section 21(1) of the Municipal Finance Management Act, 2003 (MFMA No. 56 of 2003) requires a municipality to align and sustain a close functional link between its IDP and the budget.

1.5. Approach to the IDP.

The approach adopted in developing and/or review of the IDP for the 2020/21 financial year strongly conforms to the guidelines prepared by the Department of Co-Operative Governance and

Traditional Affairs (COGTA) as set out in the Revised KZN IDP Framework Guide dated 2020. The guidelines advocate for a process that is integrated, sustainable, issue-driven, people-centred, practical and action oriented. Furthermore, the IDP is also guided by the comments received as per the assessment of the document by KZN-COGTA. The comments are closely linked to the detailed assessment criteria on the assessment of municipal Integrated Development Plans.

1.5.1.Public Participation.

The IDP preparation process involved extensive stakeholder engagements as required in terms of the Municipal Systems Act, 2000 (Act No. 32 of 2000). An IDP Steering Committee structure was developed and various meetings were convened with the participation of strategic personnel who are municipal technocrats in order to discuss pertinent issues particularly related to the strategic direction to be taken for the 5th Generation IDP. Furthermore, an IDP Representative Forum was established with the intension being to have continuous participation from interest groups who represent the views of the public in relation to municipal planning. Most importantly, the IDP preparation process was initiated through a series of Community Based Planning (CBP) meetings which were held at ward level as a means to ensure grassroot level planning. The main purpose of the CBP exercise was to direct municipal planning efforts and resources thereof towards the achievement of sustainable livelihoods at ward level, in line with the 17 Sustainable Development Goals. The participants to the CBP activity were as follows:-

- Councillor;
- Ward Committees;
- NGOs;
- NPOs;
- Organized youth;
- Religious groups;
- Arts and cultural groups;
- Sport and recreation groups;
- Crime prevention groups;
- Traditional healers;
- Traditional authorities;
- Municipal officials; and
- Government sector departments.

Through the CBP, we were able to establish the community priority needs which then set the foundation for municipal resource allocation. The comments raised by the members of the public during the various constituency meetings also provided valuable input that also fed into the process. Moving forward, the review of the IDP will also follow somewhat of a similar procedure inclusive of the annual review of the CBPs. The following entails a schedule of the key activities that will be undertaken towards reviewing the IDP:-

- Strategic review of the NLM IDP (2023/24) in line with the comments from the MEC: COGTA;
- Strategic review of outdated sector plans;
- Improved alignment between the IDP/Budget and PMS;
- Strategic review of the NLM SDF (2023/24) in line with the comments from the MEC: COGTA; and
- Review of the Financial Plan

1.5.2.Integrated Development Planning Activities and Timeframes (2024/25).

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
				Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
JULY. 2023	▪ Preparation of the Draft IDP/Budget and PMS Process Plan (2024/25). ▪ Engagement with the Budget Office, PMS, and the Town Planning Directorate (SDF) for alignment purposes. ▪ Tabling of the Draft IDP Process Plan (2024/25) to MANCO for comments. ▪ EXCO approval of Draft IDP Process Plan (2024/25). ▪ Submission of Draft Process Plan (2024/25) to COGTA by the 29th of July 2023. ▪ ADM-District Development Model monthly meeting.	• Compilation of the process plan in line with the approved SDBIP for 2024/25 financial year. • Desktop Analysis. • Engagement with the District Municipality on the ADM DDM Plan of its first generation	• Submission of performance reports for previous quarter/month by the 1st working day of every month by Departments. • Review of Performance report by the PMS unit from the 2nd working day. • Compilation of the Draft Annual Performance Report • PMS Support meeting with departments from the 15th to the 25th of every month • Scheduling of meeting with SED's and PMS on the 25th working day of every month. • Signing of new performance contracts for Section 54 and 56/57 Managers (Section 69 of the MFMA and Section 57 of the MSA). • Roll out of the approved Top Layer SDBIP. • Submission of the Draft Annual performance report for the 2022/2023financial year to Internal Audit by the 25th working day from the	• Mayor begins planning for next three-year budget in accordance with co-ordination role of budget process. MFMA s 53.	• Accounting officers and senior officials of municipality and entities begin planning for next three-year budget MFMA s 68, 77 • Accounting officers and senior officials of municipality and entities review options and contracts for service delivery. MSA s 76-81	▪ Approve and announce new budget schedule and set up committees and forums. ▪ Consultation on performance and changing needs.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
				Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
			• Submission and presentation to the Governance Support Portfolio Committee of the Monthly SDBIP			
AUGUST. 2023	▪ Posting of the Draft Process Plan (2024/25) on the municipal website in line with the relevant legislative requirements. ▪ Advertising of the Draft Process Plan (2024/25) for public comments in line with the legislative requirements (MSA No. 32 of 2000). ▪ Initiation of the Draft IDP (2024/25) preparation process. ▪ Tabling of comments to relevant line department for feedback and provision of information. ▪ Internal assessment to identify gaps in the IDP. ▪ IDP Steering Committee meeting to discuss the requirements of COGTA's Final IDP assessment letter (2023/24) and to provide further inputs to the Final IDP Process Plan (2024/25).	▪ Desktop analysis in view of 5 year plan of the SDF as per the requirements of SPLUMA. ▪ Updating Environmental Information. ▪ Updating the Urban framework, precinct and layout planning section of the SDF in line with new developments. ▪ Consolidation of a 5 Year Implementation Plan as a tool within which the SDF progress has been measured and monitored.	▪ PMS Circulation of reporting templates to departments on the 1st working day of the month ▪ Submission of performance reports for previous month by the last working day of the month by departments. ▪ Audit Committee meeting MFMA Sect 166 & MPPR Reg. 14(3)(a) (Annual Performance Report and Draft Annual Report 2021/2022) ▪ Address all concerns/ findings/gaps on the Draft Annual Performance Report as raised by Internal Audit and Audit Committee ▪ Review of all additional performance information that is submitted by departments to address the Internal Audit findings and Gaps identified by PMS.	▪ Mayor tables in Council a time schedule outlining key deadlines for: preparing, tabling and approving the budget; reviewing the IDP (as per s 34 of MSA) and budget related policies and consultation processes at least 10 months before the start of the budget year. MFMA s 21,22, 23; MSA s 34, Ch. 4 as amended ▪ Mayor establishes committees and consultation forums for the budget process	▪ Accounting Officer to submit AFS to Auditor-General [Due by 31 August, MFMA Sec 126(1)(a)] ▪ IDP Review Process.	▪ Consultation on performance and changing needs. ▪ Review performance and financial position. ▪ Review external mechanisms. ▪ Start Planning for next three years.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
				Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
	▪ Final IDP Process Plan (2024/25) tabled at EXCO and Council for approval. ▪ Continuous: Obtaining of statistical information from the relevant statistics institutions. ▪ ADM-District Development Model monthly meeting.		▪ Submission of Annual Performance Report to Auditor-General by the 31st of August 2022. ▪ Submission and presentation to the Governance Support Portfolio Committee of the Monthly SDBIP ▪ PMS Support meeting with departments from the 15th to the 25th of every month ▪ Scheduling of meeting with SED's and PMS on the 25th working day of every month ▪ Integration of roll-over projects on the Top-Layer SDBIP aligned to cash-flows and PIP's			
SEPT. 2023	▪ Posting of the Final Process Plan (2024/25) onto the municipal website in line with the relevant legislative requirements. ▪ Advertisement of the Final IDP Process Plan (2024/25) in order to meet AG audit requirements. ▪ Submission of Final Process Plan (2024/25) to COGTA. ▪ Continuous: Integration of inputs from line	▪ Respond to MEC Letter on SDF comments. ▪ Alignment of all Local Area Development Planning (LADP) to the IDP Process Plan. ▪ Finalise sector plan alignment. ▪ Finalise desktop analysis.	▪ Submission of performance reports for previous month by 1st working day of the month ▪ PMS Support meeting with departments from the 15th to the 25th of every month ▪ Scheduling of meeting with SED's and PMS on the 25th working day of every month ▪ Monthly progress report on performance to the Governance and Support	▪ Council through the IDP review process determines strategic objectives for service delivery and development for next three-year budgets including review of provincial and national government sector and strategic plans	▪ Budget offices of municipality and entities determine revenue projections and proposed rate and service charges and drafts initial allocations to functions and departments for the next financial year after taking into account strategic objectives ▪ Engages with Provincial and National sector departments on sector specific programmes for	▪ Update policies, priorities and objectives. ▪ Determine revenue projections and policies.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
				Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
	departments into the Draft IDP (2024/25) in line with the tabled comments from COGTA. ▪ Continuous: Obtaining of statistical information from the relevant statistics institutions. ▪ ADM-District Development Model monthly meeting.		Services Portfolio Committee. ▪ Circulate Quarter 1 reporting templates to departments on the 1st working day of the new month.		alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads, etc.)	
OCT. 2023	▪ Convening of the IDP Strategic Planning Workshop. ▪ Continuous: Integration of inputs from line departments into the Draft IDP (2024/25) in line with the tabled comments from COGTA. ▪ Continuous: Obtaining of statistical information from the relevant statistics institutions. ▪ ADM-District Development Model monthly meeting.	▪ Review of Boundaries of nodes, activity streets and corridors. ▪ Presentation to the District Planning Forum. ▪ District and cross-border alignment on – on-going till December 2023.	▪ Submission of performance reports for previous quarter/month by 1st working day of the month ▪ PMS review of Quarter 1 Performance Reports from the 2nd working day till the 13th working day of the month. ▪ Sect 57 Managers' quarterly assessments (for first quarter of 2023/2024). ▪ Quarterly progress report on performance to EXCO. ▪ Submission of the Quarter 1 PMS to Internal Audit by the 25th Working day of the month.	▪ Meeting with Mayor, EXCO and MANCO to discuss the strategic direction and objectives for the 2020/21 fiscal strategies and to discuss the budget preparation process of the budget framework to provide parameters and request budget inputs for 2021/2022.	▪ Accounting officer does initial review of national policies and budget plans and potential price increases of bulk resources with function and department officials MFMA s 35, 36, 42; MTBPS	▪ Determine revenue projections and policies. ▪ Engagement with sector departments, share and evaluate plans, national policies, MTBPS. ▪ Draft initial allocations to functions. ▪ Draft initial changes to IDP.
NOV. 2023	▪ First Izinduna Forum Meeting.	▪ First IDP RF Presentation ▪ Incorporation of the Scheme, capturing of	▪ Submission of performance reports for previous quarter/month		▪ Accounting officer reviews and drafts initial changes to IDP	▪ Draft initial changes to IDP.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
				Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
	▪ First IDP RF Meeting to present the Final Process Plan (2024/25), the comments received from COGTA on the Final IDP (2023/24). ▪ Continuous: Integration of inputs from line departments into the Draft IDP (2024/25) in line with the tabled comments from COGTA. ▪ Continuous: Obtaining of statistical information from the relevant statistics institutions. ▪ Obtaining of budget inputs from government sector departments and incorporation thereof into the Draft IDP (2024/25). ▪ ADM-District Development Model monthly meeting.	Scheme information as required by SPLUMA.	by 1st working day of the month. ▪ PMS review of the performance reports from the 2nd working day to the 13th working day of every month. ▪ PMS Support meeting with departments from the 15th to the 25th of every month ▪ Scheduling of meeting with SED's and PMS on the 25th working day of every month ▪ Develop the revised 2023/2024 PMS Templates for based on the review of IDP Strategies and the 2023/2024 Budget. ▪ Audit Committee Meeting to consider Q1 Performance Report. ▪ Evaluation Panel Meeting (for evaluation of Section 57 Managers final assessments MPPR Reg.		MSA s 34 ▪ Auditor-General to return audit report [Due by 30 November, MFMA 126(4)]	▪ Consolidation of budgets and plans. ▪ Executive determines strategic choices for next three years.
DEC. 2023	▪ Continuous: Integration of inputs from line departments into the Draft IDP (2024/25) in line with the tabled comments from COGTA.	▪ Finalization of the district and cross border alignment process. ▪ Finalize environmental assessment and alignment process.	▪ Circulation of PMS templates to departments on the 1st working day of the month. ▪ Submission of performance reports for	▪ Submission of budget guidelines to Departments(First week) ▪ Departmental visit to departments (second week December)	▪ Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous year's	▪ Executive determines strategic choices for next three years. ▪ Finalise tariff policies.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
				Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
	▪ Continuous: Obtaining of statistical information from the relevant statistics institutions. ▪ Continuous: Incorporation of budget inputs from government departments into the Draft IDP (2024/25). ▪ ADM-District Development Model monthly meeting.		previous quarter/month by the 1st working day of the month. ▪ PMS Review of PMS reports from the 2nd working day of the month to the 13th working day of the month. PMS Support meeting with departments from the 15th to the 25th of every month ▪ Scheduling of meeting with SED's and PMS on the 25th working day of every month ▪ Compile the 2022/2023 (MFMA Sect 121) for tabling Council in January. ▪ Circulate the Quarter 2/Mid-Year Performance Assessment for the 2023/2024 financial year reporting templates to departments.		performance as per audited financial statements	
JAN. 2024	▪ Continuous: Integration of inputs from line departments into the Draft IDP (2024/25) in line with the tabled comments from COGTA. ▪ Continuous: Obtaining of statistical information from the relevant statistics institutions.	▪ Commence with the sector department alignment process – on-going till March 2024.	▪ Circulation of PMS templates to departments on the 1st working day of the month. ▪ Submission of performance reports for previous quarter/month by the 5th working day of the month.	▪ Entity board of directors must approve and submit proposed budget and plans for next three-year budgets to parent municipality at least 150 days before the start of the budget year. ▪ MFMA s 87(1) Review the proposed National and Provincial	▪ Accounting officer reviews proposed national and provincial allocations to municipality for incorporation into the draft budget for tabling. (Proposed national and provincial allocations for three years must be available by 20 January)	▪ Prepare detailed budgets and plans for the next three years.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
				Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
	▪ Continuous Incorporation of budget inputs from government departments into the Draft IDP (2024/25). ▪ ADM-District Development Model monthly meeting.		▪ PMS Review of PMS reports from the 2nd working day of the month to the 13th working day of the month. ▪ PMS Support meeting with departments from the 15th to the 25th of every month ▪ Scheduling of meeting with SED's and PMS on the 25th working day of every month ▪ Tabling of the Section72/Mid-year performance report to Exco and council. By the 25th of January 2024. ▪ Mayor tables the 2022/2023 Draft Annual report. (MFMA Sect 127(2) to full Council by 31 Jan 2024.	allocations for incorporation into the draft budget.	MFMA s 36	
FEB. 2024	▪ Continuous: Integration of inputs from line departments into the Draft IDP (2024/25) in line with the tabled comments from COGTA. ▪ Continuous: Obtaining of statistical information from the relevant statistics institutions. ▪ Continuous: Incorporation of budget inputs from government	▪ Alignment of the Draft Budget and Capital Investment Framework with the SDF. ▪ Review of the Capital Investment Framework and Implementation Plan. ▪ Finalizing SDF mapping with all updated information	▪ Circulate PMS Monthly templates, Revision motivation templates, Top-Layer SDBIP and capital templates to departments on the 1st working day of the month. ▪ Circulation of PMS templates to departments on the 1st working day of the month.	▪ Council considers municipal entity proposed budget and service delivery plan and accepts or makes recommendations to the entity MFMA s 87(2). ▪ Budget Strategic Planning Workshop.	▪ Accounting officer finalises and submits to Mayor proposed budgets and plans for next three-year budgets taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report	▪ Prepare detailed budgets and plans for the next three years. ▪ Executive adopts budget and plans and changes to IDP.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
				Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
	departments into the Draft IDP (2024/25). ▪ Conducting of the Budget planning workshop. ▪ ADM-District Development Model monthly meeting.		▪ Submission of performance reports for previous quarter/month by 1st working day of the month. ▪ PMS Review of PMS reports from the 2nd working day of the month to the 13th working day of the month. ▪ PMS Support meeting with departments from the 15th to the 25th of every month ▪ Scheduling of meeting with SED's and PMS on the 25th working day of every month ▪ Make public the 2022/2203 Annual Report and invite community inputs into report (MFMA Sect 127 & MSA Sect 21a). ▪ Submit annual report to AG, Provincial & CoGTA (MFMA Sect 127). ▪ Develop the Draft PMS 2023/2024 aligned to the 2023/2024 Budget and IDP through internal consultation with departments. ▪ Submission of the Revised PMS 2022/2023 to EXCO and Council for		▪ Accounting officer to notify relevant municipalities of projected allocations for next three budget years 120 days prior to start of budget year MFMA s 37(2)	

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
				Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
			approval before the 28th of February 2024			
MARCH. 2024	▪ Second Izinduna Forum. ▪ Second IDP RF Meeting to present on the outcomes of the strategic planning workshop, and to give directive to the Draft IDP (2024/25). ▪ EXCO/Council approval of the Draft IDP (2024/25). ▪ ADM-District Development Model monthly meeting.	▪ Finalization of Local Area Development Planning. ▪ 2nd IDP RF Presentation ▪ Submission of Draft SDF Review 2024/2025.	▪ Circulation of PMS templates to departments on the last working day of the month. ▪ Submission of performance reports for previous quarter/month by 1st working day of the month. ▪ PMS Review of PMS reports from the 2nd working day of the month to the 13th working day of the month. ▪ PMS Support meeting with departments from the 15th to the 25th of every month ▪ Scheduling of meeting with SED's and PMS on the 25th working day of every month ▪ Council to consider and adopt an oversight report [Due by 31 March 2023 MFMA Sec 129(1)]. ▪ Set performance objectives for revenue for each budget vote (MFMA Sect 17). ▪ Quarterly progress report on performance to EXCO.	▪ Entity board of directors considers recommendations of parent municipality and submit revised budget by 22nd of month MFMA s 87(2) ▪ Mayor tables municipality budget, budgets of entities, resolutions, plans, and proposed revisions to IDP at least 90 days before start of budget year MFMA s 16, 22, 23, 87; MSA s 34	▪ Accounting officer publishes tabled budget, plans, and proposed revisions to IDP, invites local community comment and submits to NT, PT and others as prescribed MFMA s 22 & 37; MSA Ch 4 as amended ▪ Accounting officer reviews any changes in prices for bulk resources as communicated by 15 March MFMA s 42	▪ Mayor tables budget, resolutions, plans and changes to IDP at least 90 days before the start of the financial year.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
				Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
			▪ Finalise Draft Top-Layer SDBIP 2024/2025 to be included in IDP and Budget			
APRIL. 2024	▪ Submission of Draft IDP (2024/25) to COGTA. ▪ Posting of the Draft IDP (2024/25) on the municipal website in line with the legislative requirements. ▪ Advertising of the Draft IDP (2024/25) for public comments (21 days). ▪ Integration of additional inputs into the Final IDP (2024/25) including information on the Spatial Development Framework, Budget, PMS, and the comments received from COGTA on the assessment of the Draft IDP (2024/25). ▪ Public participation process launched through a series of IDP/Budget Roadshows. ▪ Incorporation of comments received from interested and affected stakeholders (inclusive of the members of the public) into the Final IDP (2024/25).	▪ Finalization of the sector department alignment process. ▪ Finalize Capital Investment Framework.	▪ Circulate Q3 performance reporting template to departments. ▪ Submission of performance reports for previous quarter/month by the 1st working day of the month. ▪ PMS Review of PMS reports from the 2nd working day of the month to the 13th working day of the month. ▪ PMS Support meeting with departments from the 15th to the 25th of every month ▪ Scheduling of meeting with SED's and PMS on the 25th working day of every month ▪ Submission of the Quarter 3 Performance assessment report to Internal Audit by the 15th of April 2024. ▪ Submit the Quarter 3 performance assessment to Mayor/EXCO by ▪ Public Consultation on Draft PMS as art of	▪ Consultation with national and provincial treasuries and finalise sector plans for water, sanitation, electricity etc. ▪ MFMA s 21 ▪ Public hearings on the budget, and council debate. ▪ MFMA s 23, 24; MSA Ch. 4 as amended. ▪ Entity board of directors to approve the budget of the entity not later than 30 days before the start of the financial year, taking into account any hearings or recommendation of the council of the parent municipality. ▪ MFMA s 87.	▪ Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year ▪ Accounting officer assists the Mayor in preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year taking into account consultative processes and any other new information of a material nature.	▪ Consultation with National and Provincial Treasuries and finalise sector plans, water and sanitation, electricity, etc. ▪ Public hearings on the Budget, Council Debate on Budget and Plans. ▪ Public hearings on the Budget, Council Debate on Budget and Plans. ▪ Council adopts budget, resolutions, capital implementation plans, objectives and changes in IDP.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
				Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
	▪ ADM-District Development Model monthly meeting.		IDP/Budget 2024/2025 roadshows. ▪ Publicise Oversight Report MFMA Sect 129(3)]. ▪ Submit Annual Report to Provincial Legislature/MEC Local Government MFMA Sec 132(2)]. ▪ Public Consultation process on Draft PMS together with IDP and Budget.			
MAY. 2024	▪ Izinduna Forum. ▪ Third IDP RF meeting to consider the amendments to the Final IDP document. ▪ Public Hearing on the Draft budget (2024/25). ▪ Finalization of the IDP (2024/25). ▪ EXCO/Council adoption/approval of the Final IDP (2024/25). ▪ ADM-District Development Model monthly meeting.	▪ IDP RF meeting to deliberate on changes to the SDF. ▪ EXCO recommends adoption of the SDF with IDP to Council. ▪ Adoption of the SDF by Council.	▪ Circulate performance reporting template to departments by the 1st of the month. ▪ Submission of performance reports for previous quarter/month by the 1st working day of the month. ▪ PMS Review of PMS reports from the 2nd working day of the month to the 13th working day of the month. ▪ PMS Support meeting with departments from the 15th to the 25th of every month ▪ Scheduling of meeting with SED's and PMS on the 25th working day of every month	▪ Council consider views of the local community, NT, PT, other provincial and national organs of state and municipalities. Mayor to be provided with an opportunity to respond to submissions during consultation and table amendments for council consideration. ▪ Council must approve annual budget by resolution, setting taxes and tariffs, approving changes to IDP and budget related policies, approving measurable performance objectives for revenue by source and expenditure by vote 30 days before start of budget year	▪ Accounting officer submits to the mayor no later than 14 days after approval of the budget a draft of the SDBIP and annual performance agreements required by s 57(1)(b) of the MSA. MFMA s 69; MSA s 57 ▪ Accounting officers of municipality and entities publishes adopted budget and plans MFMA s 75, 87	▪ Publish budget and plans. ▪ Finalise performance contracts and delegation.

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
				Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
			▪ Community input into the Top-Layer SDBIP ▪ Departments to revise PMS based on community. ▪ Approval of the Top-Layer SDBIP and PMS Framework 2024/2025 with IDP and Budget. ▪ Approval of SDBIP within 28 days of approval of budget. ▪ Approval of the 2024/2025 PMS with the 2024/2025 IDP and Budget.	MFMA s 16, 24, 26, 53 Mayor must approve SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with sect 57(2) of the MSA. Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local government and makes public within 14 days after approval. ▪ MFMA s 53; MSA s 38-45, 57(2) ▪ Council must finalise a system of delegations. ▪ MFMA s 59, 79, 82; MSA s 59-65		
JUNE. 2024	▪ Posting of the Final IDP (2024/25) on the municipal website in line with the relevant legislative requirements		▪ Circulate templates for Q4/Annual Performance Report and Draft Annual Report 2023/2024 ▪ Submission of performance reports for	▪ Approved budget is uploaded on the test system for review, then after satisfaction that is per council approval, will then		

MONTH	ACTIVITIES					
	IDP	SDF	PMS	BUDGET		
				Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
	▪ Public notice on the Final IDP (2024/25). ▪ Submission of Final IDP (2024/25) to COGTA in line with relevant legislative requirements. ▪ ADM-District Development Model monthly meeting.		previous quarter/month by 1st working day of the month. ▪ PMS Review of PMS reports from the 2nd working day of the month to the 13th working day of the month. ▪ PMS Support meeting with departments from the 15th to the 25th of every month ▪ Scheduling of meeting with SED's and PMS on the 25th working day of every month ▪ Publish the Approved PMS 2024/2025 website and local paper. ▪ Submit the Approved 2024/2025 PMS to NT and PT.	uploaded on production system for 1 July 2021.		

1.5.3.Process Plan for the Community Consultation on the IDP/Budget (Roadshows 2024).

The tabling of the budget for the 2024/25 financial was done during the month of April 2024 by the Honourable Mayor of Newcastle Local Municipality Cllr. D.X. Dube. The tabling of the budget was undertaken as per the below schedule and was also posted on media platforms such as Facebook in order to ensure that more people get to view and comment.

Meeting No.	Stakeholder	Venue	Date	Time
1	Ward Committees, IDP Rep Forum, IGR Technical Task Team, Traditional Healers, Youth Structures, Women & Men's Forum, Interfaith, Minister's Association, NGO's & FBO's	Town Hall	22 April 2024 Thursday	09h00
2	Amakhosi/ Traditional Leadership and IziNduna	Mayor's Parlour		14h00
3	**Zone 2 (Madadeni)** Ward 14, 19, 20, 22, 23, 24, 26, 27, 28, 29, 31	NATU Centre	23 April 2024 Tuesday	11h00
4	**Zone 3 (Osizweni)** Ward 8, 9, 10, 11, 13, 17, 30, 32, 33	Osizweni Stadium	24 April 2024 Wednesday	09h00
5	**Zone 4 (Blaauwbosch)** Ward 6, 7, 12, 15, 16, 18, 17	St Lewis School	25 April 2024 Thursday	09h00
6	**Zone 1 (Town)** Ward 1, 2, 3, 4, 5, 21, 25, 34	Show Hall	30 April 2024 Tuesday	09h00
7	Business Sector, Organised Business & Farmers Association	Council Chambers		17h00

1.6. IDP/Budget/PMS Process Plan for the 2024/25 MTREF.

1.6.1. Process for the development of the Integrated Development Plan (2024/25).

EVENTS	DATES	RESPONSIBILITY
FIRST QUARTER (2023/24)		
EXCO/Council to approve Draft Process Plan (2024/25).	26 July 2023	Municipal Manager/Manager IDP
Joint meeting for IDP, Budget and PMS for process alignment purposes.	July 2023	Manager IDP
Submission of the Draft Process Plan (2024/25) to COGTA	31 July 2023	Manager IDP
Posting of Draft Process Plan on the Official Municipal Website	31 July 2023	Manager IDP
21 Days advertising period for public consultation on the Draft Process Plan (2024/25).	21 August 2023	Manager IDP
Final Process Plan to EXCO/Council for approval.	31 August 2023	Manager IDP
Posting of Final IDP Process Plan on the Municipal website.	04 September 2023	Manager IDP
Public notice on the Final IDP Process Plan (2024/25).	04 September 2023	Manager IDP
Submission of Final IDP Process Plan to COGTA.	September 2023	Manager IDP
IDP Indaba	22 September 2023	COGTA/Director IDP
SECOND QUARTER (2023/24)		
Strategic Planning Workshop on the IDP/Budget (2024/25).	October 2023	Manager IDP
ADM Draft IDP/Budget (2022/23) Consultative Process.	13 October 2022	ADM Manager IDP
1st IDP Steering Committee Meeting	09 November 2023	IDP Manager
COGTA Cross-border Alignment Meeting	10 November 2023	COGTA/Manager IDP
COGTA IDP Best Practice	24 November 2023	COGTA/Manager IDP
ADM First IDP Representative Forum	18 November 2022	ADM Manager IDP/Director IDP
NLM Izinduna Forum	15 November 2023	Mayor/ Manager IDP
NLM First IDP Representative Forum: - ▪ Presentation of the Final IDP/Budget Process Plan (2024/25). ▪ The provision of feedback on the *status quo* and strategic framework components of the IDP. ▪ Deliberation on the comments received on the Final IDP Review (2023/24). ▪ Outcomes of the Constituency Meetings/Community Based Planning sessions.	16 November 2023	Municipal Manager/Manager IDP
THIRD QUARTER (2023/24)		

EVENTS	DATES	RESPONSIBILITY
Amendment of IDP in line with the Mid-Year Review 2023/24 • Exco Approval of the Amended IDP 2023/24 • Council Approval of the Amended IDP 2023/24 • Public Notice for the amended IDP 2023/24 • Posting of the Amended IDP on the municipal website	January 2024-February 2024	Municipal Manager/ Manager IDP
COGTA Cross-border Alignment Meeting	03 February 2024	COGTA/Manager IDP
IDP Progress Report to 2nd IDP-SC.	13 February 2024	Manager IDP
Budget Strategic Planning Workshop on the IDP/Budget (2024/25).	February 2024	Manager IDP
ADM Second IDP Representative Forum	08 February 2024	ADM Manger IDP/Manager IDP
NLM Izinduna Forum	13 March 2024	Mayor/ Manager IDP
Second IDP Representative Forum ▪ Presentation on the Draft IDP Review (2024/25) outlining the improvements made in response to the MEC: COGTA comments on the Final IDP Review (2023/24). ▪ Presentation on the Draft Budget (2024/25).	14 March 2024	Manager IDP
EXCO approval of Draft IDP Review (2024/25).	March 2024	Manager IDP
Council approval of Draft IDP Review (2024/25)	29 March 2024	Manager IDP
FOURTH QUARTER (2023/24)		
ADM Draft IDP/Budget Consultative Process continued.	14 April 2023	ADM Manager IDP
Posting of Draft IDP document on Official Municipal Website	3 April 2024	Manager IDP
Submission of Draft IDP to COGTA.	8 April 2024	Manager IDP
21 Days Advertising period for public comments.	9 April-29 April 2024	Manager IDP
IDP/ Budget Roadshows.	April / May 2024	Mayor/Manager IDP/BTO Office
ADM Third IDP Representative Forum	26 May 2023	ADM Manager IDP/Manager IDP
IDP-SC to deliberate on the Final IDP document.	13 May 2024	Manager IDP
NLM Izinduna Forum	15 May 2024	Manager IDP
Final IDP Representative Forum for adoption. ▪ Feedback on comments received during the 21-day advertising period for public comments on the Draft IDP/Budget. ▪ Recommendations by the IDP RF for adoption of the IDP by Council.	16 May 2024	Manager IDP

EVENTS	DATES	RESPONSIBILITY
EXCO to recommend Final IDP Review (2024/25) approval by Council.	21 May 2024	Manager IDP
Public Hearing on the IDP and Budget (Mayoral) Roadshows.	May 2024	Mayor/Manager IDP/SED: BTO
Council meeting to adopt the Final IDP document for the 2023/24 financial year.	31 May 2024	Manager IDP
Public notice on the approval/adoption of the Final IDP Review (2024/25).	June 2024	Manager IDP
Posting of Final IDP Review (2024/25) document on Official Municipal Website	5 June 2024	Manager IDP
Submission of Final IDP Document to COGTA.	10 June 2024	Manager IDP

1.6.2. Participation of Government Sector Departments.

In general, sector integrated planning is very weak within the South African Local Government sphere as municipalities are not getting recognition as development overseers within their respective areas of jurisdiction. Currently there is no effective legislation that makes it compulsory for all sector departments to align their budgets with municipal budgets and allocate resources using the prioritization list available from municipalities through consultations with communities.

However, Newcastle Local Municipality has investigated an alternative mechanism which has brought sector departments to be fully involved in the IDP process. The mechanism adopted was to establish a Decentralised Intergovernmental Relations Forum which will create a platform that improves coordination within the different spheres of government, specifically with respect to the development of Newcastle. This platform will entail, among other things, dialogue on proposed and ongoing projects, challenges relating to planning, establishment of common priorities based on the needs of the community, redefining of roles and responsibilities etc. The reference point on the establishment of the abovementioned platform is based on the identified silo mentality within different sectors of government, hence leading to non-performance. Sector departments have also fully participated on the IDP Representative Forums held by the municipality. As a result, the municipality has enjoyed working with the following departments and their participation has made significant improvements towards service delivery:-

- Department of Transport;
- Department of Co-Operative Governance and Traditional Affairs (COGTA);
- Department of Social Development;
- ESKOM;
- Department of Public Works;
- Department of Health;
- Department of Economic Development and Tourism and Environmental Affairs;
- Department of Arts and Culture (Library and Museum sections); and
- Department of Human Settlements.

1.6.3. Alignment with the District Family of Municipalities.

Various meetings were also held with the district family of municipalities to align the IDPs and these include the District Area Planning and Development Forum, the District IDP Representative Forum, and meetings on the development of the ADM District Development Model in naming just a few. The following is an indication of some of the key alignment issues addressed to date:-

- The IDPs of the Amajuba family are focusing on the outcome based IDP approach thereby aligning with the Key Performance Areas developed by national government.

- Both the SONA and SOPA have been incorporated into the IDPs.
- Outcome 9 has been incorporated into the IDPs thereby giving emphasis to Good Governance and Sustainable Human Settlements (Outcome 8).
- The KZN-PGDP has been incorporated as part of improving the alignment between the province and local government.
- The ADM-DGDP has been incorporated as a means to improve alignment between the district and local government.
- The ADM-DDM has been incorporated as a means to improve alignment between the district and local government.
- The NEVE-SCDP has also been incorporated as a means to improve cross-border alignment between the district, the local municipalities in ADM, and also the local municipalities in the Mpumalanga Province.
- The IDPs have given emphasis to the Sukuma Sakhe Program and its associated impact on communities – the fight against poverty through job creation.
- The IDP has also taken cognisance of the 17 Sustainable Development Goals as signed in the Millennium Declaration by 189 World Leaders.
- Furthermore, the issues raised at COP 17 on climate change have also been incorporated. These include the implementation of solar energies and smart and conventional meters on new housing developments.
- The new settlement patterns will consider flood-lines and the introduction of disaster management centres.

1.7. Key Development Challenges.

Although NLM has made significant progress in addressing service backlogs and promoting development within its area of jurisdiction, there are still a number of key development challenges that face the municipal area and its people. These are discussed briefly and categorised according to the national key performance areas below.

1.7.2. Service Delivery and Infrastructure.

DEVELOPMENT CHALLENGES	RECOMMENDATIONS
There are huge backlogs in the delivery of basic services (electricity, water, sanitation) within the Newcastle-East area (Johnstown, Blauuwbosch and Cavan), Madadeni and Osizweni townships as well as the surrounding rural settlements located within the *vicinity of the Ubuhlebomzinyathi area.	- Improved roll-out of projects towards basic service delivery particularly within the Madadeni, Osizweni and the JBC area including the surrounding rural settlements. - To develop a Comprehensive Infrastructure Master Plan. - Construction of a new raw water source in order to improve access to potable water. - Upgrade Wastewater Collection and Treatment Facilities.
Challenges with the maintenance and development of basic road and storm-water infrastructure particularly within the Newcastle-East area.	- Roads and Stormwater Master Plan. - Improved roll-out of capital program towards basic road infrastructure particular within the Newcastle-East area.

DEVELOPMENT CHALLENGES	RECOMMENDATIONS
Poor condition of public facilities and a general lack of the required tools and equipment for effective delivery of the related services. i.e. schools, clinics, community halls, early childhood education centres, the library etc.	- Improve access to public facilities through refurbishment of the related infrastructure. - Introduction of new technology in order to improve access .i.e. outdoor gym equipment, ICT systems within libraries etc.
A huge housing backlog due to a large number of people in Newcastle residing in informal settlements, backyard shacks and poorly developed traditional housing structures.	- Improved roll-out of the housing program in order to meet the housing demand. - Introduction of Community Residential Units (CRUs). - Provision of affordable housing opportunities for middle income to address the gap in the market. - Servicing of sites for people to build their own homes.

1.7.3. Municipal Transformation and Organisational Development.

Over the last few years, Newcastle Municipality has gone through a process of fundamental transformation as an organisation with the intention of developing sufficient organisational capacity for an effective performance with respect to municipal functions. As such, a new organogram was developed and is currently being implemented. The majority of critical positions, particularly those of Strategic Executive Directors (SEDs) and Directors directly accountable to SEDs is in the process of being filled. Management committees have been restructured and new systems and procedures introduced in order to provide oversight. The new challenges facing the organisation are none other than those of a learning and growing organisation and include issues such as gender equity, cascading the organisational culture down the hierarchy, horizontal integration of development programmes, etc.

1.7.4. Local Economic Development.

DEVELOPMENT CHALLENGES	RECOMMENDATION
Over the last few decades, the economy of Newcastle Municipality experienced variable trends marked, in all, by shifts from one sector to the other and a general decline in both output and performance thereof.	- Implementation of the Business Retention and Expansion Strategy in order to improve performance and output thereof. - Review of the NLM LED Strategy. - Development of bulk services and economic zones.
There has been a general decline in coal mining activity with Newcastle and the same applies for agricultural activity. This has led to the shedding of jobs hence increasing the levels of unemployment within Newcastle.	- Promotion of coal mining activity through the NLMs Revenue Enhancement Strategy. - Conservation of agriculturally valuable land. - Provision of support to SMME development particularly towards agrarian reform.
General decline in the manufacturing sector due to structural changes coupled with the poor performance of global financial markets.	- Implementation of the Business Retention and Expansion Strategy in order to improve performance and output thereof. - Strategic support and assistance to industry.
Unemployment, poverty and inequality fuelled by the concentration of	- Improved roll-out of the LED program.

DEVELOPMENT CHALLENGES	RECOMMENDATION
employment opportunities in and around the Newcastle CBD.	- Promotion of urban agriculture in the denser urban settlements. - Assistance and support to SMMEs particularly within the MBO area.
Vacancy of the Madadeni Industrial Centre due to its inability to attract investments.	- Implementation of the Business Retention and Expansion Strategy in order to improve performance and output thereof. - Strategic support and assistance to industry. - Skills training and development. - Development of relationships between industry and SETAs and other tertiary training institutions.
Concentration of private investments within the nodes of Newcastle-West (primary CBD node) and Newcastle-South (regional node), with minor investments to the nodes within the Newcastle-East area (Madadeni, Blaauwbosch, Osizweni). This has implications on the community's transportation economics through increased costs in order to access the related services within these few nodes.	- Fast-track JBC Urban Hub Precinct Plan to attract public investment, funding and private, community investment to unlock social and economic potential of the area - Revitalization of township economy - Continued rejuvenation and/or transformation of the Madadeni and Osizweni CBDs through urban renewal programs.

1.7.5. Financial Viability and Management.

DEVELOPMENT CHALLENGES	RECOMMENDATION
Inadequate revenue collection systems within the municipality.	- Introduction of new technology towards improving revenue collection .i.e. water smart meters, prepaid electricity. - Strategic support and assistance to industry.
Low recovery of amounts owed for rendering of municipal services from consumer debtors.	- Outstanding accounts with no queries to be forwarded to the respective consumers for making the necessary payment arrangements. - Indigent verification. - Capacitation of staff and field workers.
Lack of procedures to enforce recovery of debts or follow-up on outstanding amounts.	- Appointment of field workers. - Investigate the possible use of a service provider for meter reading as compared to performing the function in-house.
Lack of advice to Council on revenue enhancement mechanisms.	- Updated financial plan. - Capacity building towards revenue enhancement and the related mechanisms.

1.7.6. Good Governance and Public Participation.

The Newcastle Municipality is a developmental local government structure that is committed to working with its citizens and organised interest groups to find sustainable ways to meet their social, economic and material needs in order to improve the quality of their lives. This assertion complements the right of communities to participate in the decisions that affect development in their respective areas, and a

corresponding duty on the municipality to encourage community participation in matters of local governance. The Municipality achieves this goal mainly through Ward Committee structures and a variety of other measures designed to foster open, transparent and consultative municipal governance.

To a certain degree, the functionality and effectiveness of the ward committees remains a challenge. Some of these are not unique to Newcastle Municipality as they relate to the design of the ward committee system as well as the procedures for their operation, report back mechanism from the municipality, including the payment of out-of-pocket expenses. As such, they are systemic in nature and should be addressed as part of government programmes to deepen democracy. Synergistic relations should also be strengthened with the business community, farmers associations, organised labour and other stakeholders.

1.7.7. Cross-cutting issues.

DEVELOPMENT CHALLENGES	RECOMMENDATION
The town serves as an administrative and economic hub for the North-Western part of KwaZulu-Natal, including the whole of Amajuba District and some of the surrounding areas in the Ubuhlebomzinyathi District and the Mpumalanga Province. However the key question raised relates to whether or not NLM is developed with sufficient infrastructure including adequate capacity to play its role as a sub-regional economic hub.	- Infrastructure Master Plan. - Absorption and retaining of highly skilled personnel within NLM.
There's been a rapid increase in the rate of urbanization in Newcastle resulting in the development of settlements along P483, in particular, linear settlements such as KwaMathukuza and JBC towards the Khathide area. Rapid urbanization brings with it many problems and places huge demands on the need for land, municipal services, housing, transportation and employment.	- Spatial integration through densification, gentrification and compaction. - Establishment of service delivery centres. - Development of sustainable human settlements.
NLM can broadly be defined as a region exhibiting a legacy of poor apartheid planning through an inefficient spatial pattern. This includes the low-density urban sprawl which is fuelled in the Newcastle-West area by anti-city values of suburbia that promotes large plots as an image of good urban living, a cellular development pattern that occurs in relatively discrete pockets based on the introverted concept of neighbourhood unit or super block, and the separation of land uses, urban elements, races and income groups. The dominant land use pattern resembles a series of relatively homogenous blobs of different uses tied together by high speed transport routes.	- Spatial integration through densification, gentrification and compaction. - Development of community residential units (CRUs) in order to achieve higher densities within the urban areas.
Poor quality of the environment manifested in the form of deteriorating water quality, poor air quality, poor waste disposal and collection thereof, and a general lack of open spaces within NLM.	- Development of a climate change strategy. - Environmental awareness campaigns. - Development of positively performing open spaces. - Air quality management. - Water conservation awareness campaigns. - Planting of trees.

DEVELOPMENT CHALLENGES	RECOMMENDATION
High levels of poverty attributed to general low levels of income and skilled labour.	- Improved roll-out of the LED program. - Promotion of urban agriculture in the denser urban settlements. - Assistance and support to SMMEs particularly within the MBO area. - Skills training and development.
Disparities regarding residential densities within the municipality. Higher densities are found closer to established nodes as well as informal settlements. Subsequently the lower densities are found on the peri-urban areas located within the urban edge and other rural nodes beyond the urban edge. This has resulted in a disintegrated spatial pattern characterized by uniform, irregular, random and concentrated residential densities at specific areas.	- Spatial integration through densification, gentrification and compaction.
Lack of sufficient GIS data pertaining to the environment.	- Improved alignment with environmental management custodians such as KZN Wildlife as well as the World Wildlife Fund in order to align and streamline priorities towards improved environmental management and also data sharing. - Implementation of the environmental management framework.
The NLM waste disposal site is nearing the end its carrying capacity hence its lifespan.	- Establishment of a new landfill site.

1.8. Community Based Planning.

As a grass root approach advocating for sustainable livelihoods, the Community Based Planning sessions were conducted across all 34 wards within Newcastle Municipality's jurisdiction. The process was focused on robust group engagements amongst the Ward Committees, NPO's, NGO's, Government Departments and other sector representatives from the wards in order to establish a status quo that indicates the strengths and weaknesses, and the identification of development priorities of their wards. The CBP process was meant to enhance consultative public participation in the IDP process thus ensuring the credibility and relevance of the municipality's IDP. To undertake development at grass-root level, community submissions from the CBP were prioritized and informed the consolidated Newcastle Local Municipality's fourth generation Integrated Development Plan. Subsequently the municipal budget will be directly linked to the ward priorities as identified during the CBP process in terms of allocation of the capital investment programme.

Following a lengthy process and concentrated deliberations in group effort between the Newcastle Local Municipality, Ward Committee Members, and Community Based Organisations, the following outcomes emanated as Ward Priorities within all 34 wards of the Newcastle Local Municipality:-

1.8.1.Ward Based Priorities.

Ward 1	Ward 2	Ward 3	Ward 4
1. **Employment opportunities and SMME development.** 2. Poor condition of **roads** esp. after rainy seasons 3. Poor provision of **water**, and **sanitation** suggestions for the refurbishment of the **boreholes** were made. 4. Provision of **electricity**, queries over the completion of the promised **solar fields.** 5. Installation of **high mast lights** 6. Pleas for the access to **land and** RDP **housing** projects for agricultural purposes were made. 7. **Title deeds transfer (100)** 8. **Poor treatment** of farm dwellers by landowners. 9. **Desludging** VIP toilets 10. Repairs/reticulation of **electrical network.**	Repairs/reticulation of **electrical network.**	1. Better provision of **water** 2. The fixing and upgrading of **roads** incl. road signs and markings 3. Maintenance of **stormwater drains** 4. **Asbestos roof** in Jasmine Crescent Flats 5. Replacement of Fernwood **housing** 6. Provision of **vacant sites** to community for gardening 7. Upgrade of **sports facilities** (Fernwood; Suryavile) 8. Revitalisation of **streetlights** and **high mast lights** 9. Issues on **houses** that were roofed with asbestos 10. Maintenance and upgrading of local **parks and sports fields.** 11. Maintenance of **sewerage** system 12. Repairs/reticulation of **electrical network.**	1. Resealing of **roads** 2. Upgrading of **roads** to include **traffic circles** and **speed humps** 3. Installation of **High Mast lights** and **streetlights** 4. Replacement of **sewer pump** 5. Construction of **walkway** and widening of **pedestrian routes** 6. Regular **maintenance** of services 7. Repairs/reticulation of **electrical network.**
Ward 5	**Ward 6**	**Ward 7**	**Ward 8**
1. Revival of the old Spar **shopping complex** in Amajuba 2. Growing **crime rate**, suggestion for **remote police station** was made. 3. **Cutting of bushes** on municipal property as well as vacant sites. 4. Investigation of the **vacant houses**. 5. High level of alleged **drug selling** 6. Rehabilitation of **water pipes**, as well as the fixing of **roads.** 7. Creation of **sports facilities** 8. Uplifting of **Amcor Dam Bridge** 9. Revitalisation of **streetlights** 10. Repairs/reticulation of **electrical network.**	1. Dam near Siyathuthuka School requires redirection. 2. Construction and maintenance of **roads** and construction of pedestrian **bridge** 3. Provision of **electricity** and **water** 4. Provision of **housing** and repairs 5. Construction of **toilets** 6. Construction of water **trenches** 7. Installation of **high mast lights** 8. **Mobile library** 9. Resuscitation of **sporting facilities** 10. JoJo Tanks **11. Desludging** of VIP toilets. **12. HSDG** interventions	1. Construction, maintenance, and re- gravelling of **roads** 2. Refurbishment and maintenance of **parks** as well as **sports fields.** 3. Provision of **title deeds** 4. Installation of **High Mast lights** 5. Provision of **housing** 6. Funding of **small businesses** 7. Rerouting of **trenches** into the Manzana river 8. Surveying of **Wetlands** and **waterlogging** 9. Construction of **VIP toilets** 10. Maintenance of leaking **taps**	1. Poor quality of **roads** 2. Writing off existing **debts** 3. Provision of **sports facilities** 4. **Basic service delivery** in Manzana area 5. Provision of **housing** 6. Repairs to **housing** and replacement of **asbestos** 7. Maintenance of **sewer pipes** 8. Creation of **sports facilities** 9. Title deeds 10. Desludging of **toilets** and construction of new toilets 11. Construction of **bridges** 12. Installation of **high mast lights**

Ward 9	Ward 10	Ward 11	Ward 12
1. Installation of a **High Mast light** 2. Request for **housing** 3. Return of **Khathide project** (Fairview, kwaMhlaba and Inverness) 4. Repairing of the **bridge** between Mndozo and Fairview 5. Closure of **dams** 6. Replacement of section D **roofing** 7. Title deeds (section D) 8. Construction of **toilets** 9. Roads 10. Water meter repairs 11. More **skip bins** 12. Filling of **vacant** sites 13. Tarring of **School roads** 14. Assistance with **agricultural endeavours** 15. Provision of **electricity**	1. Access to **Health Services** (24hr clinic) 2. Construction, re-gravelling, maintenance, and upgrade of **roads** a) Enhlokweni b) Next to clinic c) Next to Zithuthukise Primary School d) Street at the back of kwaMakhanya Shopping center e) Mshenguville 3. Extension of the **Police Station** 4. Construction, and maintenance of **RDP Houses** 5. Construction of **sanitation** facilities (toilets) 6. Construction, and maintenance of **stormwater drains** 7. Installation of **streetlights, and High mast lights** 8. **Social facilities** i.e. Library, community hall, Day & Night Care 9. Construction of a **shopping mall** 10. Construction of a **training college SMME** incubation and support	1 Upgrade of t**oilets** 2. The repairing and maintenance of **roads,** as well as the installation of **speed humbs** 3. **Stormwater drains** 4. Waste collection and removal 5. Cutting of grass 6. Maintenance of **sports fields** 7. The construction of a **bridge** and repairs to another 8. The maintenance of **parks** 9. The installation of **streetlights** and **High Mast Lights** 10. Cleaning and maintenance of **ditches** 11. **Grabber** 12. Indigent eligibility criteria 13. Attention to delipidated **houses** and the removal of **asbestos** roofing 14. Title deeds 15. Use of Boxer **Rank** 16. Expansion of **clinic** 17. **Roof replacements** and remedying sinking houses (21 units)	1. Issues of **waterlogging** esp. after rainy seasons 2. Construction of **storm water drains** 3. Fixing of **sewer pipes**, desludging of **toilets** as well as building proper **toilets** 4. Fixing and upgrading of **roads** 5. Construction and maintenance of **Housing** 6. Refurbishment and maintenance of parks and sports fields 7. Installation of 10 **High Mast lights** 8. Provision of **electricity** and **water**
Ward 13	**Ward 14**	**Ward 15**	**Ward 16**

1. Construction of **housing** 2. Repairing of **roads** (next to KwaMasuku stop) 3. Tarring of Mazitapele to Lingani **road** 4. **Speed humps:** **a)** Nokukhanya street **b)** Xolani street to Masuku stop **c)** Mazitapele street 5. Refurbishment and maintenance of **sports fields** and **parks** 6. Request to turn park into Creche 7. Construction, repairing and desludging of **toilets.** 8. Unclogging of blocked **drains** 9. Assistance with growing **gang culture**	1. Lack of **Sports Fields** 2. Repairing and upgrading of **roads** 3. Installation of **speed humps** (Siphesihle school; Stani shop) 4. Improvement of **waste collection** 5. Poor state of existing housing project **houses** 6. Upgrade of **sanitation** structures 7. Provision of basic services namely **water, sanitation, roads, and electricity** to community which was removed from area where Spar was built 8. **Waterlogging** of area where aforementioned community was placed 9. Repairing of **Pump station** in P area 10. Maintenance and cleaning of **stormwater trenches** 11. Access **road** in M area	1. Construction of proper **road** infrastructure and **traffic lights** 2. Repairs to storm damaged **housing** 3. **RDP housing and low-income housing** 4. Provision of **electricity** and **water** 5. Formulation of **Youth Development Strategies** and **employment** opportunities 6. **SMME** incubation 7. Construction and maintenance of **sports facilities** 8. Creation of **parks** 9. Repairs to **High Mast light** 10. Construction of **clinic** 11. Construction of **Police Station** 12. **Disaster Plan** to be implemented across Newcastle 13. **Desludging** of VIP toilets	1. Upgrading and maintenance of **roads** 2. Provision of **electricity and water** 3. Provision of **housing and toilets** 4. Provision of **job opportunities** 5. **Bulk sewer** 6. **Desludging** VIP toilets. 7. **JBC Mega Project**
Ward 17	**Ward 18**	**Ward 19**	**Ward 20**
1. **Youth employment** opportunities 2. Provision of **electricity** 3. Installation of **high mast lights** 4. Maintenance and **re-gravelling** of roads, and the installation of **speed humps** 5. Reconstruction of **bridges** 6. Revitalisation of **RDP** housing **7. Title deeds** 8. Closing of **illegal mining** 9. New **skip containers** 10. **Desludging** of VIP toilets 11. **JBC Mega Project** 12. Closing of **illegal mining** 13. New **skip containers** 14. Rehabilitation **of dongas**	1. Construction of **school** 2. **SMME** business incubation programme 3. Provision of **Job opportunities** 4. Construction of **toilets** & **Desludging** of VIP toilets. 5. Installation of **High Mast light and streetlights** 6. Creation of **sports fields** 7. Housing Project 8. Repairs to damaged **houses** 9. Waterlogging 10. Upgrading of **roads** 11. Provision of **electricity** and **water JBC Mega Project**	1. Prioritization of **road** infrastructure 2. Repainting of **pedestrian crossing** 3. Installation of **road signs** 4. **Refuse removal** and provision of refuse bags **5. Skip bins** 6. Mobile police station 7. Job opportunities 8. Sport center 9. Storm water drains 10. Library and community hall 11. Clinic 12. RDP houses 13. Construction of **school** 14. **Desludging** VIP toilets	**1. RDP Houses** 2. Sinking **houses** 3. **Water** and **sanitation** (toilets) 4. Drainage system **5. Electricity** 6. Access to proper **road** infrastructure surrounding school 7. Renovation of **Park** 8. Installation of **speed humps** 9. Installation of **streetlights**
Ward 21	**Ward 22**	**Ward 23**	**Ward 24**

1. Construct and upgrade **Road Infrastructure** (grading and tarring of roads) 2. **Job opportunities** 3. Completion of 900 **RDP houses (Vezubuhle)** 4. Construction of 2000 **houses (**Balanky) 5. Reconstruction of **houses** (Siyahlala la) 6. Construction of **bridges** 7. Support for **small businesses** 8. Installation of **solar system** 9. **High mast lights** 10. Provision of **electricity** and **water** 11. **Borehole** (Sharplein; Emshashadolo; Haig) 12. **Desludging** VIP toilets 13. Maintenance of leaking **sewer system** and **taps** 14. **Shelte**r next to bus stops. 15. Construction of **Clinics and Community Hall** 16. Maintenance of parks and **sports fields** 17. Reconstruction of **Ingagane swimming pool** 18. **Bridge** connecting power to Ingagane 19. **Assistance with Land owners/ Farm dwellers disputes.** 20. **Land** for Agricultural purposes	1. RDP Houses 2. Extension of 2room **housing** into 4 rooms 3. Installation of proper **toilets** 4. Job opportunities 5. Maintenance and construction of **roads** 6. Installation of **high mast lights** 7. Creation of **parks** and **sports facilities**	1. **Tar roads** near schools and St Johns Church and **Re-gravelling** of roads 2. Installation of proper **drainage system** 3. Upgrade of **sewerage system** and construction of **toilets** 4. Budget for **SMME's** 5. **Job opportunities** 6. **Sports fields** 7. Installation of new **water meters** to replace leaking ones 8. Cleaning and grass cutting of **open spaces** 9. **Toilet repairs** 10. Operationalisation of **Phelindaba Pool** and employment of **lifeguards** 11. Installation of **high mast lights**	1. **Storm water** drains 2. Erection of **public road** near KwaGule to Roman Catholic 3. **Resealing** of potholes 4. **Speed humps** (near Sniks,Majuba CPD, Spheni Primary to Syamkela) 5. **Regravelling** of road behind Sipheni 6. Cleaning and reviving of **main holes** behind Ezincwadini 7. **Road Signage** for speed humps 8. **Sewage** demarcating section 2 and 5 9. Servicing and erection of **streetlights** 10. **Roofing** Completion of **unfinished toilets project** in Section 2
Ward 25	**Ward 26**	**Ward 27**	**Ward 28**

1. Electrification of Siyahlala la 2. Fixing of leaking houses 3. Revival and refurbishment of parks 4. Request more housing in Fairleigh 5. Refurbishment of the tennis court and other sporting facilities 6. Business funding 7. Upgrade of sewerage system 8. Creation of job opportunities 9. Installation of black water meters 10. Repairs/reticulation of **electrical network.** 11. Road resealing especially in CBD 12. Clean up of Alien vegetation along the Ncandu river 13. Illegal dumping resulting to filth in the town	1. **Asbestos houses** in K-section to also be included in the budget 2. Request fixing of **2 room houses** affected by the rain 3. Request **job opportunities** 4. Repair and maintenance of **storm water drainage** system 5. **Re-gravelling** of roads and repair of **potholes** 6. Assistance with **repairing of roofs** 7. Eradication/cleaning of **ditches** 8. Maintenance of **gravel roads** 9. Refurbishment of **sports facilities** i.e. Rumelin Stadium	1. Request proper **road infrastructure** (Re- gravelling of roads, provision of quarry) 2. Resealing of main **road** from Emarasteni to Wall 2 wall 3. Tarring of **Road** next to Celani School 4. Request the fixing of **trenches** 5. Request proper **sanitation infrastructure** (VIP toilets and desludging of them) (Section 7R) 6. Provision of **land** for housing purposes 7. Refurbishment of RDP **houses** 8. Attend to **water leakages** and **burst pipes** 9. Request budget for **agriculture** 10. Assistance with **reconnection of electricity**	1. Request for a **youth Center** 2. Request improvement of **road infrastructure** (tar roads) 3. Request for the support of **sport teams** and introduction of **sporting tournament**s to curb crime 4. Rehabilitation of **scholar patrol programme** 5. Request municipality to attend to the **illegal dumping** issue 6. Maintenance of leaking **water pipes** 7. Request Home Affairs to service the East area 8. Rehabilitation of **sporting facilities** in Madadeni 9. Request **job opportunities** 10. **Title deeds**
Ward 29	**Ward 20**	**Ward 31**	**Ward 32**
1. Request prioritization of completion of **roof rehabilitation project** 2. Construction, and re-gravelling of **roads.** 3. Access to road infrastructure (**storm water drains**) 4. Eradication of **ditches** (drains) and a slab on the water channel between section 6 and 7 5. Request for a **community hall** in the ward 6. **Satellite police station** 7. Request assistance with **leaking houses** that were built in 2005, as well as sinking **houses** 8. Request continuous **Refuse collection** 9. Debt owed by late parents/before being cancelled for **indigents**	1. Conclusion of **Khathide Housing Project** 2. Request **bridges** joining Manzana and Osizweni 3. **Road infrastructure** (next to Thiyasizwe,Ekwethu,and Enhloniphweni schools) 4. Tarring of entire ward 5. Request **housing projects** 6. Ema $ room repairs to **Asbestos** 7. Installation of **toilets** 8. Request **sports facilities**. 9. **Desludging** of VIP toilets 10. **Title deeds transfers**	1. Construction and maintenance of **road infrastructure.** 2. Maintenance of **water pipes.** 3. Proper access to **sanitation** (proper VIP toilets and desludging of toilets) 4. Request construction of a **bridge.** 5. Request timeous **collection of refuse** (Skip bins) 6. Request **re-gravelling of roads** 7. Prioritization of **SMME's** 8. Maintenance of **road** from 7R to Esididini and Dutch **road** 9. Creation of **sports facilities** 10. Construction of **hall, library, and RDP housing.** 11. Title deeds 12. Community projects 13. Electricity	1. Assistance with **allocation of land** and **title deeds** 2. Support of **sports teams** (Newcastle All Stars) 3. Upgrade of **Osizweni Stadium** 4. Address **drug issue** in the ward 5. Upgrade **sewerage systems** and refurbish **pipes & Desludging VIP toilets.** 6. Better provision **water** 7. Cleaning of **V-drains**. 8. Construction, maintenance, and re- gravelling of **roads**. 9. Construction of pedestrian **bridge,** and **installation of speed humps** 10. Request **toilets** 11. Request **RDP houses** fixing of **Asbestos houses.** 12. Installation of **high mast lights**
Ward 33	**Ward 34**		

1. Request for proper **road infrastructure**, especially near schools. 2. Request for **high mast lights** 3. Plead for **electricity** 4. Request for **housing projects**, especially for the disabled people. 5. Proper access to **water and sanitation** infrastructure (installation of toilets and desludging of VIP toilets) 6. **Drainage system** maintenance. 7. Improved **refuse collection** 8. Satellite **Police Station** 9. Shopping complex 10. Request for **trenches/ drains** to channel water properly away from people's houses. 11. Request **youth center.**	1. Request **refuse removal** services (and refuse bags) in KwaMathukuza. 2. Request **mobile clinic** 3. Proper access to **road infrastructure** (regravelling, repairing potholes and storm water drainage system) 4. Maintenance of **robots and streetlights** 5. Maintenance and reconstruction of **swimming pools** 6. Installation of **road and warning signs** (Arbor Park) 7. **Cutting of trees** (Arbor Park; NN Central) 8. Maintenance of **High Mast light** 9. Repairing of **sewer and stormwater drainage system.** 10. **Grass-cutting** at the Hostel. 11. Request LED funds for **youth owned businesses** & **job opportunities** for the youth. 12. Refurbishment of **water pipes** 13. Repairs/reticulation of **electrical network.**		

In order to improve the participation of the general public, a detailed process plan for the annual review of the Community Based Plans for all the 34 wards is in place. This is meant towards ensuring the alignment of the CBP with the IDP hence the budget prioritisation of the development of projects that are reflective of the needs and aspirations of the communities. Through the process plan, the CBP's will be presented to the general public through constituency consultation meetings to allow communities at large to provide inputs, voice their opinions, and endorse the plans.

1.9. Strategy Towards Organisational Development.

1.9.1.Long Term Vision and Mission.

Newcastle Municipality's long-term development vision was formulated within the context of the national and provincial vision statements as outlined in the National Development Plan (NDP) and the Provincial Growth and Development Strategy (PGDS). It reflects a joint commitment by the local leadership, municipal administration and the local communities to make Newcastle a better place and improve the quality of life for those who work and/or live in NLM.

The vision is based on the following overarching principles:-

- Sustainability.
- Integrated development.
- Equitable access to basic services and public facilities.
- Efficient and effective delivery of services.

1.9.2.Vision 2035.

BY 2035, NEWCASTLE WILL BE A RESILIENT AND ECONOMICALLY VIBRANT CITY

1.9.3.Mission Statements.

NEWCASTLE LOCAL MUNICIPALITY TOGETHER WITH ITS CITIZENRY, COMMITS TO REALIZE ITS VISION THROUGH INNOVATIVE SERVICE EXCELLENCE, ACCELERETATED SERVICE DELIVERY, SUSTAINABLE INFRASTRUCTURE DEVELOPMENT, PROMOTING SOCIO-ECONOMIC DEVELOPMENT AND SPATIAL INTEGRATION.

1.9.4.Core Values

The Batho Pele – principles have been identified as a model that the Municipality seeks to adopt on how business should be conducted. These principles were conceived with the intention of transforming service delivery in the public sector. Good service delivery leads to happy citizens and employee satisfaction for a job well done; therefore, it is proposed that the following principles be considered as the core values of the Municipality:

- Honesty and Integrity
- Consultation;
- Service Standards;
- Courtesy;
- Access;
- Information;
- Openness and Transparency;
- Effective Complaints Management;
- Giving Best Value.

1.9.5.Priority Development Issues.

- Sound Financial Management/Viability (incl. Debt collection and management);
- Improved access to basic service delivery (i.e. water, sanitation, electricity, housing, waste removal);
- Local Economic Development (eradication of poverty and unemployment);
- Improved quality of roads and storm-water infrastructure (including sidewalks);
- Environmental sustainability (environmental conservation/management);
- Accelerated Municipal Transformation and Corporate Development;
- Improved access to public facilities (including educational facilities – provincial mandate);
- Improved community safety;
- Improved access to basic health services (NB: provincial mandate); and
- Improved access to land (including Land Reform).

1.9.6.Development Strategy.

The development strategy is based on a long-term vision, but acknowledges the significance of issues that need to be addressed in the short-to-medium term. As such, the municipality has formulated development goals that seek to address the challenges facing the institution currently and reposition the area in a developmental path as follows:-

- To develop Newcastle as a service and industrial hub.
- To eradicate all forms of poverty and destitution/indigence.
- To be an example of service and governance excellence.
- To improve the quality of life.
- To achieve environmental sustainability.
- To promote gender equality and empowerment.

In the short-to-medium term, the municipality will initiate projects with clear targets and outputs towards the attainment of these goals. It will accelerate delivery of services and gradually consolidate outcomes so as to attain the desired future situation.

Particular focus will be paid to the following key areas of strategic intervention:-

- ***Spatial integration and environmental sustainability: Particular focus will be paid on the development and implementation of systems and procedures for effective land use and environmental management.***
- ***Local economic development: The municipality has a responsibility to create a climate conducive for the flourishment of both public and private sector investments. As such, the municipality is committed to working with other government agencies and departments to deliver state of the art economic infrastructure that will facilitate***

development of effective services to the business sector.

- **Service delivery and infrastructure development:** NLM is the sphere of government that is closest to the communities. This bestows a huge responsibility to deliver services where the municipality is directly responsible and coordinate the delivery of services that fall outside the constitutional obligations of the municipality.
- **Municipal transformation and organisational development:** The attainment of development goals as outlined above requires the municipality to establish effective systems and procedures for both municipal administration and local governance. This includes attracting and retaining well trained, experienced and committed employees, and having the required systems in place that enables world class administrative capabilities.
- **Financial viability and management:** Funds will be a critical input in the process towards the attainment of the above-mentioned goals. Due to such, it is critically important to ensure that the municipality is able to generate sufficient funds to be able to deliver services and facilitate development. Also important is the ability to account for the use and disbursements of public funds.
- **Good governance and public participation:** The municipality is committed to putting in place systems and procedures for accountable local governance. This includes oversight responsibilities, auditing function, risk management, etc. Members of the public will be kept informed and engaged in all municipal affairs.

1.10. Performance Measures.

1.10.1. Intended Impact.

Everything that NLM does should be done to impact as much as possible on the social and economic development of the area. In particular, the municipality will strive to provide services that meet the basic needs of the poor in their communities in a cost-effective manner. This can be achieved in two ways:-

- NLM will provide some relief for the poor. Through Government policy, NLM is to provide a free basic amount of services for water and electricity to households that do not have access to these services. NLM will also promote social development through arts and culture, the provision of recreational and community facilities, and the delivery of social welfare services.
- NLM will work in partnership with local businesses to improve job creation and investment. It is not the role of NLM to create jobs but it will take active steps to improve the conditions for the creation of employment opportunities in the area. This includes preferential procurement of services.
- As a developmental local government, NLM will provide leadership to all those who have a role to play in achieving local prosperity, and the IDP is a critical tool in this regard.

- Municipal Councils such as the NLM play a central role in promoting local democracy. In addition to representing community interests within Council, Councillors will ensure that citizens and community groups are involved in the design and delivery of municipal programmes (Community Based Planning). Ward Committees and community consultations are important ways of achieving greater involvement.
- The municipality will also provide support to individual and community initiatives, and direct them to benefit the area as a whole. The involvement of youth organisations in this regard is of particular importance.

1.10.2. Performance Management System.

The performance management system is a tool to monitor progress regarding municipal service delivery. It enables the municipality to focus on priorities within an increasingly complex and diverse set of demands, and to direct resource allocations and institutional systems to a new set of development objectives. Newcastle Municipality's performance management system was developed in line with Chapter 6 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) which requires local government to:-

- Develop a performance management system (PMS).
- Set targets, monitor and review performance based on indicators linked to the Integrated Development Plan (IDP).
- Publish an annual report on performance management for the Councillors, staff, the public and other spheres of government.
- Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government.
- Conduct an internal audit on performance reports audited by the Auditor-General.
- Involve the community in setting indicators and targets and reviewing municipal performance.

Newcastle Municipality's Organisational Performance Management System monitors the implementation of the IDP, and provides for corrective measures where there is insufficient progress. The PMS is based on a policy framework and covers the whole organisation. The framework caters for the development, implementation and roll-out of performance management within the Newcastle Municipality. This includes the alignment of the PMS process to that of the IDP and budget as is required in terms of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003). The following are some of the key aspects of this system:-

- Performance contracts which include performance plans for all section 57 employees.
- Service Delivery and Budget Implementation Plan.
- Organizational Scorecard.
- Annual report.
- Quarterly performance reviews.

The objectives of Newcastle Municipality's Organizational Performance Management System are as follows:-

- Facilitate increased accountability;
- Facilitate learning and improvement;
- Provide early warning signals; and
- Facilitate decision-making.

Performance management may be defined as a strategic process to management (or system of management) which equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continually monitor, periodically measure and review the performance of the organization in terms of indicators and targets for efficiency, effectiveness and impact. Regulations 7 of the Performance Management Regulations (2001) requires every municipality to develop a performance management system (PMS). In addition, Regulation 13 of the Performance Management Regulations requires that the municipality must, after consultation with the community, develop and implement mechanisms, systems and processes for the monitoring, measurement and review of performance with respect to the key performance indicators and targets set by it.

SECTION 2:

POLICY FRAMEWORK AND DEVELOPMENT PRINCIPLES

2. POLICY FRAMEWORK AND DEVELOPMENT PRINCIPLES

Planning and development in NLM takes into cognisance that the Municipality exists within the global, national, provincial, and district context. It is therefore crucial to ensure that the Municipality aligns to the policy framework emanating from all these spheres and provides for the implementation of priorities as outlined in these documents.

2.1. Global Policy Framework.

2.1.1.Sustainable Development Goals.

The United Nations (UN) Sustainable Development Goals (SDGs) are a set of 17 global goals adopted by the UN in 2015 as part of the 2030 Agenda for Sustainable Development. The SDGs provide a comprehensive framework to guide countries and stakeholders in addressing pressing global challenges and promoting sustainable development in social, economic, and environmental dimensions. Each goal is accompanied by specific targets that provide measurable objectives to track progress towards achieving the goals.

SDG	GOAL DESCRIPTION	NLM RESPONSE
1. No Poverty	End poverty in all its forms everywhere	- Eradicate extreme poverty - Implement social protection systems
2. Zero Hunger	End hunger, achieve food security, and improved nutrition	- End all forms of malnutrition and ensure access to safe, nutritious, and sufficient food - Double agricultural productivity
3. Good Health	Ensure healthy lives and promote well-being	- Reduce maternal and child mortality - Achieve universal health coverage
4. Quality Education	Ensure inclusive and equitable quality education	- Provide free primary and secondary education for all - Ensure relevant skills for employment and sustainable development
5. Gender Equality	Achieve gender equality and empower all women and girls	- Eliminate discrimination and violence against women - Promote women's empowerment in decision-making
6. Clean Water	Ensure access to clean water and sanitation for all	- Achieve universal access to safe drinking water - Improve sanitation and hygiene for all
7. Affordable Energy	Ensure access to affordable, reliable, sustainable energy	- Achieve universal access to affordable energy - Increase the share of renewable energy

SDG	GOAL DESCRIPTION	NLM RESPONSE
8. Decent Work	Promote inclusive and sustainable economic growth	- Promote full and productive employment - Improve financial inclusion and access to financial services
9. Industry & Infrastructure	Build resilient infrastructure and promote inclusive, sustainable industrialization	- Promote inclusive and sustainable industrialization - Enhance scientific research and technological capabilities
10. Reduced Inequalities	Reduce inequality within and among countries	- Empower and promote social, economic, and political inclusion
11. Sustainable Cities	Make cities and human settlements inclusive, safe, resilient, and sustainable	- Ensure access to safe and affordable housing - Provide sustainable transport systems
12. Responsible Consumption	Ensure sustainable consumption and production	- Achieve sustainable management of natural resources - Reduce waste generation
13. Climate Action	Take urgent action to combat climate change	- Strengthen resilience and adaptive capacity to climate-related hazards - Promote education on climate change
14. Life Below Water	Conserve and sustainably use the oceans, seas,	- Prevent and reduce marine pollution - Protect marine ecosystems and preserve coastal areas
15. Life on Land	Protect, restore, and promote sustainable use of terrestrial ecosystems	- Conserve and restore terrestrial and freshwater ecosystems - Combat desertification and restore degraded land
16. Peace, Justice and strong institutions	Promote peaceful and inclusive societies for sustainable development	- Promote the rule of law and access to justice - Develop effective and accountable institutions
17. Partnerships for the Goals	Strengthen the means of implementation and	- Enhance global partnership for sustainable development - Promote multi-stakeholder partnerships

2.1.2.New Urban Agenda.

The New Urban Agenda, adopted at the United Nations Conference on Housing and Sustainable Urban Development (Habitat III); it focuses on sustainable urbanization and the development of inclusive and resilient cities. It emphasizes the importance of affordable housing, infrastructure development, access to basic services, social inclusion, and environmental sustainability.

The agenda outlines key principles and commitments that countries and stakeholders should prioritize in urban

development. It emphasizes the promotion of integrated and participatory urban planning, effective land management, and affordable and adequate housing for all. It calls for the provision of basic services such as water, sanitation, energy, and transport in an inclusive and sustainable manner.

Key Principles	Commitments
1. Sustainable and inclusive urban prosperity	- Promote sustainable economic development and employment opportunities - Reduce poverty and inequality through inclusive and equitable growth - Support small-scale and informal enterprises
2. Sustainable urban development	- Implement integrated urban planning and design - Improve land use and promote compact and connected cities - Develop sustainable and resilient buildings and infrastructure
3. Social inclusion and eradication of poverty	- Provide adequate and affordable housing for all - Ensure access to basic services such as water, sanitation, and energy for all - Promote safe and inclusive public spaces for all
4. Sustainable and inclusive urban governance	- Strengthen urban governance and institutional capacity - Promote participatory decision-making and citizen engagement - Enhance collaboration and partnerships among different levels of government and stakeholders
5. Resilience and environmental sustainability	- Enhance urban resilience to natural and human-made disasters - Protect and restore ecosystems and biodiversity in urban areas - Mitigate climate change and promote low-carbon development
6. Sustainable urban mobility	- Promote sustainable transportation systems - Reduce reliance on private vehicles and encourage the use of clean and energy-efficient modes of transport - Improve accessibility and connectivity through public transport, walking, and cycling
7. Culture and heritage	- Preserve and promote cultural heritage in urban development - Support creative industries and cultural expressions - Foster cultural diversity and inclusivity in cities
8. Financing and implementation	- Mobilize adequate and sustainable financing for urban development - Strengthen capacity building and knowledge sharing among urban stakeholders - Promote innovative financing mechanisms and investment in cities

2.1.3.Global Impacts

While the Russia-Ukraine conflict is still fairly recent, there are already some trends we can identify in terms of how the rest of the world is affected. This has created a new multifaceted risk to the South African economy, economic outlook, and thus the making of monetary policy. The war exacerbates supply chain bottlenecks and inflationary pressures via higher energy and food prices which could probably result in a more rapid tightening of monetary policy and impose additional fiscal pressures. Mounting inflationary pressures and rising interest rates will hurt discretionary income and would negatively impact consumer spending, economic growth, employment, poverty, and food security.

It is crucial to note that Newcastle Municipality is not immune to the impacts outlined above. Therefore, Newcastle Municipality is forced to develop resilience to remain afloat despite these undesirable conditions.

2.2. National Policy Framework.

2.2.1.National Development Plan.

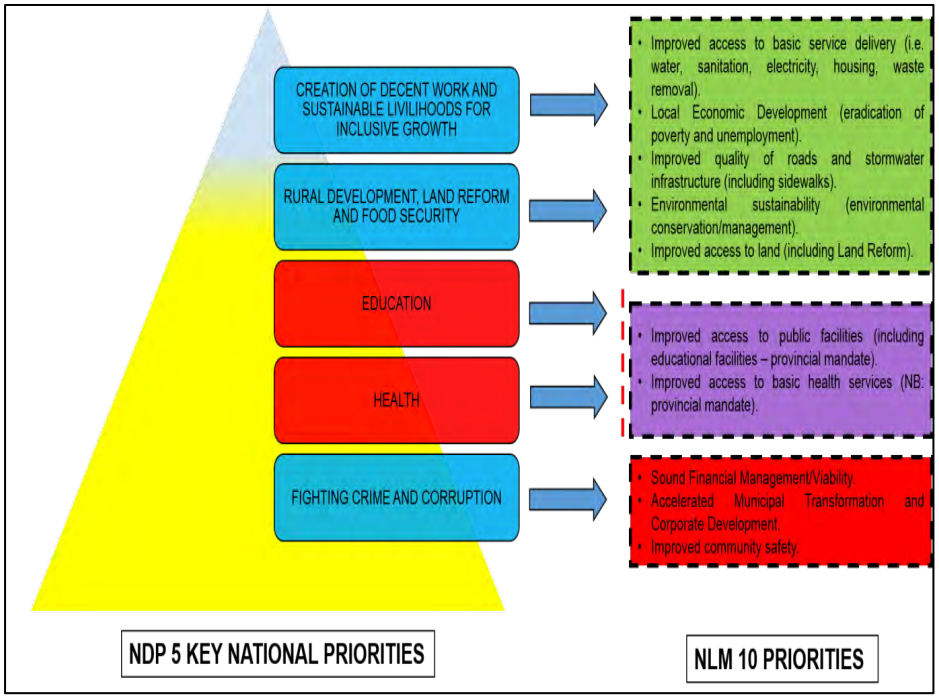


Figure 4: Newcastle Local Municipality IDP Priority Issues aligned to the National Priorities.

The National Development's vision is outlined in various national policy documents, and consolidated in the National Development Plan (NDP). The National Development Plan addresses the major thematic areas facing the country in detail, and outlines a National Development Strategy. It focuses on the critical capabilities needed to transform the economy and society. Achieving these capabilities is not automatic, nor will they emerge if the country continues on its present trajectory. Rising levels of frustration and impatience suggest that time is of the essence, and failure to act will threaten democratic gains. In particular, South Africa must find ways to urgently reduce alarming levels of youth unemployment and to provide young people with broader opportunities. As such, the NDP sets out clear objectives and targets as follows:-

The unemployment rate should fall from 24.9% in June 2012 to 14% by 2020 and to 6% by 2030. This requires an additional 11 million jobs. Total employment should rise from 13 million to 24 million.

- The public works programme should be broadened to cover 2 million fulltime jobs by 2020.
- The labour force participation rate should rise from 54% to 65%.
- The cost of living for poor households should be reduced together with the cost of doing business through microeconomic reforms.
- The proportion of people with access to the electricity grid should rise to at least 90% by 2030, with non-grid options available for the rest.
- A comprehensive management strategy to be developed including an investment programme for water resource

development, bulk water supply and wastewater management for major centres by 2012, with reviews every five years.

- To create regional water and wastewater utilities, and expand mandates of the existing water boards (between 2012 and 2017).
- An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro-processing and related sectors by 2030.
- Increased investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture.

The National Development Plan requires local government to play a meaningful and active role in ensuring the implementation of Vision 2030. The plan compels local government to be service delivery oriented in ensuring that the following is achieved:-

- A comprehensive management strategy including an investment programme for water resource development, bulk water supply and wastewater management for major centres by 2012, with reviews every five years.
- Create regional water and wastewater utilities, and expand mandates of the existing water boards (between 2012 and 2017).
- An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro-processing and related sectors by 2030.
- Increased investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture.
- Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, support to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments.
- A strong and efficient spatial planning system, well integrated across the spheres of government.
- Upgrading of all informal settlements on suitable, well located land by 2030.
- More people living closer to their places of work and better quality public transportation.
- More jobs in or closer to dense, urban townships.
- Develop a strategy for densification of cities and resource allocation to promote better located human settlements.
- By 2030, people living in South Africa should feel safe and have no fear of crime. They should feel safe at home, at school and at work, and they are to enjoy an active community life free of fear. Women are to walk freely in the street and the children play safely outside.

The aim of the Plan is to respond quickly to South African's aspirations and ensure that inclusive economic growth was the main agenda for development.

2.2.2.MTSF 14 National Outcomes.

The IDP adopts an Outcomes Based Approach in line with the national government priorities and the associated 14 National Outcomes. Early in the National Cabinet, adopted were twelve outcome areas that collectively address the main strategic priorities of government. Subsequently, two new outcomes were introduced making it 14 national outcome areas aimed at addressing government priorities. The objectives of the Outcome Based Approach are aimed towards improving service delivery across all spheres of government, and to introduce a systematic planning, monitoring and evaluation process.

High-level Negotiated Service Delivery Agreements (NSDA) based on these outcomes have been concluded between the President and national ministers. National Outcome Nine (9) commits the Minister of Cooperative Governance and Traditional Affairs to develop a local government system which is responsive, accountable, effective, and efficient. In line with Outcome 9, Newcastle Municipality's IDP responds directly to issues facing the area and its communities with the aim of rendering local government services efficiently and effectively.

However, the municipality will also contribute directly and indirectly to the attainment of other outcomes, particularly those dealing with economic development, infrastructure development, rural development and environmental management. Therefore, alignment with the relevant sector frameworks and programmes across the spheres of government is critical.

Box 2: 14 National Outcomes:-

1. An improved quality of basic education.
2. A long and healthy life for all South Africans.
3. All South Africans should be safe and feel safe.
4. Decent employment through inclusive growth.
5. A skilled and capable workforce to support an inclusive growth path.
6. An efficient, competitive and responsive economic infrastructure network.
7. Vibrant, equitable, sustainable rural communities with food security for all.
8. Sustainable human settlements and an improved quality of household life.
9. **A responsive, accountable, effective and efficient local government system.**
10. Environmental assets and natural resources that are well protected and enhanced.
11. A better Africa and a better world as a result of South Africa's contributions to global relations.
12. An efficient and development-oriented public service and an empowered, fair and inclusive citizenship.
13. An inclusive and responsive social protection system.
14. Transforming society and uniting the country.

2.2.3.Local Government Outcome 9.

As an effort to focus government initiatives and manage public expectations, the national government has adopted an Outcomes Based Approach. Based on the Medium Term Strategic Framework (MTSF), 14 outcomes have been

identified. Outcome 9 deals with local government and affects Newcastle Municipality directly. It moves from a premise that local government is a key part of the reconstruction and development effort in South Africa, and that aims of democratizing society and growing the economy inclusively can only be realized through a responsive, accountable, effective, and efficient local government system that is part of a developmental state.

The government has identified the following Outputs for Outcome 9:-

- Output 1: Implement a differentiated approach to municipal financing, planning and support.
- Output 2: Improving access to basic services.
- Output 3: Implementation of the Community Work Programme.
- Output 4: Actions supportive of the human settlement outcome.
- Output 5: Deepen democracy through a refined Ward Committee Model.
- Output 6: Administrative and financial capability.
- Output 7: Single window of coordination.

2.2.4.State of the Nation Address (SONA) 2024.

The state of the Nation Address (SONA) is called by the president in terms of Section 42 (5) of the Constitution. President Cyril Ramaphosa delivered his eighth State of the Nation Address on the 8th of February 2024. The president in his State of the Nation Address (SONA) stated that the focus will be on concentrating on the issues that concern South Africans the most: load shedding; unemployment; poverty and the rising cost of living; state capture, crime and corruption; rail and port networks; and Climate change mitigation and the just transition.

Key Point/Announcement	Action Plan/Commitments
Youth Unemployment	• Over 3 million young South Africans (aged 15–24) are neither in education nor employment. • The president announced the launch of the Presidential Employment Stimulus and other initiatives to create over 1.7 million work opportunities. • Platforms like SAYouth.mobi were introduced to help young people access learning and earning opportunities.
Addressing Corruption and State Capture	• The government has taken decisive action to dismantle criminal networks within the state, restore institutions, and prosecute those responsible for corruption. • Efforts have been made to restore credibility and efficiency to institutions affected by state capture, such as the South African Revenue Service (SARS).
Economic Revival	• Efforts have been made to revive the economy through reforms, investment drives, and infrastructure development, leading to job creation and increased employment.

Key Point/Announcement	Action Plan/Commitments
	• Efforts to create jobs have resulted in an increase in employment from 8 million in 1994 to over 16.7 million currently. Despite challenges, the number of jobs created has been increasing, with more people employed than before the pandemic.
Energy Sector Reforms	• Measures have been implemented to address the energy crisis, including the end of load shedding, investment in renewable energy, and regulatory reforms in electricity generation. • Plans are in place to expand energy infrastructure, including the construction of new transmission lines. • Regulatory reforms have been introduced to enable private investment in electricity generation.
Climate Change Response	• A just energy transition is underway to promote green technologies, create jobs in renewable energy sectors, and mitigate the effects of climate change.
Infrastructure Development	• South Africa faces serious challenges, including crisis in ports, rail networks, and electricity supply. • Significant progress has been made in infrastructure projects, including water resource management, road construction, and improvements in freight logistics and ports.
Social Assistance and Poverty Reduction	• Social assistance programs have been expanded to support vulnerable populations, leading to improvements in basic services, poverty reduction, and increased life expectancy. • Efforts to empower historically disadvantaged groups, such as black South Africans and women, include funding support for black industrialists and initiatives to increase black ownership in various sectors of the economy.
Education and Early Childhood Development	• Efforts are being made to improve education outcomes, particularly in early childhood development and early grade reading. • Significant funding increases have been allocated to support poor and working-class students in universities and technical and vocational education and training (TVET) colleges.
Healthcare and HIV/AIDS Response	• Healthcare services have been improved, leading to increased life expectancy, reduced maternal and infant mortality, and progress in combating HIV/AIDS. • The president acknowledged the controversial NHI bill. • The government plans to incrementally implement the NHI, focusing on health system financing, the health workforce, medical products, vaccines, and health information systems.
Housing and Basic Services	• Substantial progress has been made in providing formal housing, clean drinking

Key Point/Announcement	Action Plan/Commitments
	water, and electricity to millions of South Africans. • There is a commitment to ensuring that subsidized housing is located close to places of work, education, and services. • Despite progress in housing and service provision, challenges persist in local government. Many municipalities face issues related to governance, financial management, and service delivery, which impact the daily lives of citizens. • The government has initiated measures to address these challenges by providing support to local government, professionalizing the civil service, and enhancing technical capacity.
Local Government Reform	• Measures are being taken to address governance and service delivery challenges in local government, including professionalization of the civil service and enhanced coordination. • Collaboration between different government entities, including the Presidency, National Treasury, and the Department of Cooperative Governance and Traditional Affairs (COGTA), to enhance technical capacity in local government.
Crime and Gender-Based Violence	• Law enforcement agencies are being strengthened to tackle crime and gender-based violence, with initiatives such as Operation Shanela and the National Strategic Plan on Gender-based Violence.
Foreign Policy and International Relations	• South Africa is committed to playing a constructive role in regional and global peace efforts, including engagement in conflicts such as the Russia-Ukraine crisis and the Israeli-Palestinian conflict.
Social Compact and Collaboration	• The government emphasizes the importance of collaboration with civil society, unions, and the private sector to address challenges and build a more inclusive society.
Commitment to Constitutional Democracy	• The president reaffirms the commitment to upholding the Constitution, defending democratic institutions, and advancing the rights of all citizens.

2.2.5.Budget Speech 2024.

The Minister of Finance Mr Enoch Godongwana delivered the maiden Budget Speech on the 21st of February 2024. The Minister's Budget Speech focused on the following key areas:

(a) Local and global outlook

- **Global**: Moderate global growth is expected, driven by the United States and emerging economies, despite risks such as oil price spikes and China's growth concerns.
- **Local**: South Africa faces constraints like lower commodity prices and structural issues, with GDP

growth estimated at 0.6% in 2023 and projected to average 1.6% between 2024 and 2026.

(b) Fiscal outlook

- Efforts are made to support economic growth while ensuring fiscal sustainability through measures like reducing non-interest expenditure and increasing revenue.
- Debt management strategies are outlined to decrease deficits and peak debt levels.
- The reform of the Gold and Foreign Exchange Contingency Reserve Account is introduced to improve fiscal management.

(c) Supporting Economic Growth

- **Structural Reforms**: The government is undertaking structural reforms in critical sectors such as electricity, logistics, water, telecommunications, and visa regulations. These reforms aim to remove barriers to growth, enhance efficiency, and attract investment.
- **Electricity Sector Reform**: Addressing the challenge of load shedding, the government is focused on reforming the electricity sector to ensure long-term energy security. This includes promoting investments in renewable energy projects and improving the efficiency of Eskom's generation fleet.
- **Logistics Improvement:** Efforts are underway to enhance South Africa's logistics infrastructure, including initiatives outlined in the Freight Logistics Roadmap. Third-party access to the freight rail network is being introduced to improve efficiency and facilitate competition.
- **Public Infrastructure Investment:** Fundamental reforms in infrastructure financing and delivery are being introduced to optimize the infrastructure value chain and attract private sector participation. This includes the introduction of new financing instruments such as infrastructure bonds and concessional loans.
- **Mainstreaming Climate Finance:** The government is mobilizing resources and designing frameworks to mainstream climate change considerations into fiscal planning and budgeting. This involves initiatives such as disaster response grants and climate-budget tagging to support climate adaptation and mitigation efforts.
- **Support for New Energy Vehicles:** The government is transitioning towards broader new energy vehicle production, starting with electric vehicles. Incentives for investment in electric and hydrogen-powered vehicles are being introduced to promote the adoption of environmentally sustainable transportation solutions.

(d) Revenue and tax proposals

Revenue trends

- **Tax Revenue Projection**: Tax revenue for 2023/24 is estimated at R1.73 trillion, which is R56.1 billion lower than previously estimated.
- **Factors Affecting Revenue:** The shortfall is attributed to declines in corporate profits and revenue from taxes on mining.

- **Medium-Term Revenue Projection:** Over the medium term, revenue projections are R45.6 billion higher than the 2023 Medium-Term Budget Policy Statement (MTBPS) estimates, supported by personal income tax adjustments and other revenue proposals.

Tax proposals

- **Personal Income Tax:** No adjustments will be made to the tax brackets, rebates, and medical tax credits for inflation.
- **Excise Duties on Alcohol and Tobacco:**
  - Excise duties on alcohol products will increase above inflation, with proposed increases ranging from 6.7% to 7.2%.
  - Excise duties on tobacco products will also increase, with proposed increases of 4.7% for cigarettes and cigarette tobacco, and 8.2% for pipe tobacco and cigars.
- **Excise Duty on Electronic Nicotine and Non-nicotine Delivery Systems (Vapes):** An excise duty of R3.04 per millilitre will be introduced.
- **Carbon Tax and Carbon Fuel Levy:** The carbon tax will increase from R159 to R190 per tonne of carbon dioxide equivalent, and the carbon fuel levy will increase to 11 cents per litre for petrol and 14 cents per litre for diesel.
- **General Fuel Levy:** There will be no increases to the general fuel levy for 2024/25, providing tax relief of around R4 billion.
- **Two-Pot Retirement System:** Contributions to retirement funds will be split, with one-third going into a "savings component" and two-thirds going into a "retirement component." Cash withdrawals from the savings pot will be allowed from September 1, 2024.
- **Global Minimum Corporate Tax:** Multinational corporations with annual revenue exceeding €750 million will be subject to an effective tax rate of at least 15%, expected to yield additional corporate tax revenue.

(e) Allocation of Funds

- Provinces and municipalities will receive a total of R2.8 trillion over the next three years, which accounts for 51.1% of total non-interest expenditures.
- Of this amount, R2.3 trillion is allocated to provinces, and R531.7 billion to local governments.
- An additional R105.5 billion is allocated to provinces to cover the costs of implementing the 2023 public-service wage agreement, mainly in the education and health sectors.
- Restorations of previous grant baselines are made to maintain important services and critical capital investments.
- While reductions are made to some grant baselines, many grants continue to grow over the next three years.

2.2.6. Integrated Urban Development Framework (2016).

The Integrated Urban Development Framework is designed to unlock the development synergy that comes from coordinated investments in people and places, and aims to guide the development of inclusive, resilient and liveable urban settlements, while directly addressing conditions and

challenges facing South Africa's cities and towns. This it does through a new approach to urban investment by the developmental state, which in turn guides the private sector and households in line with its vision which is as follows: -

"Liveable, safe, resource-efficient cities and towns that are socially integrated, economically inclusive and globally competitive, where residents actively participate in urban life."

Due to a variety of cities and towns in South Africa with different attributes that influence the respective roles they play and the requirements thereof, the vision has to be interpreted and pursued in differentiated and locally relevant ways and this may be done through the introduction of the following 4 strategic goals:-

- **Access:** to ensure people have access to social and economic services, opportunities and choices.
- **Growth:** to harness urban dynamism for inclusive, sustainable economic growth and development.
- **Governance:** to enhance the capacity of the state and its citizens to work together to achieve social integration.
- **Spatial Transformation:** to forge new special forms in settlement, transport, social and economic areas.

The 4 strategic goals mentioned above inform the priority objectives of the eight levers and these eight levers are premised on an understanding that:-

- Spatial Planning forms the basis for achieving integrated urban development, which follows a specific sequence of urban policy actions;
- Integrated transport that informs;
- Targeted investments into integrated human settlements, underpinned by;
- Integrated infrastructure network systems and;
- Efficient land governance, which all together can trigger;
- Economic diversification and inclusion;
- Empowered communities, which in turn will create demand; and
- Deepen governance reform to enable and sustain all of the above.

POLICY LEVERS	LONG-TERM STRATEGIC PRIORITIES	SHORT-TERM STRATEGIC PRIORITIES
Policy Lever 1: Integrated Spatial Planning.	• Support and strengthen capacity to implement SPLUMA. • Improve integrated planning and management. • Maximise existing IGR structures as a mechanism for planning coordination. • Ensure greater involvement by Premiers and MECs. • Strengthen intergovernmental and long-term planning.	Expand the instruments for spatial intervention.
Policy Lever 2: Integrated Transport and Mobility.	• Clarify roles and responsibilities (institutional arrangements). • Strengthen and integrate public transport modes. • Identify core public transport nodes and corridors. • Develop and operational subsidisation policy.	Monitoring and review of policies as required.
Policy Lever 3: Integrated and Sustainable Human Settlements:-	• Finalise the Human Settlements White Paper. • Accelerate the upgrading of informal settlements. • Priorities the regeneration of the inner cities. • Provide more housing options. • Finalise the devolution of the housing function. • Promote densification, including supporting back yarding in townships and low-cost housing neighbourhoods. • Redevelop townships. • Develop a national policy on inclusionary housing.	Monitoring and review of policies as required.
Policy Lever 4: Integrated Urban Infrastructure.	• Institutionalise municipal long-term infrastructure planning. • Consolidate and coordinate infrastructure funding. • Strengthen partnerships and intergovernmental planning. • Develop infrastructure as a bridge between rural and urban areas.	Initiation of plans for the second phase of long-term social and economic infrastructure development and the diversification of South Africa's economic base.
Policy Lever 5: Efficient land governance and management.	• Simplify land-use planning and management. • Rethink the role of the Housing Development Agency (HAD). • Speed up land tenure. • Promote land value capture. • Consolidate and simplify the legislation governing the disposal of state land. • Ensure legislative concepts are applied consistently. • Address impacts of Traditional Authority areas within predominantly urban municipalities.	Address the fragmentation in public land information.

POLICY LEVERS	LONG-TERM STRATEGIC PRIORITIES	SHORT-TERM STRATEGIC PRIORITIES
	• Improve municipal access to land owned by the state and SOEs. • Improve intergovernmental relations for the acquisition and transfer of state land.	
Policy Lever 6: Inclusive Economic Development.	• Strengthen the economic role of municipalities. • Strengthen municipal institutional capacity in economic development. • Strengthen support for small and medium sized towns. • Support municipalities in building and using economic intelligence. • Initiate shared economic development strategies for cities and towns. • Strengthen roles and leverage partnerships with other economic stakeholders. • Improve relations between municipal councils and traditional authorities. • Create the local conditions for supporting enterprise development and growth. • Progressively improve inclusive economic infrastructure and services. • Support community-based enterprises and work. • Support livelihoods as a core principle of inclusive urban management.	Build distinctive strengths and extend/link regional economic value chains.
Policy Lever 7: Empowered Active Communities.	• Complete the National Framework on Participatory Governance. • Develop models for civic education. • Establish and maintain public participation forums at various levels. • Build institutional capacity to engage. • Explore co-production mechanisms for finding solutions to local government services. • Develop a social media strategy. • Explore service delivery mechanisms for other social services.	Innovative Neighbourhood Empowerment.
Policy Lever 8: Effective Urban Governance	• Promote a stronger positioning of metro government. • Strengthen intergovernmental and long-term planning and budgeting. • Improve fiscal management to meet the demands of urban growth. • Streamlining of national monitoring of municipal performance.	Establishment of a National Statutory Council

As a means to uphold the policy levers of the Integrated Urban Development Framework, Newcastle Municipality is committed to achieving IUDF's long and short-term strategic priorities at a local level through various measures such as the following:-

- Integrated Spatial Planning through the introduction of effective land use management systems and the development of the wall-to-wall scheme;
- The development of the Integrated Traffic and Transportation Plan;
- Improved planning for the provision of Sustainable Human Settlements;
- Development of a capital programme towards bulk infrastructure development;
- NLM's priorities and strategies are aimed at developing sustainable human settlements, improving spatial integration, generating wealth and creating sustainable jobs;
- NLM promotes good governance by promoting a culture of public representation through its effective Ward Committee system;
- Newcastle's urban centres are multi-functional nodes, with strong transportation hubs that incorporate a variety of land use activities such as commercial, retail, cultural and residential;
- The CBD provides employment for a large percentage of the population, and links suburban and township populations through an effective transportation network;
- The CBD is also an important source of regional economic growth, and makes significant contributions to the GDP of the Amajuba District family of municipalities.

2.3. Provincial Policy Framework.

2.3.1. KwaZulu-Natal Provincial Growth and Development Strategy/Plan (2016).

KwaZulu-Natal Province's development vision is outlined in the latest version of the Provincial Growth and Development Strategy (KZN-PGDS) which reads as follows:-

"By 2035 KwaZulu-Natal will be 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 KZN-PGDS is a primary strategy for KwaZulu-Natal that drives growth and development in the Province. It provides the province with a rational strategic framework for accelerated and shared economic growth through catalytic and development orientated interventions, with comprehensive and equitable spatial development initiatives aimed at putting people first, particularly the poor and vulnerable, and building sustainable communities, livelihoods and living environments. The KZN-PGDS asserts the beautiful Province of KwaZulu-Natal as the gateway to Africa and the world, and thus aims to build this

gateway by growing the economy for the continued development and improvement of the quality of life of all the people living in the Province, whilst ensuring that those currently marginalised have broader socio-economic opportunities.

In the first generation of the KZN-PGDS (2011), particular focus was given to the provision of sustainable infrastructure and services, restoring natural resources, improving public sector leadership, delivery and accountability, resilience, innovation and adaptability. The new KZN-PGDS (2016) has identified, as the biggest challenge, the continued socio-economic exclusion of millions of South Africans, reflected in high levels of poverty and inequality. Therefore, the focus for the KZN-PGDS (2016) will be on unlocking an expanded, sustainable and spatially balanced economic base. This will entail job creation that is labour intensive thus accommodating the marginalised sector of the population. Furthermore, the approach will also entail a prioritisation towards improved education outcomes and skills development that is responsive to workplace demands.

The KZN-PGDS (2016) has identified structural constraints to growth within KZN and these are as follows:-

- Increasing unemployment, inequality and poverty;
- Weak demand due to intense international competition;
- Insufficient skills development and training;
- Weak partnerships between economic actors and stakeholders;
- A decrease in output within the agriculture and the manufacturing sector;
- Youth, women, and rural inhabitants' inability to fully participate in the economy; and
- Adaptation to climate change.

Significant milestones need to be achieved in order to address inherited social and spatial inequities that continue to inhibit the creation of safe, healthy and sustainable living environments. Municipalities need to be institutionally empowered with the required organisational capabilities and human resource competencies to bring life to Vision 2035.

The KZN-PGDP identifies 7 strategic goals and 30 strategic objectives designed to move the KwaZulu-Natal Province progressively towards the attainment of the 2035 development vision. These goals and objectives are as relevant to the Newcastle Municipality as they are for the KwaZulu-Natal Province, despite some not being direct functions of local government. In order to realise Vision 2035, the following long-term goals have been identified to guide policy-making, programme prioritisation and resource allocation:-

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

For the 2016 KZN-PGDS to deliver on shared growth and integrated, sustainable development through its interventions, all spheres of government must commit to the following:-

a) The incorporation of the strategic goals and objectives in their priorities and programmes;
b) Effective participation in the institutional implementation framework;
c) The implementation of catalytic projects and interventions;
d) The provision and allocation of the required support and resources; and
e) The reporting of progress.

The KZN-PGDS (2016) is implemented through the KZN-PGDP (2016) which provides a platform for departmental, sectoral and stakeholder annual performance planning, thus guiding the allocation of resources. The main focus of the KZN-PGDP is to drive the implementation of the KZN-PGDS 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 immediate focus of the KZN-PGDS (2016), in terms of the timeframes, is target 2020.

Spatial representation and/or implementation of the KZN-PGDP is made possible through the KwaZulu-Natal Provincial Spatial Development Framework (KZN-PGDS 2016) which aims to strengthen linkages between the three spheres of government for optimising the returns on public investment to the benefit of affected communities and industries. The envisaged spatial vision for KwaZulu-Natal may be summarised as follows:-

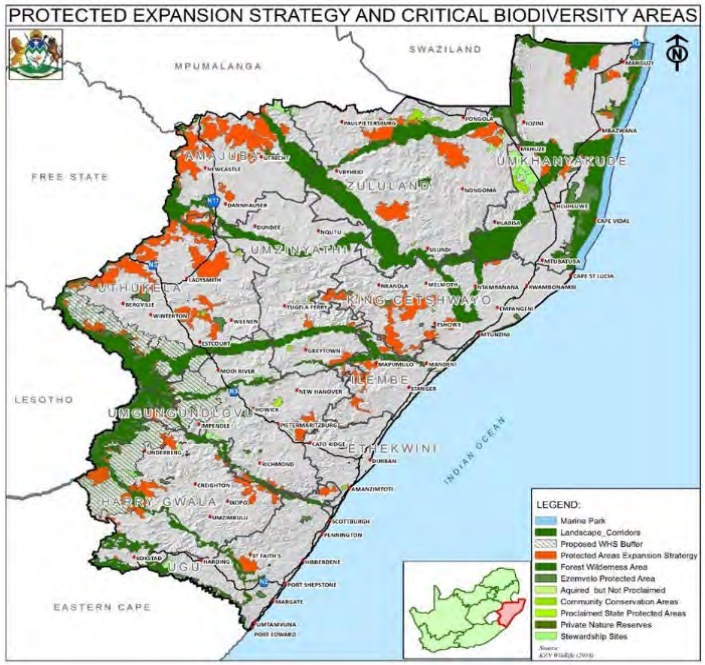
“Optimal and responsible utilisation of human and environmental resources, building on addressing needs and maximising opportunities towards greater spatial equity and sustainability in development.”

In order to achieve the spatial vision, as a starting point, the KZN-PGDS (2016) has employed the concept of spatial sustainability which includes Environmental Integrity, Social Equity, and Economic Efficiency, and the following principles are applicable:-

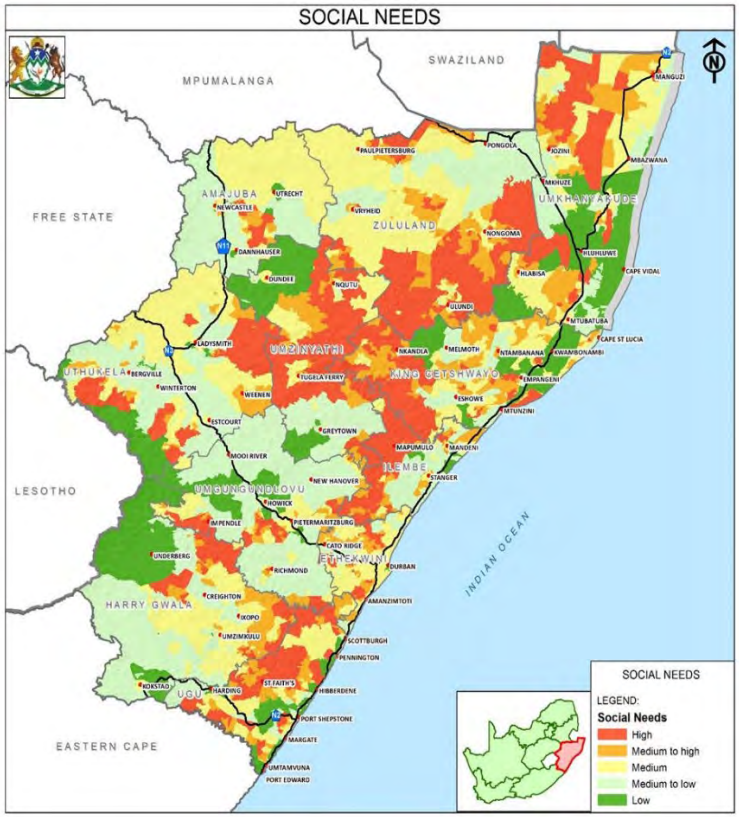
- Sustainable communities;
- Economic potential;
- Environmental Planning;
- Sustainable rural livelihoods;
- Spatial concentration and urban development;
- Local self-sufficiency;
- Coordinated implementation;
- Accessibility; and
- Balanced development.

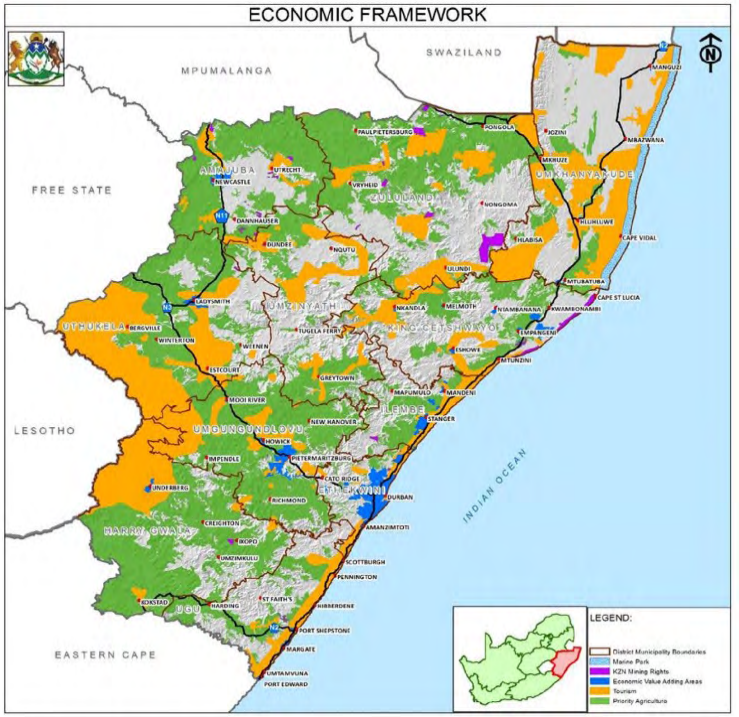
The following entails the KZN-PSDF’s general spatial intentions of the KZN-PGDS, and the guiding principles which should, ideally, be pursued within all levels of spatial planning, at district

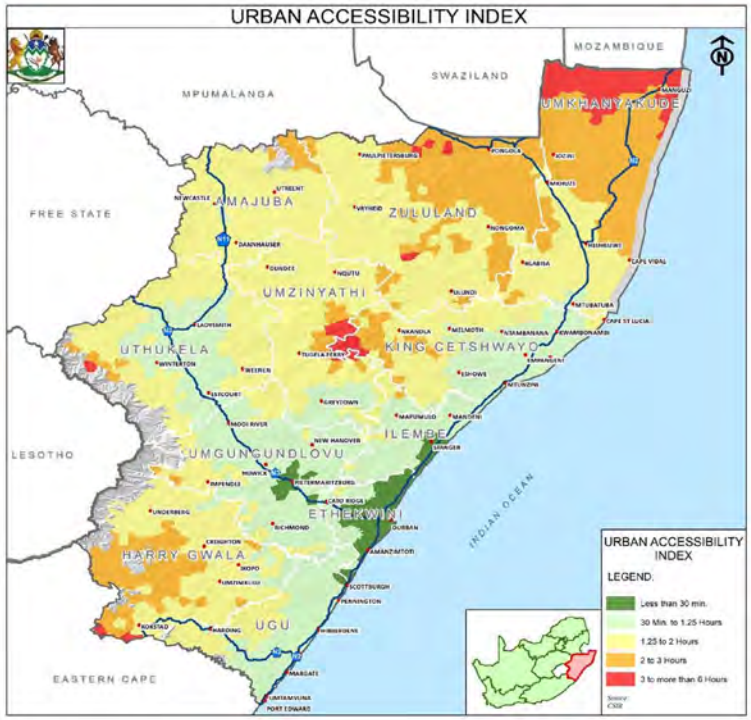
and local level, in order to ensure alignment with the provincial development strategy:-

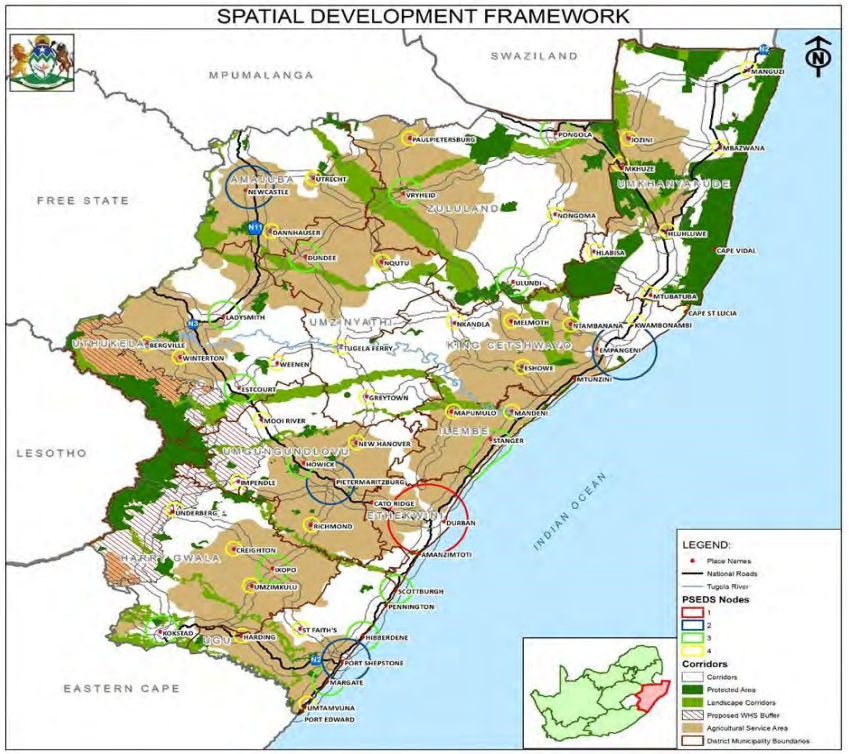
KWAZULU-NATAL PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK	NEWCASTLE LOCAL MUNICIPALITY
Environmental Sensitivity and Resilience: These are identified conservation corridors which are also areas of environmental significance to the sustainable development of the entire province.	The area west of the Newcastle CBD, up along the municipal boundary towards the north, has been identified as being part of the Protected Areas Expansion Strategy, with small pockets of either Landscape Corridors/ Forest Wilderness Area/ Ezemvelo Protected Areas/ Private Nature Reserves.
	

KWAZULU-NATAL PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK	NEWCASTLE LOCAL MUNICIPALITY
Priority Social Intervention Areas: These are areas identified as being in need of some form of social intervention based on an analysis of the applicable social dimensions.	The majority of the area west of the Newcastle CBD has been identified as having a Medium-to-Low Need for social intervention, with just a small pocket being identified as having a Medium-to-High Need for social intervention. Furthermore, up north towards the municipal boundary, there are areas which have been identified as having a Medium Need for social intervention. Pockets of High, Medium-to-High, and Medium Need for social intervention have been identified in the area that is east of Newcastle CBD (i.e. black township area which is previously disadvantaged and predominantly dominated by black inhabitants). An example of such a development initiative entails the JBC Precinct Plan.

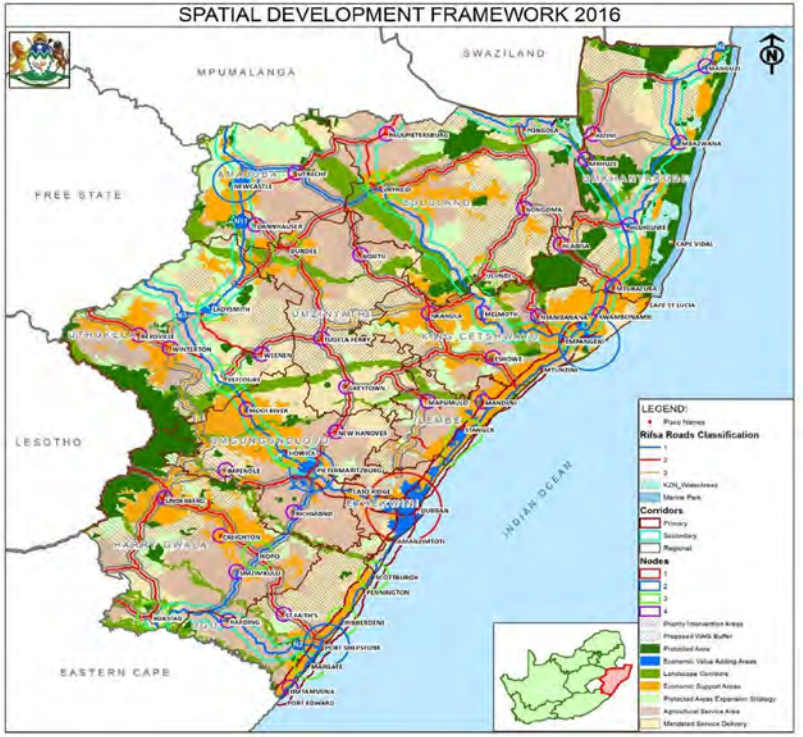
KWAZULU-NATAL PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK	NEWCASTLE LOCAL MUNICIPALITY
	
Priority Areas of Economic Activity and Potential: Based on the current economic activities in the KZN Province, these are areas derived from the performance of the lead sectors of the KZN economy, augmented by areas	The majority of the area west of the Newcastle CBD has been identified as Priority Agriculture, with small pockets being identified as Tourism. The area that is immediately within the vicinity of the Newcastle CBD has been identified as Economic Value Adding Areas,

KWAZULU-NATAL PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK	NEWCASTLE LOCAL MUNICIPALITY
with further development potential as identified in competitive assessments of the Metro and districts in the KZN Province.	whereas the majority of the Newcastle east area is identified as having very small pockets of Potential Agriculture. Up north, along the N11 route, the area has been identified for Tourism, and small pockets with Mining Rights.
	
Levels of accessibility to public and private sector services: These are areas where accessibility to public and private	In terms of the urban accessibility index, the majority of Newcastle is regarded as 1.25 to 2 hours regarding the efficiency in

KWAZULU-NATAL PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK	NEWCASTLE LOCAL MUNICIPALITY
sector services are proving to be a restriction to the development of a particular area. These are used as a reference point to determine priority of government intervention.	accessing both the public and private sector services.
	
Provincial Nodes in relation to Priority Interventions: This entails the nodes as identified within the KZN-PSEDS (KwaZulu-	Newcastle has been identified as KZN-PSEDS Node No. 2, with the majority of the area being identified as having potential to be an Agricultural Service Area. There are also areas within

KWAZULU-NATAL PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK	NEWCASTLE LOCAL MUNICIPALITY
Natal Provincial Spatial Economic Development Strategy).	Newcastle which were identified as Protected Areas and also Landscape Corridors mainly significant for tourism development.
	
Composite Provincial Spatial Development Framework: This entails a combined spatial representation of certain	Newcastle municipality has been identified as being along a Secondary Corridor, the N11 National Route. As mentioned within the section that covers Priority Areas of Economic Activity and

KWAZULU-NATAL PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK	NEWCASTLE LOCAL MUNICIPALITY
components that are of economic significance to the KZN Province.	Potential, the area within the vicinity of the Newcastle CBD has been identified as an Economic Value Adding Area. We have also been identified as KwaZulu-Natal's Secondary Node, which is basically an urban centre with good existing economic development and the potential for growth and services to the regional economy. Furthermore, there are pockets of areas which have been identified as being part of either a Protected Area/Landscape Corridors/Protected Areas Expansion Strategy. The majority of the area east of the Newcastle CBD has been identified as an Agricultural Service Area.

KWAZULU-NATAL PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK	NEWCASTLE LOCAL MUNICIPALITY
	

In light of the above, it is worth stating that the agricultural sector is key in order to address poverty within the province of KwaZulu-Natal since most of the areas are currently experiencing high levels of poverty, more specifically within rural areas. The agricultural sector's contribution towards the provincial economy is minimal, but has the potential to increase

if its full potential is realised. The commercial agricultural sector is the major employer within major municipalities and forms the economic anchor of some municipalities. Subsistence agriculture is regarded as the most important source of sustenance for a majority of rural households. The challenge towards reducing unemployment and poverty may be addressed through a transformation of commercial agriculture and an improvement to the linkages between the first economy commercial agriculture and the second economy subsistence agriculture in order to develop subsistence agriculture into small-scale commercial agriculture.

Agrarian Reform, coupled with effective Land Reform, are both identified as key instruments towards achieving agricultural development. The first round of the KZN-PGDP identified Newcastle as having high agricultural potential. The implications thereof to local government is the need to develop strategies towards developing agricultural potential within Newcastle, with emphasis being placed on the need to release concealed potential which mostly exists in the Ingonyama Trust Lands. Furthermore, there is a need to provide support through expediting land reform initiatives in the KZN Province. The agricultural potential may further be boosted through unleashing the potential of the Ingonyama Trust Land through improved communication and alignment of local government initiatives with those of the Tribal Authority.

The potential for industrial development in KwaZulu-Natal is anchored by the nodes of eThekwini and Umhlathuze. The corridors between these two nodes extending up to Howick from the primary zone of industrial development in the province are also realised as areas with potential for industrial development. The towns of Newcastle, Ladysmith and Port Shepstone serve as important secondary nodes of industrial development potential to support economic growth and job creation. In terms of tourism, the areas of national tourism potential within KZN are the Southern Zululand and Dolphin Coast, the Elephant Coast and surrounds, the greater Pietermaritzburg and Durban region, and the Drakensbeurg region. The following entails a list of the tourism products that are of provincial significance:-

- Arts and crafts routes in Midlands Meander and Albert Falls Amble;
- Durban, South-coast and North-coast Beach Tourism linked to cultural tourism in the interior Drakenberg region;
- Greater St. Lucia and surrounding big five reserves;
- Zulu Heritage and Cultural Trail; and
- Battlefields Route.

An analysis of the economic contribution within the various sectors in the districts of the KZN province indicate that, with the exception of two districts, the service sector (i.e. government services) is the largest contributor to district economies. The service sector is in fact the largest sector in

the provincial economy, contributing 52,8% to the GDP. The sector comprises of the following:-

- Wholesale/trade;
- Transport/storage;
- Communication;
- Real estate;
- Business services;
- Community/social/personal services; and
- Government services.

The strategy of the PGDS builds on the concept of developing a comprehensive network of centres throughout the province which will support the delivery of services. Services delivered will be determined by various nodes according to the hierarchy of places. In identifying the hierarchy of places, existing service centres are strengthened, and new or emerging service centres are developed. Also supported is the principle of shared service centres in the smaller rural centres across the KZN province. It is envisaged that in time growth and development in these rural service centres may lead to the realisation of further economic development and activity, justifying additional government investment in the three sectors already discussed. Newcastle is identified as having High Economic Potential, and has the ability to perform as a shared service centre for the surrounding more rural settlements within the region. Newcastle has well-developed retail and trade sector, well-developed transportation and the related infrastructure, access to community services and social services, and well-developed business and government services. Newcastle is also regarded as a place where the development of all the four major sectors of the economy have been identified i.e. Agriculture, Tourism, Industry and Services sector. In simple terms, Newcastle has multi-sectoral economic potential.

2.3.2.State of the Province the Address (SOPA) 2024.

The Premier of KwaZulu Natal Honourable Nomusa Dube-Ncube delivered the State of the Province Address on the 28th of February 2024. The Premier's SOPA focused on the following Priorities:

PRIORITY 1: A CAPABLE, ETHICAL, AND DEVELOPMENTAL STATE

1. Appointment of Heads of Department: During the financial year, four Heads of Department were appointed in key areas such as Agriculture and Rural Development, Public Works, Community Safety and Liaison, and Sport, Arts, and Culture.

2. Clean Governance and Anti-Corruption Efforts: The government is committed to clean governance, focusing on fighting fraud and corruption, reducing irregular expenditure, and increasing clean audits. Notably, six departments and the Provincial Legislature received clean audits in the previous financial year.

3. Ethical Business Practices: There's a call for ethical leadership in the private sector to prevent bribery, corruption, and collusion.

4. Support for Businesses: Operation Pay on Time has been launched to ensure timely payments to government suppliers, resolving payment queries and disbursing funds efficiently.

5. Consequence Management on Fraud and Corruption: Over 500 investigations have been conducted, leading to disciplinary actions and suspensions of officials involved in fraudulent activities.

6. Municipal Assessment: A province-wide assessment of municipalities has been conducted, focusing on political stability, good governance, administration, financial viability, and service delivery. Progress has been made in reducing the number of dysfunctional and at-risk municipalities.

7. Digital Transformation and ICT: The province is advancing towards full digitization, aiming for enhanced efficiency, effectiveness, and economic growth. Milestones include the Provincial Digital Transformation Strategy, setting up a Digital Information and Innovation Hub, and expanding internet access. Additionally, efforts are made to equip schools with digital skills labs, provide ICT equipment to special schools, and implement robotics and coding curriculum in schools. All provincial libraries, hospitals, clinics, and departments are now connected, with plans for public-facing Wi-Fi connectivity by 2030.

PRIORITY 2: ECONOMIC TRANSFORMATION AND JOB CREATION

1. Economic Recovery Plan: Collaborative efforts between the government and private sector during the COVID-19 pandemic led to the development of an Economic Transformation and Recovery Plan for KwaZulu-Natal.

2. Business Retention and Aftercare: Emphasis was placed on retaining and supporting local businesses through interventions like import replacement, localization, and accessing government relief measures.

3. Investment Promotion: Aggressive marketing positioned KwaZulu-Natal as a prime investment and tourist destination, leading to increased commitment to job creation despite global economic challenges.

4. Streamlined Approvals and Support: Measures were taken to expedite business permit and license approvals for priority projects, along with the establishment of a One Stop Shop to facilitate investment processes.

5. Infrastructure Development: Investments were made in upgrading infrastructure, including ports, railways, hospitals, and regional airports, creating jobs and stimulating economic growth.

6. **Special Economic Zones (SEZs) and Black Industrialists:** Plans were outlined for the establishment of new SEZs in the Newcastle and Ladysmith corridor, along with support for Black Industrialists to drive manufacturing growth and job creation.

7. **Support for Fisheries Cooperatives:** Training initiatives were rolled out to support small-scale fisheries cooperatives,

enhancing their skills and capacity in the ocean economy and maritime sector.

8. **Comprehensive Producer Support:** Programs aimed at revitalizing township and rural economies were launched, including the Zimele traders' fund to support community shops, food security initiatives, and agricultural development.

9**. Route Development:** Efforts were made to attract more direct international flights to King Shaka Airport to boost regional trade, tourism, and economic development, with various airlines reinvesting in routes to the airport.

Overall, these initiatives reflect a multifaceted approach to economic transformation and job creation in KwaZulu-Natal, emphasizing collaboration between government, private sector, and local communities to drive sustainable growth and development.

PRIORITY 3: EDUCATION, SKILLS, AND HEALTH

1. Health Achievements: KwaZulu-Natal has successfully stabilized HIV/AIDS rates through extensive antiretroviral therapy (ARV) programs, reducing maternal mortality and achieving UN's 95-95-95 HIV/AIDS strategy targets. Efforts also led to a significant reduction in malaria cases and mortality, as well as successful management of cholera epidemics.

2. Education Milestones: The province has made significant strides in education, with high literacy rates and increased access to Grade R education. The introduction of no-fee schools has benefited over 2.1 million learners. Matric pass rates have seen a remarkable improvement from 47% in 1997 to 86% in 2023, with KwaZulu-Natal producing the highest number of distinctions in the country.

3. Gender Disparities: While female learners outperformed males in matric pass rates, there's concern over the lower performance of male learners. Efforts are needed to address the factors contributing to male learners not completing matric.

4. Expansion of Higher Education: Access to higher education and training has been expanded, with a significant decline in the percentage of persons aged 20 years and older with no schooling. The establishment of Technical and Vocational Education and Training (TVET) Colleges has further enhanced skills development.

5. KZN Maritime University: Plans are underway to establish a maritime university in the Ugu District Municipality to leverage the province's maritime economy. Additionally, 12 new specialist schools focusing on maritime and ICT will be built, contributing to skills development in these crucial sectors.

PRIORITY 4: CONSOLIDATING THE SOCIAL WAGE THROUGH BASIC SERVICES

1. Child Grants: KwaZulu-Natal boasts the highest number of Child Grant beneficiaries in South Africa, with nearly 3 million individuals benefitting from the program. This demonstrates the government's commitment to providing a safety net for the poor and vulnerable, ensuring they have access to basic necessities.

2. Poverty Alleviation: Despite economic challenges, government grants play a crucial role in preventing millions of people in KwaZulu-Natal from experiencing hunger. The grants serve as a lifeline for many households, helping to alleviate poverty and provide essential support.

3. Focus on Employment and Skills Training: While grants provide immediate relief, the government recognizes that sustainable poverty alleviation requires increasing access to employment opportunities and skills training. By empowering individuals with skills and employment opportunities, the province aims to address the root causes of poverty and unemployment.

PRIORITY 5: SPATIAL INTEGRATION, HUMAN SETTLEMENTS, AND LOCAL GOVERNMENT

1. Addressing Spatial Inequality: The province acknowledges the direct correlation between spatial patterns and persistent issues like poverty, inequality, and economic inefficiency. Efforts are focused on addressing these challenges through various initiatives.

2. Housing Provision: Commitment has been made to ensure the provision of decent housing and housing opportunities through various instruments such as delivery of serviced sites, building fully subsidized housing units, affordable rental options, and informal settlements upgrading.

3. Achievements in Housing: Since 1994, the province has built 690,000 housing units, benefiting over 2.8 million citizens. Additionally, significant progress has been made in providing fully subsidized houses, serviced sites, and social housing projects targeting those in need of rental accommodations.

4. Priority Development Areas: Twenty-two priority development areas have been declared to support District Development Model (DDM) implementation, focusing on areas like KwaDukuza Town, Empangeni, Richards Bay, and others.

5. Informal Settlements and Farm Workers: Efforts have been made to address challenges related to informal settlements and farmworkers by acquiring vast land parcels in areas like Emadlangeni, Newcastle, Abaqulusi, and Inkosi Langalibalele.

6. Closure of Transitional Emergency Accommodations (TEAs): All TEAs, except those in eThekwini Metro, have been closed, indicating progress in addressing emergency accommodation needs and transitioning affected families to permanent homes.

7. Transformational Projects: Projects like the Vulindlela Rural Housing Project, costing R2.4 billion, have not only provided housing but also created numerous job opportunities, contributing to economic development.

PRIORITY 6: SOCIAL COHESION AND SAFE COMMUNITIES

1. Crime Reduction Efforts: The province acknowledges the detrimental impact of crime on investment and economic growth. While violent crime remains a challenge, significant improvements have been recorded in crimes dependent on police action for detection.

2. Stabilizing Violence: Various areas prone to violence, including Umsinga, KwaMashu Hostel, Glebelands Hostel, and others, have experienced stabilization efforts. Programs like "Thathulwazi, Lwisana Nobugebengu" aim to instil a culture of crime-fighting among young people.

3. Cross-Border Crimes: Measures are being taken to address cross-border crimes, including collaboration with neighbouring countries, diplomatic engagements, and enhancing border security to prevent stolen vehicles from crossing into Mozambique.

4. Police Resources: The province has augmented police capacity by recruiting new members, with over 4,000 new police officers added in the past two years. The establishment of the Community Safety Intervention Unit (CSIU) and recruitment of social crime prevention volunteers aim to further strengthen crime-fighting efforts.

5. Gender-Based Violence and Femicide (GBVF): The province is actively addressing GBVF through the implementation of the Provincial GBVF Strategic Implementation Plan. Strategic partnerships have been formed with various organizations to support GBVF response programs, including the provision of victim-friendly rooms in police stations and economic empowerment programs for GBVF survivors.

6. Support Services: Significant support services have been provided to GBVF survivors, including access to shelters, psychosocial support services, and economic empowerment programs. Efforts are also underway to develop a GBVF app with a panic button for added safety.

7. Empowerment Initiatives: Women empowerment initiatives, including business skills training and start-up support, aim to empower GBVF survivors and ensure their economic independence.

Through these initiatives, the province is working towards fostering social cohesion, ensuring community safety, and addressing the root causes of crime and GBVF.

PRIORITY 7: A BETTER AFRICA AND A BETTER WORLD

1. Regional Engagement: KwaZulu-Natal recognizes its interconnectedness with neighbouring countries and is actively fostering closer relations with Lesotho, eSwatini, and Mozambique. Leveraging its strategic location and world-class freight and logistics sector, the province aims to position itself at the forefront of Africa's sustainable economic growth and development.

2. Global Partnerships: The province is engaged in various global partnerships and forums, including BRICS, Afreximbank, and the African Continental Free Trade Area (AfCFTA), to promote economic cooperation and integration within the African continent and beyond.

3. Trade Opportunities: The launch of the AfCFTA presents significant trade opportunities for South Africa and KwaZulu-Natal. The province celebrates the involvement of local companies like Defy in the AfCFTA, highlighting the potential for increased trade and economic growth.

4. International Diplomacy: South Africa continues to play a role in global diplomacy, advocating for peace and human rights internationally. The province supports global efforts for peace, including appealing for a ceasefire in Palestine and supporting liberation struggles worldwide.

5. Climate Change Strategy: KwaZulu-Natal has adopted a Climate Change Strategy to address the impact of climate change, particularly in the face of successive floods and natural disasters. Disaster management efforts include installing smoke alarms and lightning conductors to enhance community safety.

6. Job Creation Programs: The province has implemented various job creation programs, resulting in the creation of over 655,547 jobs and job opportunities across different sectors. These initiatives include learnerships, internships, community works programs, and permanent government positions.

7. Youth Empowerment Fund: Significant investments have been made in youth empowerment, including the disbursement of funds to youth-owned businesses and the implementation of innovative programs like the Business in a Box initiative. The province plans to continue opening windows for the Youth Empowerment Fund to support young entrepreneurs.

8. MICE Sector Contribution: The Meetings, Incentives, Conferences, and Exhibitions (MICE) sector has been a key contributor to economic growth in the province, generating over R2.2 billion. The KwaZulu-Natal Convention Bureau estimates significant revenue from global events, highlighting the economic potential of the sector.

2.3.3. Amajuba District Growth and Development Plan.

The development vision of the Amajuba District is further detailed within the recently developed Amajuba District Growth and Development Plan which is essentially an attempt to cascade the development vision of the KZN PGDP into implementable actions. The main objectives of the plan are as follows:-

- To establish and outline a long term vision and direction for the development in the district (vision 2030);
- To provide an overarching and coordinated framework for planning and development initiatives within each of the local municipalities and across municipal boundaries;
- To provide a spatial context and justification for priority interventions;
- To guide resource allocations of various spheres of government, service delivery agencies and private sector working within the district;
- To develop the institutional arrangement for an effective implementation of the Amajuba DGDP and the KZN PGDS;
- To align and integrate departmental strategic plans at a district level;
- To facilitate commitment of resources (human, financial, etc.) towards the implementation of strategic objectives, catalytic initiatives and other district priorities.

The Amajuba DGDP will achieve its objectives through 7 Strategic Goals directly aligned to the KZN PGDP. The ADM 7 Strategic Goals are as follows:-

	GOALS	INTERVENTION
1.	Job Creation	Expanded provincial economic output and employment.
2.	Human Resource Development	The human resource capacity of the province is adequate, relevant and responsive to growth and development needs.
3.	Human and Community Development	Poverty and inequality in Amajuba is reduced.
4.	Strategic Infrastructure	Strategic infrastructure provides for the social and economic growth and development needs in Amajuba District.
5.	Environmental Sustainability	Reduced global greenhouse gas emissions and create social ecological capacity to climate change.
6.	Governance and Policy	The population of Amajuba is satisfied with the levels of government service delivery.
7.	Spatial Equity	Increased spatial access to goods and services in Amajuba

As per the KZN PDGP, the Amajuba DGDP's Strategic Goals and the 24 Strategic Objectives are aimed towards the attainment of the 2030 development vision. The goals and objectives of the Amajuba DGDP are relevant and applicable to the Newcastle Local Municipality. However, some do not fall within the ambit and functions of NLM. Nonetheless NLM fully commits itself to the execution and coordination of the Amajuba DGDP Strategic Goals and Objectives thereof, particularly those falling within its functions.

2.3.4.ADM District Development Model.

The District Development Model is a practical Intergovernmental Relations (IGR) mechanism for all three (3) spheres of government, including State Owned Entities, in order to work jointly and to plan and act in unison. The model consists of a process by which joint collaborative planning and implementation is undertaken at district and metropolitan level together by all three spheres of government resulting in a single strategically focused District Development Model. The model is very firmly based on analysis of previous and current initiative to improve developmental Local Government and IGR wherein developmental change is shaped and owned at district level in partnership with communities, citizens and social partners.

The objective is to achieve one district that has one plan aimed towards development, driven through one effectively coordinated budget. The model will strive to improve coordination within sectoral planning. The objectives can be effectively planned, implemented, monitored and accounted through the IDP process at local government sphere. The participation of sector departments and Traditional Leadership in DIP Forums is of paramount importance for the realisation of the DDM objectives. Spatial referencing of project and the implementation of the Capital Infrastructure Framework (CIF)

has to be prioritised in the planning and adoption of municipal budgets.

❖ Components of the District Development Model.

The end-product will be a plan that serves as a strategic document with the following key components:-

- Status Quo Analysis and a Short-Term Action Plan.
- Brief overview of the district demographics, and development profile.
- High level assessment of the key strategies and priorities for improvement and transformation.
- An identification and collection of all current sector and sphere commitments (projects and investments).
- An identification of catalytic projects.
- The identification of key gaps and areas of misalignment between the SDF, IDP, DGDP, and This will entail an analysis if such between the different spheres of government, and also between sector departments.

❖ Identified Common Development issues within ADM.

The following entails the identified issues that hinder spatial development throughout the Amajuba District:-

- There is a poor settlement pattern, which manifests in the form of a dominance of small towns as regional service centres and/or economic hubs. There is also expansive farming areas and a general rural character of the area which further contributes to the poor settlement pattern. The net effect of this is an inability to decentralize and co-ordinate service delivery at a localized level.
- There is a slow release of land for housing for both public and private use, thus resulting in the development of settlements on land that is far from employment opportunities or servicing options.
- Land tenure reform planning is not integrated into planning tools and frameworks due to a lack of high level integration between the Department of Rural Development and Land Reform, the Department of Agriculture and Rural Development, the Commission of Restitution of Land Rights and the District and Local Municipalities. As a result the settlement of communities in deep rural areas further entrenches marginalisation.
- Post settlement support has not been forthcoming, and this further hinders the development of the communities' quality of life.
- The purchase of commercial farms for communities who in turn do not commercially farm these areas, together with the closing of many coal mines within the District, has placed further strain on rural towns such as Utrecht. And due to the decline of spend in these towns, many of the higher order shops have closed, resulting in spend leakage, as well as diminishing rates for the municipality.
- Enhanced digital accessibility and internet coverage is needed for the District so as to allow greater access to

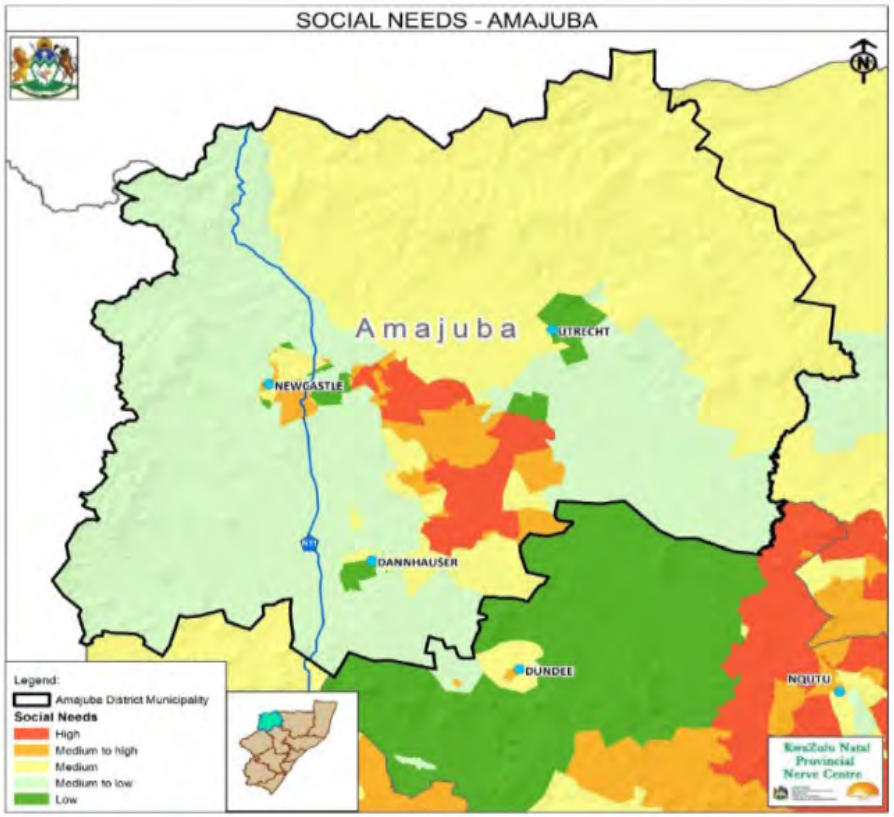
information for schools, training facilities and communities at large.

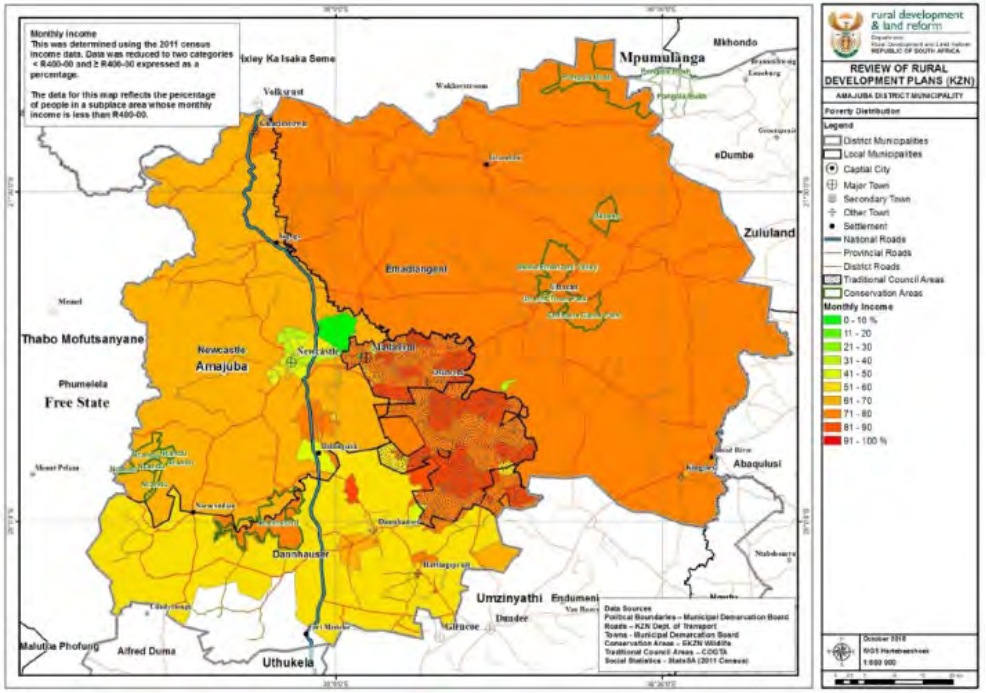
- There is limited tracking in the Municipal IDPs and SDFs of informal settlements and settlements on commercial farmlands. The net result is a poor integration of these settlements in the municipal servicing plans or priorities.
- There are a number of communities on the periphery of the District that are reliant on cross-border services, both within KZN, and across provincial borders, and these include Charlestown, Inkosi Nzima area, Blue Mountain and Groenvlei, Fort mistake area and the newly incorporated farming areas to the south-west of Dannhauser, and the areas of Kingsley and Blood River.

❖ Identified issues that hinder Social Development throughout ADM.

- Amajuba District experienced an increase in its total population figures by a growth rate of 1,9% between the period 2011 to 2022 (StatsSA).
- Dannhauser experienced a decline in its population figures between 2001 and 2011 (-0.1 growth rate), and an increase of only 0.6% in 2016, which could be attributed to a mixture of socio-economic factors such as an improvement in health care services, reduction in mortality rates, improvement in economic conditions, and an availability of employment opportunities amongst others (Amajuba District Municipality Growth and Development Plan, 2019: 18).
- Population projections from 2020 to 2035, which are based on an average population growth rate of 1% per annum (rounded off to the nearest hundred), indicate that the population will increase to 634 663 by 2035.
- In terms of age structure, the majority of the population of the District is a youthful population that's below 30 years of age.
- The District has seen an increase of 2.1% in the dependency rate from 62.2% in 2011 to 64.3% in 2016. However, when interpreted in conjunction with the low-income levels of households per number of people employed, the figures reflect that a high proportion of the population place an additional burden on the economically active population within the District.
- It is noted that the proportion of the population with no schooling has increased significantly between 2011 and 2016, from 25 352 to 77 923. In spite of this, the number of scholars in Pre-school and ordinary schooling has increased significantly.
- According to the Amajuba SDF (2019), 52% of the population are estimated to be living under poverty. The major factors that contribute to the high levels of poverty entail the high unemployment rate, and a general lack of availability of meaningful job opportunities. The plan notes that the majority of residents earn less than R800 per month, which indicates that individuals cannot afford basic services such as housing and health services.

- The majority of the citizens in the District are solely reliant on the public sector services, mainly delivered through the Primary Healthcare (PHC) services. Of the total population, 90.6% of the citizens are not medically insured leaving only 9.4% with medical or health insurance.





❖ Identified issues impeding upon Economic Development in ADM.

- Statistical information indicates that the Amajuba District made a limited contribution to the economy of KwaZulu-Natal in 2017, and this entailed a contributing of about 2.7% to the total provincial GVA.
- Mining is growing within the District contributing 12.1% to the total district GVA, which is largely attributed to the coal deposits.

- 18% of the province's GVA stems from the manufacturing sector, and the figure is 17.6% for the Amajuba District. This indicates the importance of manufacturing in the region, and further highlights the importance of ensuring sustainable growth in the manufacturing sector in the Amajuba District. It is also worth noting that the Amajuba District experienced a negative growth of -1.6%, compared to an average annual growth in the province of 0.4%.
- The wholesale and retail trade sector contributes significantly to the district economy. The sector accounts for 17.6% to the district GVA.
- The Finance sector accounts for almost 16% of total GVA in Amajuba, in comparison with 20% in the province. Average annual growth was about 6.6% for the district, compared to 2.7% for KZN.
- There is, however, a need to diversify the district economy in order to create a wider economic base in support of long-term sustainable job creation.
- The greatest contributor to the GDP of the district is the Newcastle Local Municipality wherein its greatest contributions to the GDP are the manufacturing, trade, finance and community services sectors.
- The informal sector provides 20% of the total employment within the District. There is potential for this to grow in line with global trends in developing economies.
- In terms of the Multiple Deprivation Index (MDI), the analysis shows that within the District, Dannhauser has the highest level of deprivation, ranked number 11 out of 54 municipalities in the province, while Newcastle has the lowest deprivation and is ranked number 49 within the province.

❖ Identified issues that hinder the enhancement of Basic Service Delivery throughout ADM.

- Investments and/or projects identified in existing plans are not always in areas where it will have the most impact.
- State investments are not unlocking private sector investment on the 30:70 principle. Most plans are being implemented without the required support from private sector.
- Fragmented settlement structures are resulting in high costs of providing services. Under the current funding models, municipalities cannot afford to supply services to the outer-lying areas.
- Maintenance of existing infrastructure is not adequately planned or budgeted for.
- Communal taps are not metered, and a lot of water is wasted due to poor leak reporting by the community.
- Municipal technical services departments are poorly resourced and capacitated with the required skills and capabilities.
- Long term planning and infrastructure projects are poorly linked, as a result, long- term projected demands are not sufficiently addressed in designs. The implementation of

bulk services does not factor the required capacity to cater for future demands.

- Water storage planning requires attention and new storage dams need to be planned for, funded and developed.

❖ Identification of Amajuba District Municipality's Catalytic Projects.

According to the Amajuba District Growth and Development Plan, a catalytic project may be defined as "an intervention that has a strong leverage an/or multiplier effects by addressing three (3) or more strategic goals, or by creating a strong leverage towards the achievement of the overall objectives of the Amajuba District Growth and Development Plan." In simple terms, from a government perspective, a catalytic project entails any development activity that has the ability to achieve the "triple bottom line" at the benefit of the community at large. Such developments have the ability to catalyse economic development, social development, and environmental sustainability.

The information below are abstract from Amajuba District Development Model which relate to the catalytic projects. The information entails spatial representation of the identified catalytic projects, and a detailed list of that's linked to cost implications. Newcastle Local Municipality serves as the regional service centre for the Northern KwaZulu-Natal region, and the local municipality that accommodates a higher majority of the total district population when compared to the other locals. Due to such, it is only befitting that the majority of the catalytic projects are concentrated within the jurisdictional area of the Newcastle Municipality. Some of the project are meant to promote economic development and lead to meaningful job creation. Some have to do with agrarian reform and the enhancement of food security. Some are aimed at environmental sustainability and the conservation of both the natural resources and species bio-diversity.

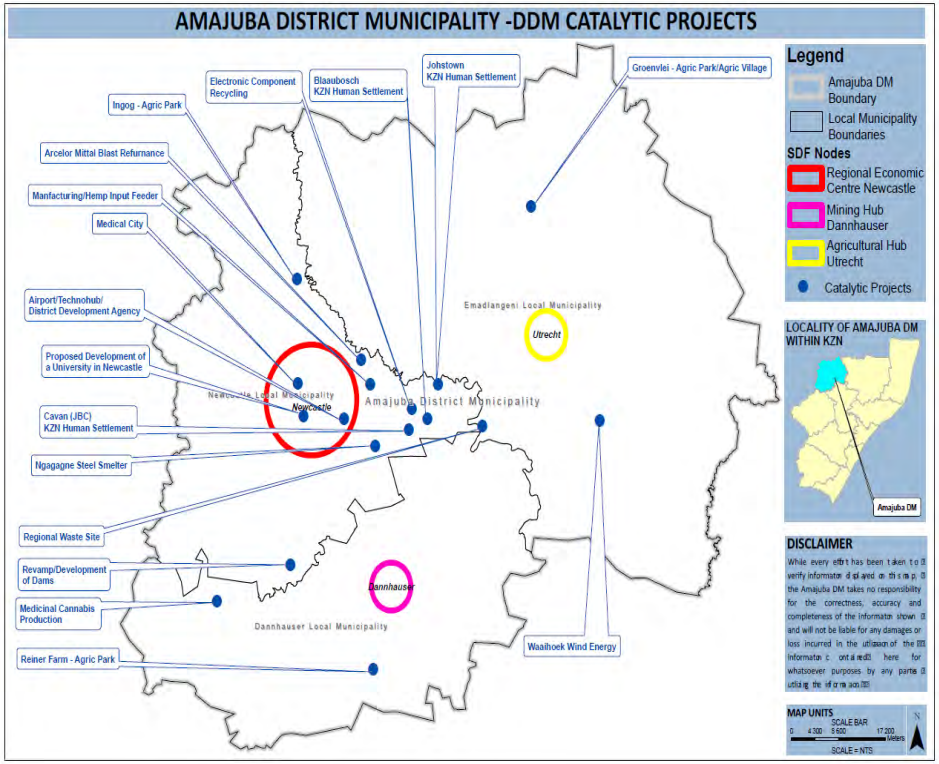


Figure 5: ADM DDM Spatial representation of the identified Catalytic Projects.

Name of Project	Sector	Location	Value
Establishment of Special Economic Zone – Manufacturing (Textile)	Economic, Manufacturing, Human Capital	District Wide, Newcastle	R45 million
Upgrade of Newcastle Airport	Economic, Infrastructure, Human Capital	Newcastle	TBD
Ngagane Steel Smelter	Economic, Manufacturing, Infrastructure, Human Capital	Newcastle	R 10 Billion
KZN Technology /Science Park project	Economic, IT, Human Capital	Newcastle	R 1,5 Billion
Groenvlie Agri- Village and Agri-Park	Agricultural, Human Settlement	Emadlangeni	TBD
Ingogo Agri-Park	Agricultural, Human Settlement	Newcastle	TBD
Reiner Farm Agri-Park	Agricultural, Human Settlement	Dannhauser	TBD
Cannabis Produce (Medicinal Plants)	Agricultural Sector, Health Sector	TBD	TBD
District Development Agency	Economic Sector	Newcastle	TBD
Hemp input feeder	Textile and Clothing	Newcastle	TBD
Wyhoek – Wind Energy	Energy (Green Technology)	Utrecht	TBD
Medical City	Health Sector	Newcastle	TBD
Revamp and development of Dams	Integrated Infrastructure	District Wide	TBD
Widening of N11	Integrated Infrastructure	Newcastle, Dannhauser	TBD
Regional Waste Site	Environmental Management	District wide	TBD
Electronic Component Recycling	Manufacturing	Newcastle	TBD
Districtwide ICT Broadband	Integrated Infrastructure	District wide	TBD
Coal Mining	Mining	District wide excl enviro sensitive areas	
Gas pipeline	Integrated Infrastructure	District wide	TBD

Figure 6: ADM DDM identified Catalytic Projects.

PROJECT NAME	SHORT DESCRIPTION OF PROJECT	PROJECT OWNER / DEPARTMENT / SOC / COMPANY NAME:	DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY
PROPOSED DEVELOPMENT OF A UNIVERSITY IN NEWCASTLE	The proposed project entails the development of a university in Newcastle either through government initiative such as Sol Plaatjie university and university of Mpumalanga or through the initiative of an existing university as a satellite campus. The municipality has identified three alternative sites for the establishment of the university. However, the magnitude of the educational institution does not only require that a feasibility study be undertaken but also that the blessing of the relevant authorities be sought. This is a catalytic project which would directly stimulate and leverage for further investment is associated projects. It has would address wide-scale regional needs in that apart from servicing the northern parts of the province, the university would resolve spatial inequity in accessing university education in the southern parts of Mpumalanga province and eastern parts of the free state province.	NEWCASTLE LOCAL MUNICIPALITY KZN 252- DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS/TECHNICAL SERVICES	AMAJUBA	NEWCASTLE
ARCELOR MITTAL BLAST REFURNANCE	Relining of blast furnace Number 5, providing the steel plant extended lease of life medium and long term. Provides Newcastle with competitive edge regarding heavy manufacturing sector. 4 month project	ARCELOR MITTAL	AMAJUBA	NEWCASTLE
JOHSTON BLAAUBOSCH CAVAN(JBC)	KZN Human Settlement	NEWCASTLE	AMAJUBA	NEWCASTLE

Figure 7: Additional Catalytic Projects from the ADM DDM.

❖ Key Budget Allocations.

The budget information provided below entails budget allocations with respect to the 2024/2025 financial year. Updated information is still to be obtained from government sector departments upon the approval of their capital budget for the 2021/22 financial year. With respect to the budget allocation depicted below, the highest allocation is from the Department of Human Settlements which is R1,461,730,523.00. The municipality with the biggest capital expenditure is the Newcastle Local Municipality which is R125, 547,995.00.

Government Department (2019/20)	Allocated Budget
Department of Agriculture, Land Reform and Rural Development	R105,457,326.00
Department of Cooperative Governance and Traditional Affairs	R2,350,000.00
Department of Human Settlement	R1,461,730,523.00
Department of Transport	R1,231,597,453.00
Department of Sports and Recreation	R980,000.00
Department of Health	R380,000.00
Department of Economic Development, Transport and Env Affairs	R951,515.00
SUB TOTAL	R2,803,446,817.00
Municipalities (2020/21)	
Amajuba District Municipality	R99,109,800.00
Newcastle Municipality	R125,547,995.00
Dannhauser Municipality	R50,445,000.00
eMadlangeni Municipality	R12,998,000.00
SUB TOTAL	R288,100,795.00
TOTAL	R3,091,547,612.00

Table 1: Key budget allocations from government sector departments.

2.3.5.Vryheid, Emedlangeni, Newcastle, Ermelo Strategic Corridor Development Plan.

The Vryheid-Emadlangeni-Newcastle-Ermelo (VENE) Strategic Corridor Development Plan (SCDP) is currently being prepared by SMEC South Africa on behalf of the KwaZulu-Natal Department of Cooperative Governance and Traditional Affairs (KZN-CoGTA). The main purpose of the VENE-SCDP is that it seeks to consolidate the various strategic plans that have been developed by relevant provincial departments, municipalities and sector departments in the abovementioned areas. Among other goals, the aim is to coordinate public sector resources, so as to support the vision and to create a framework for private investment that promotes economic growth and social well-being in an environmentally sustainable manner within the corridor area. The SCDP is based on the principle of developing regional economies that have diverse offerings to local communities and in alignment with the goals and objectives contained in the KZN Provincial Growth and Development Plan (PGDP).

The outcome will be a credible and aligned final product that ensures focused and structured development whilst incorporating electricity transmission, bulk infrastructure provision, rural development, and integrated human settlements, spatial equity and skills development into the project. Further, the SCDP will establish a 25 year strategic framework that identifies the development, land use and transport mobility of the affected area, opportunities, as well as a vision for the Corridor. The preparation of the NEVE-SCDP has been guided by the Spatial Planning and Land Use Management Act of 2013 (Act No. 16 of 2013), which is widely referred to as 'SPLUMA.' The SCDP was also developed in line with the SDF guidelines of the Department of Rural Development and Land Reform.

❖ Identified Common Development issues within ADM.

The following entails some of the common development issues identified within the jurisdictional areas of the applicable local municipalities. The table below is a depiction of the issues identified per category:-

FOCUS AREA	IDENTIFIED ISSUES
Road Infrastructure	• There are five classes of roads in Amajuba, namely national, provincial, district and local. P483 is class 2 road and connects Utrecht and the R34 to Osizweni, Madadeni, Newcastle and key public transport corridor, the N11 to the west. • It has been identified as a secondary corridor and mixed activity corridor in the district SDF and a secondary corridor and activity corridor in the local SDF. • The route provides an important mobility route and emerging activity corridor with significant existing settlement expansion and future growth and development potential. • It is generally single lane each direction with road junctions (but not generally direct property access). • Capacity challenges are experienced within the N11 between the P204 (turn-off to Dannhauser) and Newcastle carries in excess of 10 000 vehicles per day while the P483 carries between 5 000 and 10 000 vehicles per day. • This section of the road network also carries a significant amount of local traffic. KZN DoT have undertaken some studies to upgrade and widen the roadway.

FOCUS AREA	IDENTIFIED ISSUES
Transportation	• No commuter rail service currently exists within the Amajuba area and is mainly the result of the location of the Newcastle station in relation to the actual residential areas and the employments centres. • Although the alignment of the railway line lends itself to the provision of a rail commuter service several factors hamper the actual provision of such a service. These include:- - High capital investment for the provision of rolling stock. - Increase in the annual maintenance of the rail line because of the inclusion of passenger transport service and not only freight service. - High capital investment for the provision of suitable stations along the rail line in the areas of Madadeni and Osizweni. - Remote location of the current station in terms of residential areas and employment opportunities. • It is however important to further investigate the possibility of establishing a rail commuter service that will complement the existing public transport service, and become significant in terms of settlement expansion. • A minor airfield is located to the east of the industrial area within the Newcastle Local Municipality and serves the local area and some parts of South Africa as a charter services by private individuals. Classified as a Category II airport, the Amajuba IDP Review (2013/14) highlights the need to upgrade the existing landing strip into an Airport, given the role of Newcastle as a manufacturing and a notable business centre within Amajuba and beyond.

FOCUS AREA	IDENTIFIED ISSUES
	• Having the airport can help in retaining existing companies in the area, as well as promote the export success of companies located in the area by the provision of passenger and freight links to key markets.
Water and Sanitation	• Water supply infrastructure in Newcastle Local Municipality (NLM) varies between areas reflecting the impact of fragmented spatial development and urban bias of the past planning and development practices. • Newcastle town is generally well provided with water while a few households in Madadeni and Osizweni Townships are experiencing shortages in this regard. • Severe backlogs have been reported in rural settlements where the level of backlog is high. • The infrastructure in Newcastle East is in a fairly good condition which is more than what can be said about the condition of water infrastructure in the Newcastle West area which is mainly the CBD and surrounding suburbs. • The area has aging asbestos networks which are resulting in high maintenance costs. • The supply of Bulk Water to the Newcastle Local Municipality is obtained by the Buffalo River Abstraction, Ngagane River Abstraction and Ntshingwayo Dam. • The yield of Ntshingwayo Dam has probably declined to the point where all allocated water rights cannot be exercised. This is due to silting-up of the dam, which thus continue to reduce the yield of the dam. • Furthermore, the sluices of the dam are also reducing the dam's ability to reach maximum fill capacity of 90% hence further reducing the yield of the dam.

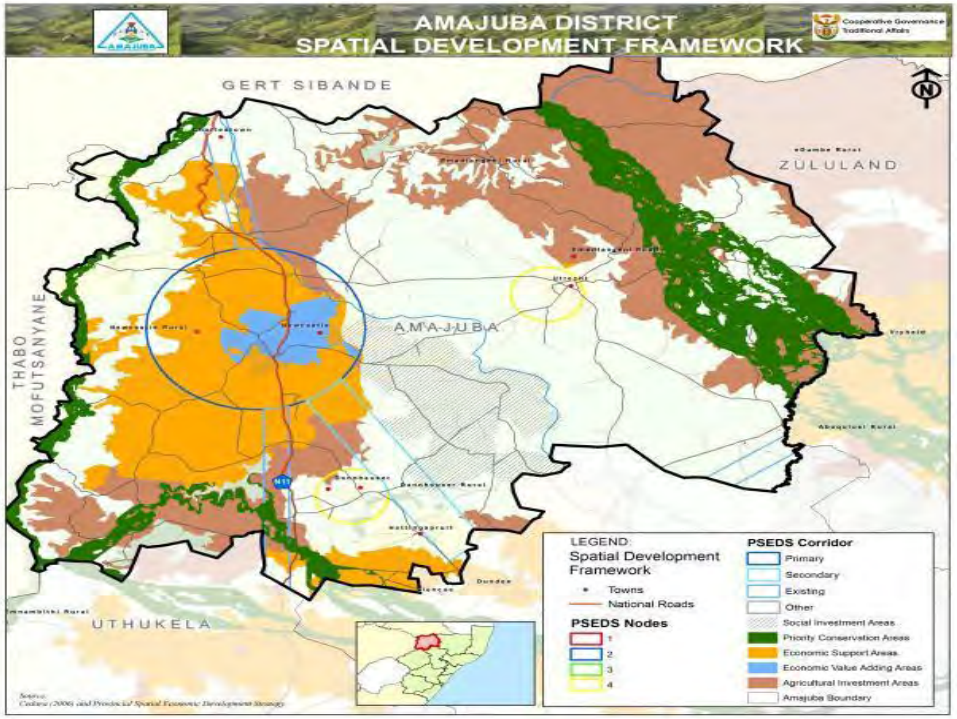
FOCUS AREA	IDENTIFIED ISSUES
	• In short, Ntshingwayo Dam has been operating in a stressed state for some time, despite average rainfalls within the catchment. Both the Ngagane and Buffalo rivers have run dry on a regular basis in the past decade. • This has hampered upon NLM's ability to abstract its full allocation of water from these sources, which has exacerbated the existing water supply shortages. This bulk supply needs to be augmented in order to sustain the forecasted peak demand in the next 25years. • A preliminary assessment of the level of water use efficiency and the level of Non-Revenue Water (NRW) in the Newcastle Water Supply Scheme area indicated that the total system losses are high. It was estimated that the total Non-Revenue Water (NRW) in the supply area is a staggering 65%. • The main areas of concern are Madadeni and Osizweni where water losses mainly from onsite leaks are resulting in losses of at least 26Ml/day. • Peri-urban and rural areas such as the JBC and rural settlements in the Khathide and AmaHlubi communities are characterised by high sanitation backlogs. The JBC node has no sewerage reticulation in place. The residents rely on over 15 000 ventilated improved pit (VIP) latrines. Most of the VIPs are full and the Municipality spends about R1.0 million every month in de-sludging the VIPs. • One of the main problems is the need for a sewer master plan, which will enable the municipality to plan for future developments including addressing the backlogs in basic sanitation services. Other areas of concern are the lack of adequate sewer systems for

FOCUS AREA	IDENTIFIED ISSUES
	households that do not have waterborne sanitation. • Sanitation master plan is required for the District to ensure formal planning of sanitation infrastructure. A water and sanitation operational maintenance plan is currently being drafted which will assist with maintenance of aging infrastructure. A more current WSDP is also required to assist in planning.
Electricity	• The provision of electricity in Newcastle is demand driven. The demand triggers the need to plan for additional capacity of the electricity network distribution. • The electricity networks for the Newcastle West area being the CBD and surrounding suburbs are managed by the municipality whereas the outlying townships and rural areas are supplied by Eskom. The Newcastle Municipality further gives support to Eskom for the surrounding townships and rural areas by implementing capital projects funded by the Department of Energy which upon completion is handed over to Eskom. • The current and proposed reticulation network in Amajuba District Municipality shows that the bulk electricity infrastructure is concentrated in areas that have the highest population densities in areas such as Newcastle, Dannhauser, Utrecht, Emadadeni, etc. • Newcastle Municipality has a superior population size and economy in the Amajuba district and as such has more areas that would require bulk electricity infrastructure. There are 8 sub-stations in the Newcastle Municipality that supply electricity to the areas of Newcastle, Madadeni and Osizweni. The spatial distribution of most sub-stations within Newcastle Municipality is predominantly situated along the N11 primary corridor. • Newcastle is a growing economy within the district and it will be essential to demonstrate that the current supply is sufficient to meet current and future demands. • The current and proposed reticulation network in Amajuba District Municipality shows that the bulk electricity infrastructure is concentrated in areas that have the highest population densities in areas such as Newcastle, Dannhauser, Utrecht, Emadadeni, etc. Newcastle Municipality has a superior population size and economy in the Amajuba district and as such has more areas that would require bulk electricity infrastructure. There are 8 sub-stations in the Newcastle Municipality that supply electricity to the areas of Newcastle, Madadeni and Osizweni. The spatial distribution of most sub-stations within Newcastle Municipality is predominantly situated along the N11 primary corridor. • Newcastle is a growing economy within the district and it will be essential to demonstrate that the current supply is sufficient to meet current and future demands. The construction and maintenance of electrical infrastructure - there are Eskom projects on the pipeline for new 132kV lines, Substation to be built - the Matsheketsheni 132kV Tee Line and the 132/11kV Substation to be commissioned in 2022 per plan will bring some relief on the grid, specifically for Newcastle where majority of population and economic activity is. • The Eskom Network Strengthening projects in the Amajuba District will also contribute positively to reducing the constraints on the network.

FOCUS AREA	IDENTIFIED ISSUES
Human Settlements	• In 2011, the majority of urban settlements were located in the Newcastle Municipality (70.8%). • Most of the district populations, who live in urban areas, are located in Newcastle, Utrecht and Dannhauser. • The settlement pattern in Newcastle has largely followed access routes thus forming an economic system with definite interdependencies between and among various elements. However, it has also been highly influenced by the past apartheid planning and segregationist policies. • The current settlement pattern reflects a continuum of settlements from a highly urban Newcastle town through peri-urban settlements in the JBC to extensive commercial farmlands with small isolated farm-dweller settlements. • The main issues facing Amajuba Municipality is a poor settlement pattern, which manifests in the form of the dominance of small towns as a regional service centres and economic hubs, as well as the expansive farming areas and a general rural character of the area. • The net effect of this is the inability to decentralise and coordinate service delivery at a localised level. • All the Local Municipalities have completed their Housing Sector Plans. However, some of these plans are outdated and need to be reviewed and updated. • It is therefore important for the District to adopt a coordinated and sustainable approach to human settlements, with appropriate service levels and strategies for addressing the needs of scattered settlements and the more densely populated rural nodes and corridors, in order to ensure sustainable infrastructure planning and alignment.
Economic Sector Analysis	• The Amajuba District Municipality is one of the most fertile regions within KwaZulu-Natal, and therefore has a comparative advantage in terms of agriculture. • The agricultural sector accounts for approximately 2.2% of total GVA in the Amajuba District, while the contribution of this sector to total formal employment is 2%. • Newcastle and Emadlangeni contribute 33% and 28% respectively to total agricultural output in the district, and have both experienced a decline in growth of -6% from 2005 – 2009. • Mining and quarrying only contributes a small amount to total GVA in the district (3.4% in 2010). • An alarming issue is the large number of coal mines that have been abandoned within the Newcastle and Emadlangeni municipalities, with only 1 significant commercial coal mine remaining in Newcastle. • The mining industry has however experienced positive growth off a small base within the district due to an increase in small-scale coal operations. • Manufacturing contributes 25.2% to the total district GVA, making it the largest contributor to the district economy. • A large number of the manufacturing companies in the greater Newcastle area produce for national and international markets (mainly Gauteng at national level). • Most large industry is located within Newcastle, which accounts for over 83% of total GVA in the Amajuba

FOCUS AREA	IDENTIFIED ISSUES
	• Manufacturing industry, followed by Dannhauser with 12.7% and Emadlangeni with 3.8% of GVA Newcastle has a strong base of existing infrastructure geared towards manufacturing, and is considered an important node within the wider provincial manufacturing sector. • The Amajuba District is not considered to be a major tourism destination within KZN due to its historical association with industrial and mining activities. However, it is a key sector that presents opportunities for economic development within the region. • The district has a large number of accommodation facilities, which range from lodges, to B&B's, to self-catering facilities and hotels. However, most of these facilities are located within Newcastle, with only a limited number of facilities within the Emadlangeni and Dannhauser Municipalities. • Within the Amajuba District Municipality, informal trade accounts for over 20% of total employment within the region. • Over 74% of informal trade in the district occurs within the Newcastle Local Municipality, with only 7.5% in Emadlangeni, and 17.6% in Dannhauser.
Spatial Analysis	• The Spatial Development Framework (SDF) of the Amajuba District Municipality. The SDF clearly identifies: - Primary, secondary and agricultural corridors; - Primary, secondary and tertiary nodes; and - Agricultural land categories. • According to the PSEDS District Profile (2012), Newcastle is the key economic node of the district, with Utrecht and Dannhauser being the smaller urban centres in the district.

FOCUS AREA	IDENTIFIED ISSUES
	• Owing to the racial segregation and industrial decentralisation policies during the apartheid era, there are major population concentrations located to the north east of the town of Newcastle including residential and commercial, Newcastle industrial, Newcastle airport and rail yard, Madadeni residential and limited commercial, Osisweni residential, Dicks Halt residential, Jobstown and Mndoza residential. The majority of industrial, commercial and services activities are located in Newcastle along the N11 and follow the road linking Newcastle to Madadeni - Osisweni. • The N11 is the main transport route through the area linking Ladysmith with Newcastle and Gauteng via Volksrust and Standerton. The main rail link between Gauteng and Ethekwini passes through Ladysmith, Newcastle, Charlestown and Volksrust. • Large scale commercial agriculture is extensive throughout the district with intensive irrigated production taking place west of the town of Newcastle around the Chelmsford dam below the escarpment. This is a fertile area used for high value crop production. • The areas north of Newcastle are characterised by dryland and limited areas of irrigated agriculture around Groenvlei. Commercial timber has been established along the escarpment to the west and north of Newcastle. • The high lying areas of the municipality in the north east are mainly used for extensive livestock production and limited commercial timber. The remaining lower lying areas of the municipality are generally drier and hence used for extensive livestock production.



FOCUS AREA	IDENTIFIED ISSUES
	• The R34 route bisects the Amajuba District in an east-west direction and forms the primary linkage between Richards Bay and Newcastle, and Gauteng and the Free State. This route plays a role in exporting outputs from mines as it links Amajuba District to exporting destinations. However, the heavy volumes of traffic and coal trucks have resulted in bad rutting, potholes and poor driving conditions. The upgrading of this route should be prioritized in order to encourage investment, improve accessibility and enhance mobility.

FOCUS AREA	IDENTIFIED ISSUES
	• The R621 main road links the town of Dannhauser to the N11 (and onto Newcastle) to the north, and to Dundee and Glencoe (and on to the R33 main road) to the south. • R34 is a direct link between Newcastle town and Memel. • The railway line runs parallel to the N11 until the R621, and is the main rail link between Gauteng and Ethekwini passing through Ladysmith, Newcastle, Charlestown and Volksrust. • Newcastle is the key economic node of the district, with Utrecht and Dannhauser being the smaller urban centres in the district. • The town of Newcastle (incorporating the CBD, associated surrounding suburbs, JBC and MBO) has developed, positioned and proven itself as an important regional economic hub for the Amajuba District and surrounding areas, including small towns and townships in the Free State and Mpumalanga. Newcastle has a diversified economy that is mainly driven by the manufacturing sector which is value adding and provides numerous employment opportunities. It forms part of the provincial spatial systems and is identified in the PSEDS as one of the economic hubs within the province. • The category of land use covering the greatest area of the Amajuba District Municipality is “primary grassland” (60.2%), which is aligned with the high incidence of stock farming in the District. Primary and secondary grassland account for a total of 69% of the land use of the Amajuba District.

The map above shows the areas identified as social investment areas, priority conservation areas, economic support areas,

economic value-adding areas, biodiversity priority areas and agricultural investment areas. Primary and secondary, nodes are also shown. These provide broad guidelines for spatial planning within and across districts.

❖ Key Projects Proposed

Project Name	Type of Project	Project Report	Location
P483 TOD Corridor	Socio-Economic / Transport / Planning	Newcastle SDF, Emadlangeni SDF	P483 Utrecht – Newcastle
Johnston-Blaauwbosch-Cavan(JBC) TOD Hub	Socio-Economic	KZN PGDP, IMP, Newcastle SDF	JBC hub along P483 (between Madadeni and Osizweni)
Utrecht Sustainable Urban Expansion	Socio-Economic / Planning	VENE SCDP	Utrecht, along R34 and P483
Vaalbank / Berouw Mixed Use TOD Node	Socio-Economic / Planning	Emadlangeni SDF	Vaalbank, along P483
Dicks Halt / Mndozo Mixed Use TOD Node	Socio-Economic / Planning	Newcastle SDF	Dicks Halt / Mndozo, along P483
Amajuba Techno Park	Socio-Economic	KZN PGDP, PSEDS, IMP	Next to Newcastle Airport
CS Smelter Park	Socio-Economic	KZN PGDP, IMP	North of Newcastle (east of N11)
Ngagane / Colenso Steel Smelter	Socio-Economic	KZN PGDP, IMP	Ngagane (east of N11)
Hydroponic Techno Park	Socio-Economic	KZN PSEDS	Close proximity to Newcastle Airport
New University in Newcastle	Socio-Economic	KZN PGDP, PSEDS	Newcastle / Madadeni

Project Name	Type of Project	Project Report	Location
Newcastle Regional Airport Upgrade (Newcastle Airport Techno Hub)	Transport	KZN PGDP, PSEDS, IMP	Newcastle Airport
N11 Project: Uthukela (SIP 2)	Transport	KZN PGDP, IMP	Newcastle / N11
Upgrade of D98 to a Principal Arterial / Regional Linkage and Potential Transport Node	Transport / Socio-Economic / Planning	KZN DoT, VENE SCDP	D98 (N11 / R34 junction)
Revive Old Coal Power Station	Infrastructure	KZN PSEDS	Newcastle
Kilbarchan SS 88/22kV TRF Est	Infrastructure	KZN PGDP	Kilbarchan (south of Newcastle)
Upgrade Ngagane WTW	Infrastructure		Ngagane (south of Newcastle)
Expansion of Utrecht Protected Areas	Biophysical	VENE SCDP	Utrecht

The Newcastle node is the heart of the VENE corridor, and includes various elements as described in the table below:-

Strategic Elements	Description
Airport	The Newcastle Airport City will be located to the southeast of the Newcastle urban core. It will provide significant airport logistics related opportunities for local producers (in particular produce that needs to move quickly).
Agripark	The Agripark is located on the N11 to the north of Newcastle. It will provide for the following: - Fostering commercial agriculture through the exploitation of the Rural/Urban Market Centre Units (RUMC). - The Department of Rural Development and Land Reform defined an Agri-park as 'a networked innovation system of agro-production, processing, logistics, marketing, training and extension services, located in a District Municipality. As a network, it enables a market-driven combination and integration of various agricultural activities and rural transformation services. Agri-parks are there to also support growing towns and to promote rural urban linkages.
Heavy Industry	This includes large manufacturing developments, mostly linked to mining relatedactivities.
Intermodal Facility	This will include various forms of transport ranging from taxi ranks, rail terminals,and distribution centres.
Coal Hub	The coal hub is in place to promote all coal mining related activity so as to ensure economicgrowth and job creation in the area. All coal mining related activities are envisaged within this hub.

2.3.6.17 Sustainable Development Goals.

During the year 2000, 189 leaders of different nations committed themselves to rid the world from famine, drought, wars, plagues, poverty and many forms of deprivations that have been haunting the global society for years. The United Nations Development Programme (UNDP) has been one of the leaders working towards achieving the 8 MDGs through the funding of projects within more than 170 countries and territories. Tremendous progress has been made since the offsetting of the goals in the year 2000, hunger has been cut in half, extreme poverty went down almost by half, more children are going to school, and there are less child fatalities, in just naming a few. South Africa, on the other hand, has been a willing signatory of the 8 Millennium Development Goals even before they were introduced globally, and this has been through the alignment of a vision that was expressed and supported by millions of South Africans in the form of the 1955 Freedom Charter. Though not articulated in the same manner, the achievement of the 8 Millenium Development Goals has always been an integral part of the Freedom Charter, and a building block towards addressing the challenges that are mainly due to the poor planning mechanisms of the Apartheid government. 15 years later the signatory countries want to improve on the successes, hence going further in addressing perennial issues.

The new set of goals, the Sustainable Development Gaols (SDGs), aims to end poverty and hunger by 2030. World leaders, taking into cognisance the relationship between people and the planet, have set goals for the land, the oceans and the waterways. The 17 SDGs are based on common consensus, and an aspiration towards a future where everybody has enough food, and can work, and can sustain

their livelihoods living at more than $1.25 (R18.81cents) a day. The new 17 Sustainable Development Goals are as follows:-

	SDG	OBJECTIVE
1.	No poverty	To end poverty in all its forms everywhere
2.	Zero hunger	To end hunger, achieve food security and improve nutrition and promote sustainable agriculture
3.	Good health and well-being	Ensure healthy lives and promote well-being for all at all ages
4.	Quality education	Ensure inclusive and equitable quality education and promote life-long learning opportunities for all
5.	Gender equality	Achieve gender equality and empower all women and girls
6.	Clean water and sanitation	Ensure availability and sustainable management if water and sanitation for all
7.	Affordable and clean energy	Ensure access to affordable, reliable sustainable and modern energy for all
8.	Decent work and economic growth	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
9.	Industry, innovation and infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
10.	Reduced inequalities	Reduce inequality within and among countries
11.	Sustainable cities and communities	Make cities and human settlements inclusive, safe, resilient and sustainable
12.	Responsible consumption and production	Ensure sustainable consumption and production patterns
13.	Climate action	Take urgent action to combat climate change and its impacts
14.	Life below water	Conserve and sustainably use the oceans, seas, and marine resources for sustainable development.
15.	Life on land	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degredation and halt biodiversity loss
16.	Peace, justice and strong institutions	Promote peaceful and incusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
17.	Partnerships for the goals	Strenghthening the means of implementation and revitalise the global partnership for sustainable development

In South Africa there still exists enormous pressures for the achievement of the 17SDGs. Though efforts have been made towards halving extreme poverty, there persists high inequalities. Efforts have also been made towards improving the levels of education within the country through the provision of access to an efficient and high quality education system that is results-driven. And thus South Africa managed to achieve

the goal of universal primary education before the targeted date of 2015.

Since 1994, South Africa has been recognised internationally for its relatively good performance in terms of common measures on gender equality. However, gender based violence still remains of particular concern which means decisively dealing with this issues is of particular importance in order to achieve the goal pertaining to equality and the empowerment of women. According to the Millennium Development Goals Country Report 2013, the target regarding the ratio of literate females to literate males was achieved at 1:1. Therefore the processes that are already in motion should be maintained as there is still a long way to go in order to achieve gender equality. Significant efforts have also been made to improve the health system in order to reduce child mortality and improve maternal health including the fight against HIV/AIDS. The level of childhood mortality is reflective of a country's health status in general and the health status of the children in the country. There has been improved immunisation for children under the age of 1 hence contributing to the decrease in the child mortality rate.

The creation of awareness campaigns towards the fight against the HIV/AIDS pandemic has also given some positive results. In 2012 South Africa had the largest population of people living with HIV/AIDS which was estimated at 5.6 million. However, the percentage of HIV prevalences among the population aged between 15 – 24 years has declining significantly over the years, from 10.3% in 2005 to 7.3% in 2012. This is a positive sign towards reaching the goal of combating HIV/AIDS despite the prevalence of some challenges. Fundamental to the nature of NLM is the development of sustainable human settlements and the conservation of the environment thereof. Through strict land use measures and the mainstreaming of development, the significance natural habitats are realised. The sustainability of the natural forests is of concern, and, like most other countries, South Africa is also vulnerable and exposed to the impacts of climate change and variability due to the socio-economic and environmental context. Therefore, key mitigation programmes have been identified including the promotion of the use of clean energy resources. Such measures will also aid thus to decrease the rate of Ozone depletion. Within NLM there has been improvement regarding the provision of access to water and also the provision of improved access to sanitation.

2.3.7.Operation Sukuma Sakhe.

Operation Sukuma Sakhe aims to redress previous imbalances through the creation of equal opportunities, and the promotion of accessibility, transparency and accountability towards target groups. Newcastle Municipality has launched the Provincial Sukuma Sakhe program at ward 9 as an attempt to declare war against poverty and social challenges facing the community of Newcastle. Operation Sukuma Sakhe Programme (formerly known as the Flagship Programme) seeks to institute food security, fight disease, in particular HIV, AIDS and TB, and

poverty, to empower women and youth, and to instil behavioural change amongst the citizens of the province. The formulation of the 4th Generation IDP has adopted the principles of Operation Sukuma Sakhe thereby establishing partnerships with the local community and getting involved into War Rooms.

Operation Sukuma Sakhe links initiatives that are being implemented by the different sector departments, including other spheres of government. The delivery of services is required through partnerships with the community, stakeholders and government. Newcastle Municipality has ensured that all 340 Ward Committees together with their Ward Councillors do participate in this program through formation of war rooms at ward level.

Operation Sukuma Sakhe is a continuous interaction between Government and the community to come together to achieve the 14 National Outcomes. The program encourages the social mobilization where communities have a role, as well as delivery of government services in a more integrated way. The Government has structured programs which need to get as deep as to the level of the people they are serving. This is at ward level, translating to all 31 wards and all households within the Newcastle area of jurisdiction. The KwaZulu Natal provincial government humbly accepts that it cannot achieve this alone, but needs community's hands in building this nation together.

The following provincial departments have been prominent in spearheading the Operation Sukuma Sakhe program in Newcastle Municipality. These include:-

- Department of Health;
- Department of Education;
- Department of Sports and Recreation;
- Department of Social Development;
- Office of Premier; and
- Co-Operative Governance and Traditional Affairs through Community Development Workers (CDWs).

FORUM	PROGRAMME	HIGHLIGHT
Disability Forum	Education and Skills Development	• **Training and handover of reading aides for visually impaired people.** • Computer and Administration Skills programme for disabled people. • The placement of disabled people in various institutions for experiential learning.
	Sports and Recreation	• **Disability Sports Day.** • The high participation of disabled people in sports**.** • The inclusion on mental health in disability programmes.
	Health and Social Wellbeing	• **Door to Door Campaign at KwaMathukuza.** • Assistance rendered to the community in educating about rights of disabled people.
	Economic Participation	• The construction and handover of a Centre for disabled people in Osizweni.
PLWHIV Forum	Health and Social Wellbeing	• Participation on Newcastle Forum at the Provincial Candle light Ceremony. • High turnout of people during HCT campaigns, especially amongst populations at risk.
	Education and Skills Development	• **Ward Aid Committee and PLWHIV training programme.** • The workshop attempted to up skill community agents in attending to community issues and escalating them to relevant sector departments. • The workshop also played an important role helping the different community stakeholders to consolidate their efforts in terms of sharing programmes and information.
Children's Forum	Safety and Security	• School violence became a huge area on concern last year. • This violence resulted in not only deaths but, the displacement of perpetrators and psychological scarring of fellow learners and the community at large. • The cause can be attributed to various factors such as bullying, substance abuse, negligence and lack of parental control. • Community Awareness Programmes in War-rooms, community meetings, schools, churches and the media helped in shifting the focus back to the psychosocial needs of children.
OSS		• The top war room at KZN, ward 24, came from Amajuba District in our Local Municipality.
		• Amajuba District is one of the leaders in the monthly submissions to the Office of the Premier.
		• Amajuba District is also leading in the launching of the Fora.

FORUM	PROGRAMME	HIGHLIGHT
		• Mpumalanga benchmarked in our District in seeing how the War room works by visiting ward 1 at Charlestown.
Gender: Men		• Men's month celebration at Madadeni Community Hall where the hall was full to its capacity and also attended by the District Mayor.
		• EPWP Programme that is employing the widows.
		• Gender Based Violence march at Newcastle CBD that took the attention of many people.
		• Poverty alleviation Programmes for the Fora members organized by Special Programmes together with LED.
Gender: Women		• Women's Day Celebration that is including women from other departments. • Poverty alleviation Programmes for the Fora members organized by Special Programmes together with LED. • Honouring of women working in Dangerous zones.
SENIOR CITIZENS	Golden games.	• Promotion of healthy living. • Commemorating heritage day as senior citizens. • Tackling issues that senior citizens are faced with and also the promotion of healthy living. • Showing appreciating of working well together throughout the year and promoting healthy living.
	Senior citizens heritage day.	
	Meeting with the senior living in Madadeni hosted by Asisinde isizwe.	
	Year-end function	

2.3.8.Youth Development Strategy.

Since the advent of democracy in 1994, many efforts have been steered towards the promotion of sustainable youth development over the years. However, inspite of all that has been done to counteract and redress the wrongs of the past and current trials confronting the youth, it is evident that youth development is still not a priority in the South African development endeavours. A review on youth development particularly from Stats SA indicates that a vast majority of unemployment in Newcastle is amongst young people between the ages of 18 and 35 years. There are many frustrations confronting young people today besides adequate access to quality employment, and these range from for free tertiary education, successful entrepreneurial growth and development and the scourge of HIV/AIDS, alcohol and drug abuse. These issues spiral down further exacerbating social ills such as violence, abuse, prostitution and crime, all of which are escalating at an alarming rate.

Through engagements with citizens and stakeholders, the Newcastle Local Municipality was able to determine such challenges during the Community Based Planning activity. Such were also raised during the Mayoral Budget Roadshows for 2017/18. The issues raised have implications on the importance of investing in young people in terms of equipping them with the necessary skills to increase their creative and productive capacity, and also to assist them to lead a meaningful life. The battle towards sustainable youth development necessitates the development of strategies and operations with the following policy framework:-

a) National Youth Policy 2020.

The policy outlines interventions to enable optimal development of young people, both as individuals and as members of South African society towards the enhancement of their capabilities hence a transformation of the economy and the country. The objectives of the aforementioned policy towards 2020 are as follows:-

1. Consolidate and integrate youth development into the mainstream of government policies, programmes and the national budget.
2. Strengthen the capacity of key youth development institutions and ensure integration and coordination in the delivery of youth services.
3. Build the capacity of young people to enable them to take charge of their own well-being by building their assets and realizing their potential.
4. Strengthen a culture of patriotic citizenship among young people and to help them become responsible adults who care for their families and communities.
5. Foster a sense of national cohesion, while acknowledging the country's diversity, and teach a spirit of patriotism by encouraging visible and active participation in different youth initiatives, projects and nation-building activities.

Furthermore the National Youth Policy outlines the following proposals towards youth development and empowerment:-

1. Economic participation and transformation.
2. Education, Skills and Second Chances.
3. Healthcare and combating substance abuse.
4. Nation-Building and Social Cohesion.
5. Effective and responsive youth development institutions.

b) Youth Enterprise Development Strategy 2013 - 2023.

The YEDS intends to provide support for young entrepreneurs with an objective of creating and managing sustainable and efficient businesses capable of providing decent permanent jobs and employment growth. These interventions include mentorship and coaching, youth business incubation, business infrastructure support, linkages to procurement opportunities, youth entrepreneurship awards, youth entrepreneurship promotion and awareness, youth special projects and sector-specific enterprise creation, national youth service programme, and the youth entrepreneurship collateral fund. In pursuit for sustainable youth enterprise development, the YEDS is underpinned by these principles:-

- **Principle 1:** Youth Enterprise Development and Entrepreneurship is a Shared Responsibility.
- **Principle 2:** Participatory and Collaborative Approach.
- **Principle 3:** Human Rights and Diversity.
- **Principle 4:** Responsiveness and Relevance.
- **Principle 5:** Accountability.
- **Principle 6:** Youth as a Target Group.
- **Principle 7:** Transparency.

c) Integrated Youth Development Strategy.

The IYDS was developed to be a holistic and integrated strategy which should respond to all socio-economic needs of young people in South Africa. The strategy seeks to facilitate and coordinate the implementation of youth development programmes and policy comprising the National Youth Policy, National Youth Development Agency Act (No. 54 of 2008), as well as the National Youth Development Policy Framework amongst others. The IYDS pursues the following objectives:-

- To promote a uniform approach by all organs of state, the private sector and civil society organizations;
- To facilitate endeavours aimed at job creation and economic freedom for the youth;
- To outline parameters within which youth development programmes can be implemented;
- To initiate strategic anchor projects to benefit youth from disadvantaged backgrounds (rural, disabled, and young women) and guide programming for other stakeholders including private and civic society sectors;
- To provide a monitoring and evaluation framework and system which will enable coordinated nationwide reporting of youth development programmes implementation in all sectors.

2.3.9.Batho Pele Principles.

The White Paper on Local Government advocates for a developmental Local Government, which is Local Government that is committed to working together with its citizens and groups within its communities to find sustainable solutions to meet their social, economic and material needs with the purpose of improving their general welfare as well as their standard of living. The constitution sets out the objectives of local government which are as follows:-

- Provision of a democratic and accountable government;
- Provision of services to communities in a sustainable manner;
- Promote social and economic development;
- Promote a safe and a healthy environment; and
- Encourage the involvement of communities and community organisation in the matters of the municipality.

The Newcastle Local Municipality is not exempted from the common challenges of local government and is characterized, in some areas, by services backlogs, high unemployment, and poverty stricken households. Sincere commitment towards radical transformation and unbiased delivery of services is required in order to counteract the anomalies inherited from apartheid planning, and also to bridge the existing gap between the rich and the poor which is represented through inefficient spatial integration in Newcastle. NLM is devoted to working together with its citizens and to be customer-oriented which is an endeavour to fast track development taking into cognisance the need for social cohesion, economic development, environmental sustainability and institutional development. The municipality's commitment to raising the standard of service delivery and transformation into an organisation that is development orientated, efficient, effective and professionally ethical emerges from Batho Pele. The municipality aspires to always uphold and implement the principles of Batho Pele and ensure the following:-

a) Service Standards: To inform the communities within Newcastle about the level and quality of service they will receive hence creating awareness of what to except.
b) Access: to ensure all Newcastle citizens have equal access to services which they are entitled to.
c) Courtesy: To treat residents as customers.
d) Information: To always publicise relevant information about our programmes and services.
e) Openness: To inform the people of Newcastle about the operations of the municipality.
f) Transparency: To be transparent and honest about what we will be able to deliver.
g) Redress: To offer our people an apology and give them a sympathetic and positive response if they are unhappy with the manner in which services are being rendered.
h) Value for money: To always provide services in an economical and efficient manner.

2.3.10. Back to Basics.

Local government is the sphere of government which is closest to the people. It is also the gateway to service delivery and the platform where most citizens get to interface and interact with government. The vision of a developmental local government system was that it would be the building block on which the reconstruction and development of the country and society was to be built. It was also a place in which the citizens of South Africa could engage in a meaningful and direct way with the institutions of the state. A number of issues related to governance within the local sphere have emanated over the years hence necessitating efforts that support, educate and where needed, enforce implementation. In light of the issues related to the local sphere of government, the transformation of the government sectors thereof remains a priority.

According to the National Development Plan, achieving South Africa's transformation agenda requires functional municipalities and a capable machinery at a local level that can create safe and healthy economically-sustainable areas where citizens and people can work, live and socialize. Therefore, it is vital to understand where South Africa is, where the country could be and what needs to be done in order to achieve the developmental vision of the country. The goal of Government is to improve the functioning of municipalities in order to effectively render meaningful basic services to communities by getting the basics right. Since the decentralized system of local government was put in place in 1995, as enshrined in the country's Constitution (i.e. as a 'distinctive, interdependent and interrelated' sphere of government), much has been achieved towards building local government. National Government has provided support to the system of local government through the development of world-class local government legislation and policy, supported by a transparent system of intergovernmental grants that enable municipalities to perform their roles. Furthermore, a wall to wall system of municipalities has been developed for the sole purpose of integrating communities that were previously divided by the apartheid regime. The Local Government White Paper put forward a vision of local government as a key component of the developmental state, and in pursuit of that vision, services have been progressively extended to more citizens than ever before.

His Excellency, President Jacob Zuma, in his State of the Nation Address delivered on the 17th of June 2014, articulated Government's concerns regarding improvements needed at local government level. As part of Government's plan of action to revitalize local government, President Jacob Zuma stated that "South African municipalities are built on a firm foundation, built over the last 20 years of democracy. We have evaluated all our municipalities. We have inspected their financial management, how they work within legislative processes as well as their ability to roll out projects and to address capacity constraints. We have also looked at how they respond to service delivery protests. There have been many successes in

many municipalities. However, we face a number of challenges."

Therefore, against the backdrop of the statement by His Excellency - President Jacob Zuma, the Ministry of Cooperative Governance and Traditional Affairs is pursuing the Back to Basics Approach in order to address the challenges that are faced by local government, and also to strengthen municipalities and instill a sense of urgency towards improving the lives of citizens. The Back to Basics Approach is premised on the recent review of all the 278 municipalities within South Africa, which established three groups of municipalities namely the Top Group, the Middle Group, and the Lower Group. In terms of the Back to Basics Approach, clear benchmarks are set and these are directed towards increasing performance in Government's efforts to ensure that all municipalities perform these basic functions without compromise.

Furthermore, the Back to Basics Approach is of significance because it also supports a transformation agenda which is premised on the need to ensure functional municipalities as outlined by the Minister of Cooperative Governance and Traditional Affairs in his 2014 Budget Vote. The approach is informed by the Constitution, legislation and programmes that are intended at streamlining a new agenda aimed at changing Government's approach and strategic orientation especially at a local level towards serving the people whilst ensuring service delivery.

As part of Government's efforts to recognize and adequately reward good performance and ensure sufficient consequences for under-performance, the Department of Cooperative Governance (DCoG) has developed a set of indicators to be reported on a monthly basis as per the pillars of the Back to Basics Approach. These indicators will functions thus to measure whether Newcastle Municipality is performing in terms of the basics and these are as follows:-

- Putting people first;
- Delivering basic services;
- Good governance;
- Sound financial management; and
- Building capable local government institutions.

According to circular No. 47 of 2014 from the Department of Cooperative Governance and Traditional Affairs (COGTA), Newcastle Municipality is obliged to furnish the Minister of COGTA with information on a monthly basis in order to assist in the analysis of the state of local governance within South Africa, and also to afford COGTA the opportunity to make an informed assessment in order to be able to support and intervene where needed.

Table 2: Newcastle Local Municipality's Strategic Alignment with the Back to Basics Key Focus Areas.

Back to Basics Focus Area	NLM Strategic Objective	NLM Strategy	NLM Key Performance Indicator	Responsibility
Service Delivery and Infrastructure	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle Municipality's Jurisdictional Area.	To ensure that the water and sanitation service is rendered in an efficient and affordable manner.	Number of households with access to drinkable water.	SED: Technical Services
			Number of households with access to sanitation.	
		To promote water conversation and environmental awareness.	Annual review of the WSDP.	
			Number of awareness campaigns to promote water conversation and environmental awareness.	
			Reduction of losses by 2% per annum for NRW.	
			Approved business plans for rural and urban areas.	
	To ensure provision and maintenance of safe roads and effective storm-water infrastructure.	To develop and implement the Roads and Storm-Water Infrastructure Plan	Square meters of sidewalks paved.	
			Kilometres of roads released.	
	To ensure access to electricity and other forms of energy where applicable.	To provide electricity within the Newcastle Municipality Licensed Areas.	Number of solar geysers installed.	
			Number of households with access to electricity.	
		To improve the electricity network in the Newcastle Licensed Areas.	Implementation of Maintenance Plan.	
	To provide and ensure a safe and healthy environment.	To keep Newcastle Municipality Area clean.	Implementation of Communication Plan.	
		Implementation of the Waste Management Strategy in line with relevant legislation.	% of backlogs addressed.	
			Number of registered landfill/ waste disposal sites.	
			% of complains addressed within 24 hours.	
Good Governance and Public Participation.	To ensure good governance through openness and, transparency and accountability in the organisation.	To strengthen executive support services.	Reviewed and adopted IDP	Office of the MM
			Compliance with record keeping checklist.	
			Number of MANCO meetings convened.	
			Annual review of PMS Policy.	

Back to Basics Focus Area	NLM Strategic Objective	NLM Strategy	NLM Key Performance Indicator	Responsibility
		To develop and implement an effective Performance Management System.	Annual Performance Report submitted to the Auditor General.	
			Quarterly performance reports submitted to Internal Audit within 25 days of end of quarter.	
		To maintain and implement an effective Risk Management System.	Quarterly reports on implementation of management action plan.	
			Number of anti-fraud and corruption facilitated.	
			Quarterly reports on implementation of AG Action Plan to Audit Committee.	
		To provide an effective legal support system.	Develop and maintain applicable legislation database.	
	To keep communities and stakeholders informed and involved in the affairs of the Municipality.	To improve both internal and external communication.	Annual review of Public Participation Policy.	
			Number of training interventions of Ward Committees.	
			Annual Mayoral IDP/Budget/PMS Roadshows.	
Financial Viability and Management.	To ensure sound financial and fiscal management and good governance.	To ensure compliance with financial reporting in terms of relevant legislation.	Compliance with MFMA reporting obligations as per MFMA calendar.	SED: Budget and Treasury Office
		To ensure compliance with budget planning and implementation	Approved adjustment budget and approved final budget.	
Institutional Development/ Capacity.	To ensure the optimal institutional structure to render effective and efficient services aligned to the IDP.	To provide efficient and effective general administrative support services.	Average turnaround time for filling of vacancies.	SED: Cooperate Services
		Implementation and review of the organogram with adequate capacity.	% of critical posts filled as identified and approved by Municipal Manager (as budgeted).	
			Compliance with submission of employment equity Report.	
			Number of people from employment equity target groups.	
	To ensure productive and competent human capital.	To facilitate human resource development.	Successful submission of the WSP to LGSETA.	
			Number of policies developed and reviewed.	

2.3.11. Newcastle Local Municipality Vision 2035.

Vision 2035 is based on a Growth and Development Strategy that seeks to advance the development of the space economy towards an inclusive city. The strategy places particular focus on the opportunities available in Newcastle for fostering public private partnerships, hence ensuring socio-economic development, and environmental sustainability. The strategy also seeks to improve development coordination internally amongst the different directorates of the municipality, and externally with various government sector department and/or entities.

Vision 2035 is an expression of the municipal growth path from the spatial planning perspective, with the objective being to stimulate partnerships with various government sector departments, private business, including interested and affected stakeholders for the development of infrastructure and improving service delivery. The Growth and Development Strategy is premised on the municipal vision which reads as follows:-

"By 2035, Newcastle will be a resilient and economically vibrant city"

The Growth and Development Strategy will thus help to guide municipal departments in the prioritisation of both the capital and operational expenditure, in order to realise vision 2035.

❖ Objectives of the Growth Path.

- Identify and persuade new strategic partnerships to better control the apparent weakness in the municipality;
- Institutionalise the approved vision of the municipality with the intention being to mobilise all stakeholders involved around a common purpose;
- Keep focus of strategic game changers/catalytic projects whilst enhancing the internally developed systems to work optimally;
- Reduce distraction and hindrances on catalytic projects to realise growth and expansion of the town;
- Reduce wastage of municipal resources through a system of openness and flow of communication between municipal departments and other key stakeholders;
- Enhance the budgeting model driven by the vision of the municipality and prioritization of funding for specific projects;
- Alignment of future plans to maximise positive impact intended towards improvement of the common goal and alienate the element of surprise;
- Be consistent on operational and maintenance of municipal services to boost confidence of local and prospective investors;

- Continuous reflection on the growth path on Vision 2035; and
- Coordinate and integrate efforts towards addressing the internal challenges in order to enhance productivity.

❖ Turning Strengths to forms of Beneficiation.

The Growth and Development Strategy is aimed at moving the Newcastle Local Municipality Spatial Development Framework (NLM SDF) from being an academic exercise to a bankable plan with decisive actions, and this is to be achieved through the exploitation of the strengths Newcastle has over the surrounding towns. The following entails the strengths which can be exploited, thus turning into opportunities that will fuel the town towards becoming a metropolis/city:-

- The town is strategically located half-way between Johannesburg, and the harbours of Durban and Richards Bay, which thus gives an opportunity to become an inland logistics hub;
- There is a high agglomeration of economic activities relative to the surrounding towns located in the Northern KwaZulu-Natal region. This gives an opportunity to maximise the region's net gain in wealth through local economies of agglomeration and comparative efficiency linked to an integrated and coordinated business logistics systems;
- There is an excellent multi-modal transportation system (road, rail, and air) to all major cities within South Africa, and this can be enhanced to improve transportation efficiency to propel a growing economy;
- The town is in close proximity to the N11 National Road which thus gives further opportunity for logistics efficiency;
- The recently constructed Techno-hub is a catalytic project that will assist in the promotion of science and technology within the region, hence making Newcastle a centre for research, innovation and development;
- The economy has close relations with international partners, which thus gives opportunities for increasing exportation of locally manufactured content, hence the town's GDP, and also expansion into new global territories through the formulation of new partnerships that can also draw foreign investments;
- There is a well-advanced manufacturing sector that's making significant contributions towards the GDP, which thus gives opportunities to increase output through enhanced marketing; and
- The town is well-endowed with coal reserves, which thus gives increased opportunities for exploration hence meaningful job creation that's coupled with skills development and training, of course within the framework of the MPRDA and the Mining Charter. The coal reserves also present opportunities for Independent Power Production. The following entails the Operating Mining Activities within the Newcastle Local Municipality's jurisdictional area:-

OPERATING MINES IN NEWCASTLE LOCAL MUNICIPALITY			
1. AFRISAM – NEWCASTLE – ALPHA			
Mine Code: **Commodity:** **Owner:** **District:** **Farm:**	14426 Aggregate, Sand Natural Afrisam (SA) (Pty) Ltd Amajuba Alpha 17367 ID 7 50 57	**Mine Name :** **Type :** **Tel :** **Province :** **Postal :**	Afrisam – Newcastle – Alpha Surface (034) 310 8100 KwaZulu-Natal P. O. Box 634 Newcastle 2940
2. CHELMSFORD COLLIERY			
Mine Code: **Commodity:** **Owner:** **District:** **Farm:**	11359 Coal Bituminous Future Coal (Pty) Ltd Amajuba Chelmsford 8642, Herons Court 8521	**Mine Name :** **Type :** **Tel :** **Province :** **Postal :**	Chelmsford Colliery Opencast (034) 325 0335 KwaZulu-Natal P. O. Box 9056 Newcastle 2940
3. NATAL CAMBRIAN COLLIERY			
Mine Code: **Commodity:** **Owner:** **District:** **Farm:**	10433 Coal Bituminous Shanduka Coal (Pty) Ltd Amajuba Ballengeich 3299, Kilbarchan 2969, Mooikrantz 9562	**Mine Name :** **Type :** **Tel :** **Province :** **Postal :**	Natal Cambrian Colliery Opencast, Underground (034) 621 6000 KwaZulu-Natal P. O. Box 43 Dundee 3000
4. NATAL CAMBRIAN COLLIERY			
Mine Code: **Commodity:** **Owner:** **District:** **Farm:**	12927 Silicon Alloys Globe Speciality Metals Amajuba Ballengeich 3299, Kilbarchan 2969, Mooikrantz 9562	**Mine Name :** **Type :** **Tel :** **Province :** **Postal :**	Silicon Technology (Pty) Ltd Surface (034) 377 7210 KwaZulu-Natal P. O. Box 1 Ballengeich 2942
5. STEELSERV (PTY) LTD			
Mine Code: **Commodity:** **Owner:** **District:** **Farm:**	12003 Aggregate, Sand Natural Steelserv SA (Pty) Ltd Amajuba Plant 105	**Mine Name :** **Type :** **Tel :** **Province :** **Postal :**	Steelserv (Pty) Ltd Surface (034) 314 8572 KwaZulu-Natal P. O. Box 5393 Newcastle 2940

- There are other mining prospects in the pipeline such as the Kedoron Colliery that has a 20 year life expectancy. This will increase aggregate coal production within the Amajuba District hence contributing positively towards the GDP;
- There is also a proposed Wind Energy Plant in Emadlangeni Local Municipality, and this will increase opportunities for the diversification of energy sources, hence environmental sustainability;
- There are opportunities for the use of the existing energy grid by ESKOM through integration with that of the decommissioned Ngagane Power Station in order to give additional electricity capacity, either through Independent Power Production, and/or investment by government;
- Newcastle Local Municipality is in abundance of vacant land that is owned by the Municipal Council, and that which is under the custodianship of the Ingonyama Trust Board. This gives an opportunity to investors and private developers with respect to property development, either for residential, commercial, and/or recreational purposes; and
- According to the KZN PGDS, KZN is branded as the gateway to investments into Africa, with commitments to fiscal support to secondary cities, in order spread economic growth and development throughout the entire province. According to the KZN PGDP, Newcastle Local Municipality is identified as a Secondary City which is earmarked to benefit from such provincial fiscal commitments;

❖ City Growth Modelling.

The following entails certain attributes of a city:-

- The minimum population is atleast 500 000 people;
- There is well-advanced infrastructure in terms of Information and Communication Technology (ICT);
- There is economic diversity which enables economic resilience from external shocks;
- Caters for a wide variety of educational requirements with well-advanced facilities for primary, secondary and tertiary education;
- Well-advanced economic infrastructure to support a growing economy;
- Well-advanced logistics system to support the transportation requirements of the community and the commercial sector; and
- Sufficient infrastructure to support growth.

❖ Statistical Modelling.

Making reference to a comparison between the 2011 Census Data and the more recent 2022 Census Data, both by Stats SA, Newcastle has reached a population size in excess of 500 000 which is a positive contribution towards the attainment of its vision of becoming a city by 2035. Based on the detailed analysis of the statistical information, Newcastle has experienced a population increase of 144 474 people over a period of 11 years (2011 Census to 2022 Census). This marks a 1.9% increase per year, which is estimated to be 6 901 people per annum. The growth experienced during this period

is much higher than the growth rate which was experienced between the period 2001 to 2011, and detailed information in this regard may be obtained from the demographic profile under the section that covers the Situational Analysis. The projections have implications on the future infrastructural requirements, which in turn has implications on the funding requirements, both operational and capital. The projections show that Newcastle is on par with reaching its target of becoming a city by 2035.

❖ Redetermination of Town Boundaries towards a Metropolitan Status.

The redetermination of the town boundaries is among the approaches towards ensuring the achievement of Vision 2035, and for ensuring the growth of the Newcastle population towards becoming a city. This would entail the expansion of the Newcastle Municipal boundaries to incorporate Dannhauser Local Municipality and Emadlangeni Local Municipality. This approach will require extensive political and community engagements, as well as support from both the KZN Government, and the Demarcation Board.

❖ Improved Access to Land.

Population growth has implications on the need for access to well-located land, and, usually, this leads to urbanisation. The basic principle of urbanisation is that people will continue moving towards areas where there is availability of municipal services, and where there is ease of access to social amenities, and economic opportunities. Due to such, the municipality has to make land available for different classes within the community. This includes giving access to land for the low-income, middle-income and high-income earners of the Newcastle community. By making provision for access to land catered for the different levels of income, issues around land invasion can be addressed. The municipality will have to source funding for servicing vacant sites in order to create a conducive environment for the development of sustainable human settlements.

❖ Modelling the desirable spatial pattern.

Just like all the other cities and towns within South Africa, the spatial character of Newcastle Local Municipality is a product of poor apartheid planning. The areas of Osizweni and Madadeni are located 25km and 15km away from the main urban centre, respectively, hence lacking access to areas of maximum economic opportunity. From a planning perspective, there is a need for addressing such a weakness through the implementation of the following development principles:-

- Promote the integration of urban land use with transportation;
- Provide for the development of bulk infrastructure and economic infrastructure;
- Promote economic growth and employment opportunities;
- Provide equal access to social services and other transformation requirements such as access to land; and

- Emphasise the preservation of agriculturally significant land, and the conservation of ecologically significant land, and the open space system.

a) Promotion of the integration of urban land use and transportation.

Spatial inclusion is key to economic growth and development as it ensures that all who reside within the city enjoy the benefits, opportunities, and amenities that are provided by the urban core. The Siyahlala La low income housing development is a symbol of an approach towards compact planning as it was designed with the primary objective of promoting and maximising the integration of future development with existing land uses and infrastructure. The settlement is located approximately 4km from the Newcastle CBD, and 7km from the Riverside Industrial Area, and bordered by an existing settlement with quality infrastructure known as Lennoxton (a former Indian area).

The Siyahlala La settlement has been completed, however efforts towards improved integration with existing land use within the vicinity thereof still continue. The municipality is working towards improving access into the area hence improved connectivity to other areas within Newcastle. This entails the extension of the Albert Wessels Drive in order to create a link between Siyahlala La and the Riverside Industrial Area. Apparently this will reduce the travelling time to approximately 15 minutes, and also result in the reduction of the travelling expenses through an introduction of a public transportation system. The development of the proposed link road will also open up opportunities for developing the Equarand Area which is found North of Siyahlala La.

b) Provision of bulk infrastructure and the development of economic infrastructure.

Bulk infrastructure is very important in order to support successful implementation of turn-key projects, and thus major upgrades to infrastructure critical for successful implementation of the development initiatives is necessary in order to grow the town. Such upgrades entail, yet are not limited to, sewer upgrades, electricity upgrades, upgrades to the bulk-water infrastructure, upgrades to roads and stormwater management etc.

Development of economic infrastructure is essential towards ensuring local economic development, and a general increase in the GDP of Newcastle. By taking actions towards enhancing economic infrastructure, we enable the creation of favourable conditions towards the creation of a favourable environment for private businesses and entrepreneurship to thrive. This in turn leads to the creation of meaningful job opportunity thus the alleviation of poverty. Due to such, the Newcastle Local Municipality seeks to reposition the Equarand/Newcastle Mall area as a commercial and recreational node specifically serving the needs of the Newcastle West area, whilst the JBC Node is

earmarked to serve a similar purpose for the Newcastle East area.

c) Equal access to social services and other transformation prospects.

The agenda of equal access to resources has been echoed since the dawn of democracy in 1994. The basic principle is that the citizens of South Africa should have equal access to social facilities, contrary to the principles of poor apartheid planning which were characterised with segregation, and limited access to social amenities. Due to such, future developments of human settlements in Newcastle should capitalise on the existing social facilities thereby decreasing the need for the development of more social facilities, whereas the current ones are being under-utilised. In cases where there is lack of capacity, the municipality will explore the possibility of upgrades, of course based on a comprehensive analysis of the need thereof.

d) Attract investment towards the creation of meaningful employment opportunities.

The emphasis on the Equarand area as the core commercial area will greatly enhance the growth of the town by creating a focal point for commercial and recreational land use activities. This will further enhance tourism in Newcastle given the fact that Newcastle is already a service centre for the surrounding municipalities within the Northern KZN region. Furthermore, the Equarand/Newcastle mall area is somewhat of a corridor that functions as a gateway into Newcastle. Therefore the development of the corridor for commercial and recreational purposes will have maximum exposure to potential markets of passers-by.

e) Emphasize the importance of preserving land with agricultural potential, ecologically significant land, and the open space system.

The conservation and maintenance of the municipal open space system is of vital importance in order to achieve environmental sustainability. Currently the majority of the open spaces are characterised with heaps of illegal dumping, and a safe haven for vagabonds with their criminal activities such as drug and alcohol abuse, in naming a few. Added to the same problem are developable open spaces under private ownership which are currently lying vacant and thus subject to land invasions. Also of particular importance is the conservation of land with agricultural potential in order to advance the interest of the poverty eradication Masterplan through agrarian reform that fosters food security. Therefore, a smart green approach towards environmental sustainability will be sought, in line with the Newcastle Municipality's Environmental Management Framework. In as much as a commitment is required from the municipality towards remedying the issues mentioned above, it is also equally important for organised community to play an active role in ensuring the conservation of the open spaces within their vicinity. This can be achieved through establishing clear roles and responsibilities, and also through capacity building in respect of environment sustainability.

2.4. Hierarchy of Plans.

Table 3: Newcastle Local Municipality's IDP and the alignment with the hierarchy of plans.

5 KEY NATIONAL PRIORITIES	NATIONAL OUTCOME 9 & OUTPUTS	KZN PGDP 7 STRATEGIC GOALS	ADM DGDP 7 STRATEGIC GOALS	NLM IDP STRATEGIC OBJECTIVES
Creation of decent work and sustainable livelihoods for inclusive growth	**Output 3:** Implementation of the Community Work Programme	**Goal 1:** Inclusive Economic Growth	**Goal 1:** Expanded Provincial economic output	To facilitate economic development that will result in sustainable job creation.
		Goal 2: Human Resource Development	**Goal 2:** The human resource capacity of the province is adequate, relevant	To ensure the optimal institutional structure to render effective and efficient services aligned to the IDP.
				To ensure productive and competent human capital.
				To ensure efficient administrative support services.
	Output 4: Actions supportive of the human settlement outcome	**Goal 4:** Strategic Infrastructure	**Goal 4:** Strategic infrastructure that provides for the social and economic growth and development needs of Amajuba District.	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle.
				To ensure the provision and maintenance of safe roads and effective storm-water infrastructure.
				To ensure access to electricity and other forms of energy where possible.
				To provide and ensure a healthy and safe environment.
Rural development, land reform and food security for inclusive growth	**Output 2:** Improving access to basic services	**Goal 3:** Human and Community Development	**Goal 3:** Poverty and inequality in Amajuba is reduced	To respond to the needs of vulnerable groups.
				Youth Development and Women Empowerment.
				To facilitate the provision of houses in line with the national and provincial norms and standards.
				To improve access to basic services.
				to create Human Settlements that are economically viable, aesthetically pleasant, habitable and vibrant.
				To ensure efficient management of community facilities.
		Goal 5: Environmental Sustainability	**Goal 5:** Reduced global greenhouse gas emissions and create social-ecological capacity to adapt to climate change	To promote sustainable development and environmental awareness.
Education	**Output 5:** Deepen democracy through a refined Ward Committee model	**Goal 2:** Human Resource Development	**Goal 2:** The human resource capacity of the province is adequate, relevant	To ensure productive and competent human capital.
				To ensure efficient administrative support services.

5 KEY NATIONAL PRIORITIES	NATIONAL OUTCOME 9 & OUTPUTS	KZN PGDP 7 STRATEGIC GOALS	ADM DGDP 7 STRATEGIC GOALS	NLM IDP STRATEGIC OBJECTIVES
Health	**Outcome 4:** Actions supportive of the human settlement outcome	**Goal 3:** Human and Community Development	**Goal 3:** Poverty and inequality in Amajuba is reduced	To respond to the needs of vulnerable groups. To manage the effect of HIV/AIDS within the jurisdiction of Newcastle Municipality.
Fighting crime and corruption	**Output 1:** Implement a differentiated approach to municipal financing, planning and support	**Goal 6:** Governance and Policy	**Goal 6:** The population of Amajuba is satisfied with the level of government service delivery	To ensure good governance through openness, transparency and accountability in the organization.
	Output 6: Administrative and financial capability	**Goal 6:** Governance and Policy	**Goal 6:** The population of Amajuba is satisfied with the level of government service delivery	To ensure good governance through openness, transparency and accountability in the organization. To keep the communities and stakeholders informed and involved in all municipal affairs.
	Output 7: Single window of coordination	**Goal 6:** Governance and Policy	**Goal 6:** The population of Amajuba is satisfied with the level of government service delivery	To ensure an effect internal audit function.
		Goal 7: Spatial Equity	**Goal 7:** Increased spatial access to goods and services in Amajuba	To promote spatial restructuring and integration.



SECTION 3:

SITUATIONAL ANALYSIS.

3. STATUS QUO ANALYSIS.

Future development within Newcastle Local Municipality should respond directly to the development trends, patterns, needs and aspirations of those who live and/or work within the area. It must be relevant to the local context while also contributing to the attainment of the provincial and national development imperatives. This section of the IDP provides a detailed analysis of the current development situation within NLM. It is structured substantially in accordance with the national Key Performance Areas (KPA), and also takes into consideration issues that are pertinent to Newcastle Local Municipality. The national KPA's are as follows:-

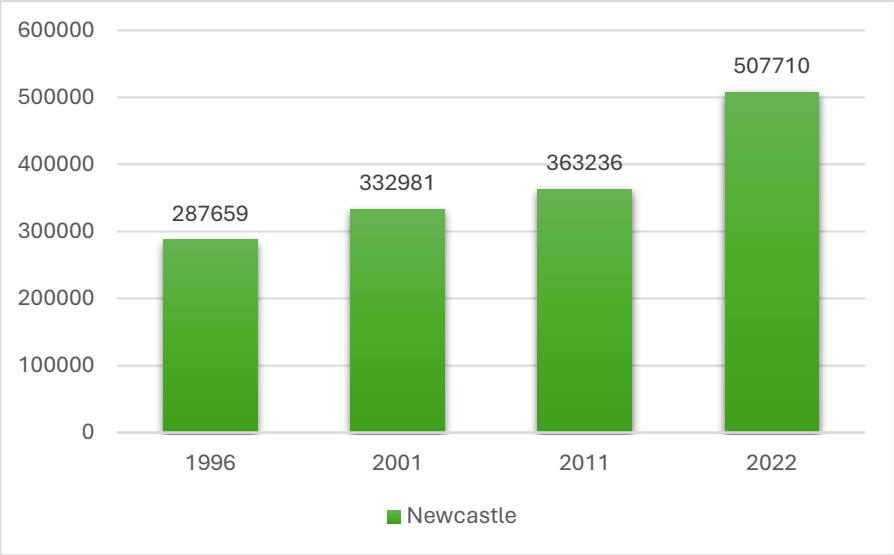
- Municipal Transformation and Institutional Development;
- Good Governance and Public Participation;
- Financial Viability and Management;
- Basic Service Delivery;
- Local Economic Development and Social Development; and
- Cross Cutting Issues.

3.1. Demographic Profile.

3.1.1. Population Size and Growth Patterns (Stats SA: 2022 Census).

The statistical data reflected in this IDP mainly focuses on a comparison of data released in the 2011 Census Data & 2022 Census Data, all of which were done by Statistics SA.

The official government figures reflected in the 2022 census data estimated the total population of Newcastle Local Municipality to be 507 710 people. This marked a population increase of approximately 3.6 % per annum between 2011 and 2022, which is about 13 134 people a year over a period of 11 years. A further look into historical data shows that the growth rate has had an unprecedented increase when compared to that of the period 2001 to 2011 whereby the population increased by 0.83% per annum, which is an average of 3 025 people a year over a period of 10 years.



Source: Stats SA 2022 Census Data.

Table 4: Population Growth and Density in ADM - 2022.

2022					
District	**Population Size**	**% Share of KZN Population**	**% Share of Amajuba Population**	**Area in Square km**	**Population Density (ppl/km2)**
KwaZulu-Natal	12 423 907	N/A	N/A	94 361	131.8
Amajuba	687 408	5.5	N/A	7 102	97
Newcastle	**507 710**	**4.1**	**73.9**	**1 854**	**274**
Emadlangeni	36 948	0.3	5.4	3 714	10
Dannhauser	142750	1.1	20.8	1 516	94

Source : Stats SA 2022 Census Data.

A comparative analysis of the KZN population figures, released in 2011 (below) & 2022 (above) and focusing within the Amajuba District, reveals that the Newcastle population has continued to dominate within the District. Accounting for 73.9% of the population within Amajuba, Newcastle also has the highest population density, surpassing even that of the Province. An increasse in the population without a significant increase in the geographical area results in an increase in the population density per square kilometre. One of the challenges that ensues due to such entails increased pressures on infrastructure as it operates beyond carrying capacity.

Table 5: Population Growth and Density in ADM – 2016.

2011					
District	**Population Size**	**% Share of KZN Population**	**% Share of Amajuba Population**	**Area in Square km**	**Population Density (ppl/km2)**
KwaZulu-Natal	10 267 299			93 378	109.9
Amajuba	499 839	4.9		6 921	72.2
Newcastle	**363 236**	**3.5**	**72.7**	**1 689**	**215**
Emadlangeni	34 440	0.3	6.9	3 714	9.27
Dannhauser	102 162	1.0	20.4	1 518	67.3

Source : Stats SA 2016 Community Survey

Newcastle Local Municipality has a vision of becoming a city by the year 2035, and one of the prerequisites to becoming a city is premised on the number of people residing within that city, specifically 500 000 or more people. Having reached this milestone, here are some of the developmental factors to be considered which must compliment this population growth within Newcastle:

- Availability of job opportunities;
- Availability of quality education facilities;
- Access to quality infrastructure;
- Access to quality healthcare facilities;
- Improved safety and security;
- Accessibility to places of leisure and tourism;
- Agglomeration of economies; and
- Accessibility to intermodal options of transportation that promote efficiency in logistics.

3.1.2.Household Size (2016 Community Survey & 2022 Census Data).

A household is either a group of people living together and provide themselves jointly with food and/or other essentials for living, or it is a single person on his/her own. An individual is considered part of a household if he/she spends at least four nights a week within the household. The 2022 Census Data from Stats SA shows that, during the release of the figures, Newcastle was found to account for the majority of the households found within Amajuba District. This is consistent with the population distribution during the same period which suggests that the majority of the population within the district resides in the Newcastle Local Municipal area. The recorded average household size was 4.3 people, an average that the city has maintained for the last 10 years.

Table 6: Number of Households within ADM during comparing 2016 and 2022.

LOCAL MUNICIPALITIES	NUMBER OF HOUSEHOLDS		AVERAGE HOUSEHOLD SIZE	
	2011	2022	2011	2022
Newcastle	**86 024**	**116 763**	**4.3**	**4.3**
Emadlangeni	6 252	7 998	5.5	4.6
Dannhauser	20 439	25 479	5.0	5.6
Amajuba	110 963	150 240	4.5	4.6

Source: Stats SA 2022 Census Data.

As of 2022, Newcastle accommodates 77% (116 763 households) of the total number of households within the Amajuba District, which thus has implications on spatial growth and urbanisation.

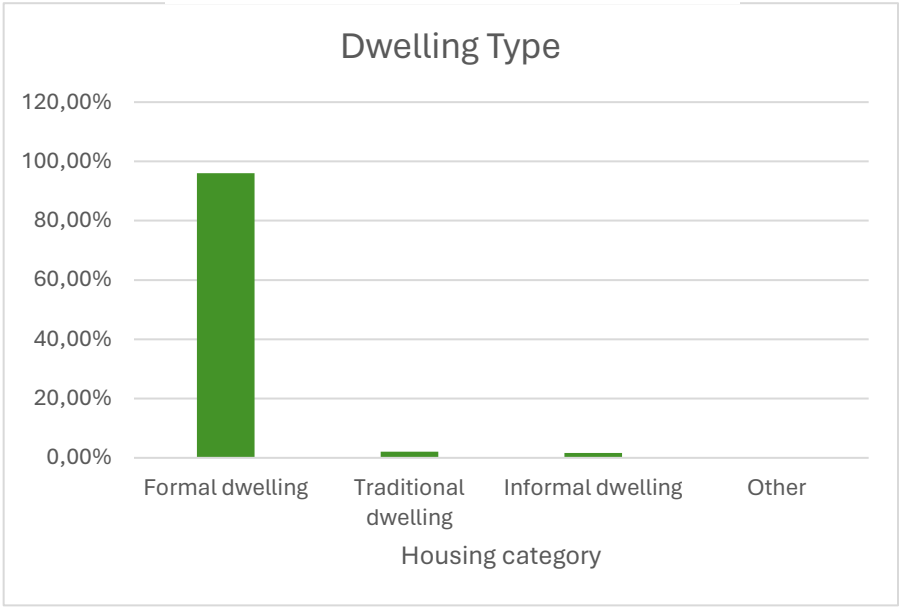
According to the 2022 Census Data, the average number of households within all the wards in Newcastle was estimated at 3 434 households per ward, and about 47% of the wards had a concentration of households that is above the average, while the rest of the 57% below the average. The majority of such wards with the highest concentration of the households are found within the Newcastle East area, which has implications thereof on the density and the growth trajectory of Newcastle, including

the development pattern in spatial terms. Furthermore, it was noticed that such growth is taking place within the urban realm which thus has implications on urbanisation characterised by the development of settlements (formal and informal) closer to places of economic opportunity.

3.1.3. Household Type.

Newcastle households are classified under 3 categories, namely, Formal. Informal & Traditional dwellings. Formal settlements are those that are recognized by the government which in turn provides administration and management. Such settlements are expected to provide shelter over a longer period, and access to basic services. Informal settlements are residential areas that do not comply with local authority requirements for conventional (formal) townships. They are, typically, unauthorised and are invariably located upon land that has not been proclaimed for residential use.

Figure 8: Housing Type.



Source: 2022 Stats SA Census

3.1.4.Age Structure (2022 Census Data).

Newcastle's population is relatively young with 37.1% of the total population being younger than 19 years of age, and the age group between 20 - 34 years accounting for 28% of the of the total population. Collectively the youth in Newcastle (0 – 34 years) makes up 64.7% of the total population, and this places immense pressure on the provision of educational facilities, social welfare, health services and the stimulation of the economy to provide job opportunities and economic development. Also implied by the young population is that there

is still a relatively high dependency ratio due to a very high majority being below the working age. The high rate of youth population is also an indication that there is a high fertility rate within Newcastle, thus a need for birth control measures.

Figure 9: Population Distribution by Sex & Gender.



Source: 2022 Stats SA Census Data.

Table 7: Sex & Age Distribution.

Age Group	Male	Female	Grand Total
85+	501	1274	1775
80-84	774	1886	2660
75-79	1506	3131	4637
70-74	2813	5130	7943
65-69	5123	7736	12859
60-64	6196	9610	15806
55-59	7367	10557	17924
50-54	8383	10933	19316
45-49	11082	12549	23631
40-44	15585	15668	31253
35-39	20457	20528	40985
30-34	22699	22164	44863
25-29	23394	24400	47794
20-24	23461	24493	47954
15-19	23620	23492	47112
10-14.	23858	24109	47967
05-09.	22430	22743	45173
0-4	24179	23871	48050
Grand Total	243428	264274	507702

Source: 2022 Stats SA Census

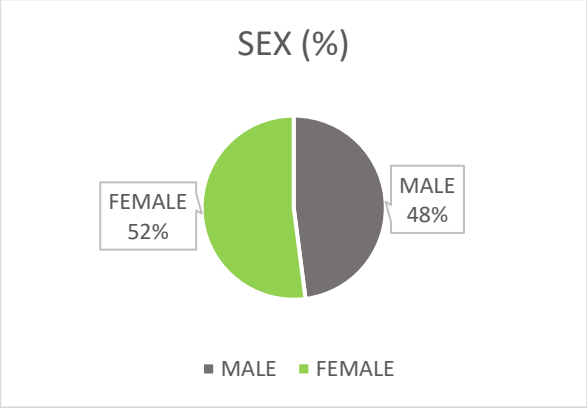
It has been observed that there is a high rate of emigration of youth from Newcastle to cities like Johannesburg and Durban, and it has been deduced that the main contributing factor relates to the unavailability of institutes of higher learning in Newcastle. The emigration of the youth and economically active population implies an increasing need for both recreational and educational facilities (i.e. shopping malls and institutes of higher learning)

locally and places more pressure on the need for employment opportunities.

3.1.5.Gender Distribution (2022 Census Data).

Regarding gender distribution within the Newcastle municipal area, 52% of the total population is female while males account for the remaining 48%. This observed trend in gender distribution conforms to the National norm. Due to such, there is a need for programmes specifically targeted towards gender equality. In response to this, Newcastle Municipality has prioritized gender issues as part of its Special Programmes under Operation Sukuma Sakhe. It is imperative that specific projects and programmes aligned to the National Program should be developed and rolled out in line with the municipal program of action.

Figure 8: Population Distribution by Gender.



Source: Stats SA, 2022 Census Data.

MPUMALANGA

MPUMALANGA

FREE STATE

NEWCASTLE

MADADENI

JBC

OSIZWENI

Utrecht Local Municipality

Dannhauser Local Municipality

Endumeni Local Munic

N

1 : 273 000

0 3 6 9 12 15 18 Kilometers

LEGEND

Major Nodes
- Rural Nodes
- Educational Nodes
- Medical Nodes
- Commercial Nodes
- Neighbourhood Node
- Regional Social Facility Nodes
- Mixed Use Nodes

Existing Roads
- Class 1
- Class 2
- Class 3
- Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Proposed Roads
- Class 1
- Class 2
- Class 3

Other
- Airport
- Railway Line

LAND USE

Structuring Land Uses
- Open space system
- Existing Urban Areas
- Urban Periphery
- Future Urban Areas

Projects
- Catalystic Projects

Boundary
- Newcastle Urban Edge
- Development Boundary

NODES

Key Nodes
- Primary CBD Node
- Secondary Node
- Industrial Growth Point
- Light Industrial Node
- Industrial Node

HYDROLOGY

Wetlands
- Waterbodies
- Wetlands
- Rivers Buffer
- Major Dams

Environment
- Biodiversity Corridor
- Protected Areas

Agriculture
- Irreplaceable
- Threatened
- Moderate to Low

SDP 2024/25

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * CONSOLIDATED SDF MAP

APRIL 2024

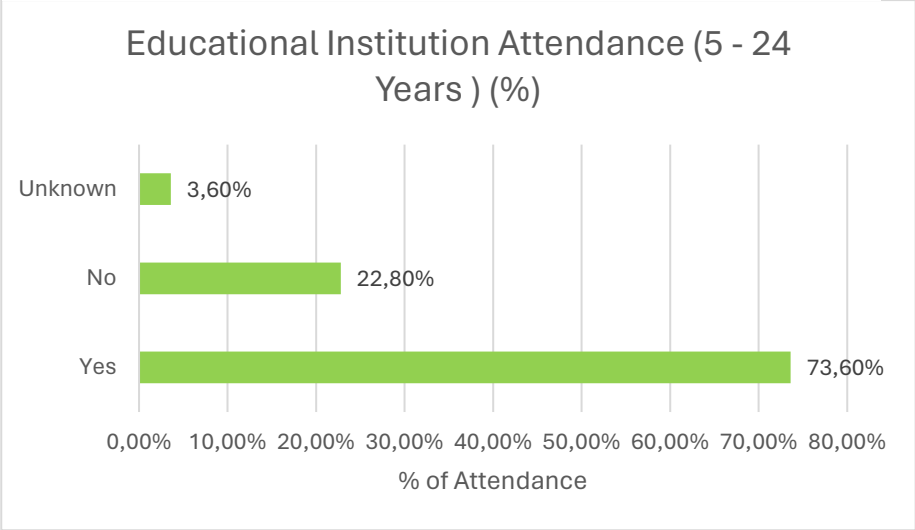
The Consolidated SDF Map above depicts the concentration of the population within Newcastle. The current settlements pattern is a spatial response to urbanization which has seen the population movement from the Newcastle East Area to the Newcastle West Areas that are located closer to CBD. This is based on the proximity of this area to economic opportunities in the form of the surrounding Industrial Area and the Newcastle CBD. This places pressure on Council to provide a variety of housing typologies such as Social Housing Units, Community Residential Unis, and Rental Housing Stock around the Newcastle CBD. With the general population close to places of employment opportunity, it will decrease reliance on public transportation hence introducing new modes of mobility such as walking and cycling that will ultimately lead to a decrease in the levels of greenhouse gas emissions hence environmental sustainability.

3.2. Education Profile.

3.2.1. 2022 Census Data.

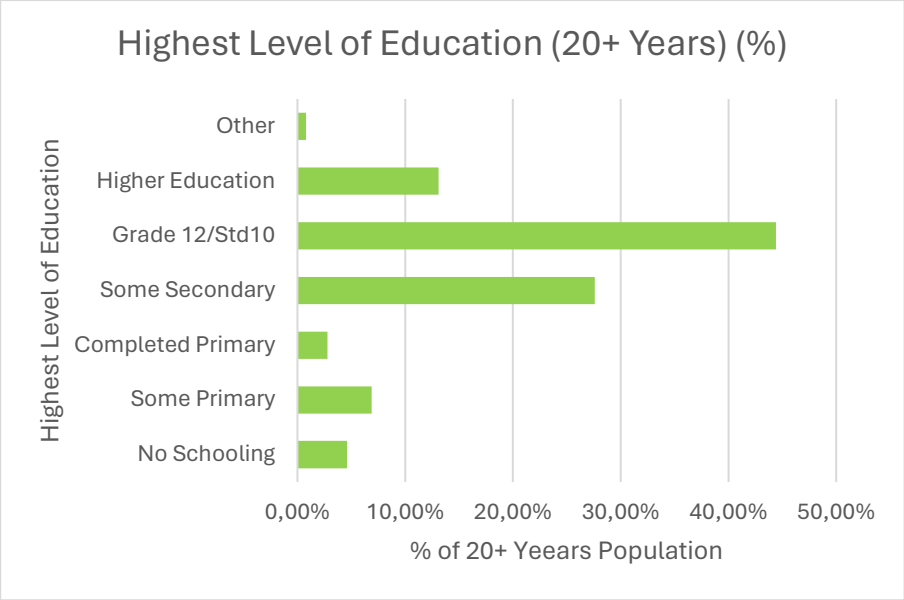
Significant progress has been made with regards to the improvement of the levels of literacy in Newcastle. According to Stats SA, Newcastle has a population of 188 206 individuals within the 5 – 24 age range and approximately 138 539 (73.6%) of those are within the educational system. 42 910 (22.8%) are not and 6 757 (3.6%) are inconclusive.

Figure 11: Attendance of Educational Institutions (5-24 Years)



Source: Stats SA, 2022 Census Data.

As seen below, in terms of levels of education in the 20+ age range, the majority of the Newcastle citizenry holds a matric/grade 12 pass as their highest qualification, at 44.40%, representing a significant increase from 34% in 2011. This is followed by the “some secondary” schooling group at 27.60% being held as ones highest qualification, which is then followed by the “tertiary education” category at 13.10%, a promising increase from 3.35% in 2011. These numbers show a city that is gradually making progress where it matters and this upward mobility is expected to continue well into the next decade



Source: Stats SA, 2022 Census Data.

However, it is envisaged that the figure pertaining to the number of people with access to higher education as the highest level of education could rise drastically if some tertiary institutions were to be introduced within the confines of the Newcastle Local Municipality. This would also aid in the provision of employment opportunities and help in retaining highly qualified labour within Newcastle.

3.3. Population by ward (2011 Census).

The population growth rate in Newcastle is in an upward trajectory with the majority of the growth occurring mainly in the Eastern areas – around the Madadeni and Osizweni Townships. These are largely underdeveloped areas relative to the Western areas, and they are occupied mainly by a majority low income communities. The current population movement patterns in the region suggest that the urbanization phenomenon continues, characterised by the natural growth rate, breakdown in extended families and immigration being the main drivers of growth. Immigration arises mainly from perceived urban opportunities and prospects for a better life, poor access to services and a general lack of employment opportunities in the rural hinterland, and a general decline in employment opportunities in the agricultural sector. The growth rate is further fuelled by the educational institute that is geographically located in the Newcastle East Area, hence attracting students from all over the Northern KwaZulu-Natal region.

Over the last ten years, Newcastle's agricultural region has registered a net decline in both production and employment opportunities, hence the migration of people from Newcastle to areas that offer employment opportunities. A closer look into the population figures down at ward level shows that the average population size per ward is 10 683 people. Also deduced from the figures is that about 50% of the wards are below the average population size of Newcastle, whilst the other 50% is above.

Table 6: Population Distribution by Wards (Source: Stats SA 2011 - Census Data).

TOP 10 WARDS WITH THE HIGHEST (RED) AND LOWEST (YELLOW) NUMBER OF PEOPLE				
Ward No.	**Male**	**Female**	**Grand Total**	**%**
Ward 1	5281	5488	10769	3%

TOP 10 WARDS WITH THE HIGHEST (RED) AND LOWEST (YELLOW) NUMBER OF PEOPLE				
Ward No.	**Male**	**Female**	**Grand Total**	%
Ward 2	4443	4990	9432	3%
Ward 3	4134	4047	8182	2%
Ward 4	3250	3384	6634	2%
Ward 5	4789	5169	9958	3%
Ward 6	5504	6312	11816	3%
Ward 7	5449	6188	11636	3%
Ward 8	4378	4746	9124	3%
Ward 9	5479	6348	11827	3%
Ward 10	4094	4847	8942	2%
Ward 11	4211	4910	9121	3%
Ward 12	4355	5065	9420	3%
Ward 13	4099	4442	8542	2%
Ward 14	7685	9121	16805	5%
Ward 15	5464	6111	11575	3%
Ward 16	6831	7625	14456	4%
Ward 17	6136	6698	12834	4%
Ward 18	4154	4603	8756	2%
Ward 19	4544	5474	10018	3%
Ward 20	4667	5028	9696	3%
Ward 21	5957	5334	11291	3%
Ward 22	4110	4666	8777	2%
Ward 23	5057	5559	10616	3%
Ward 24	5552	6265	11817	3%
Ward 25	4375	4226	8601	2%
Ward 26	6555	6822	13378	4%
Ward 27	5246	5785	11031	3%
Ward 28	4199	4729	8928	2%
Ward 29	5173	5891	11065	3%
Ward 30	4330	4855	9185	3%
Ward 31	5504	5875	11379	3%
Ward 32	5651	6268	11920	3%
Ward 33	5665	6704	12369	3%

TOP 10 WARDS WITH THE HIGHEST (RED) AND LOWEST (YELLOW) NUMBER OF PEOPLE				
Ward No.	**Male**	**Female**	**Grand Total**	%
Ward 34	6522	6814	13336	4%
Grand Total	**172846**	**190390**	**363236**	100%

There is a higher population density within the Newcastle East Area relative to the Newcastle West Area, and there is a high growth rate within this area thus necessitating the improvement of service delivery to cater for a growing population. The wards with the lowest concentration of the population are within both the Newcastle East and the Newcastle West Areas. However they manifest differently in the sense that within the Newcastle West Area they are the fabric of poor apartheid planning that was characterised with an unequal distribution of land parcels based on race, and in the Newcastle East Area they are prevalent due to the low density uncontrolled urban sprawl that places jeopardy on valuable agricultural land towards the periphery.

The recent ward delimitation process which was conducted by the Municipal Demarcation Board, in line with the requirements of the Local Government: Municipal Demarcation Act of 1998 and Regulations (Act No. 27 of 1998), saw an increase in the number of wards within Newcastle with an additional 3 wards, namely ward 32, ward 33, and ward 34. The location of the new wards is within the following areas, however not covering the whole, rather only parts thereof, in spatial terms:-

- Ward 32: Osizweni A, Osizweni E, Osizweni F;

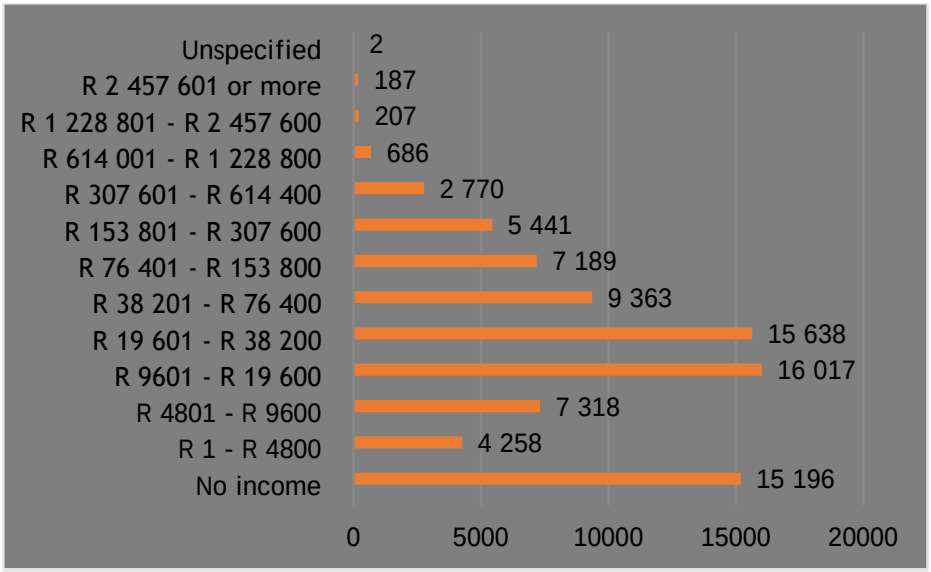
- Ward 33: Manzana.
- Ward 34: Newcastle Central, Newcastle CBD, Riverside Industrial, Newcastle Industrial, KwaMathukuza and Arbor Park.

The increase in the number of wards necessitates an increase in the number of Councillors to a number which is determined by the MEC. The increase also necessitated an increase in the number of Ward Committees from 310 to 340. An increase in the number of Councillors and Ward Committees necessitates an increase in the allocation of funds towards remuneration. The ward delimitation process did not affect the population of Newcastle, however it affected the population within the affected wards in that it has either increased or decreased head counts within certain wards. Furthermore, the ward delimitation process has also affected the size of the wards in spatial terms, either expanding or contracting certain wards.

The increase in the number of wards within Newcastle Municipality is a sign of positive growth towards a city status. The challenges encountered during the process are merely issues around the projected power struggles for political administration from a public perspective. From a municipal perspective, the ward delimitation process will not affect the delivery of municipal services within the different wards (business as usual). However, the process played a significant role in terms of deepening local democracy and also improving local governance.

3.4. Income Profile.

Figure 9: Annual Household Income.



Source: Stats SA, 2011 Census Data.

According to the 2011 Census Data, Newcastle Municipality has a generally low income population with a large number of people living in abject income poverty as they do not have a reliable source of income. In 2011 the majority of the households income was between R9 601 – R19 600 per annum (16 017 households) closely followed by households who earn between R19 601 – 38 200 per annum (15 638 households). The majority of the households are headed by men as opposed to women (52% and 42% respectively).

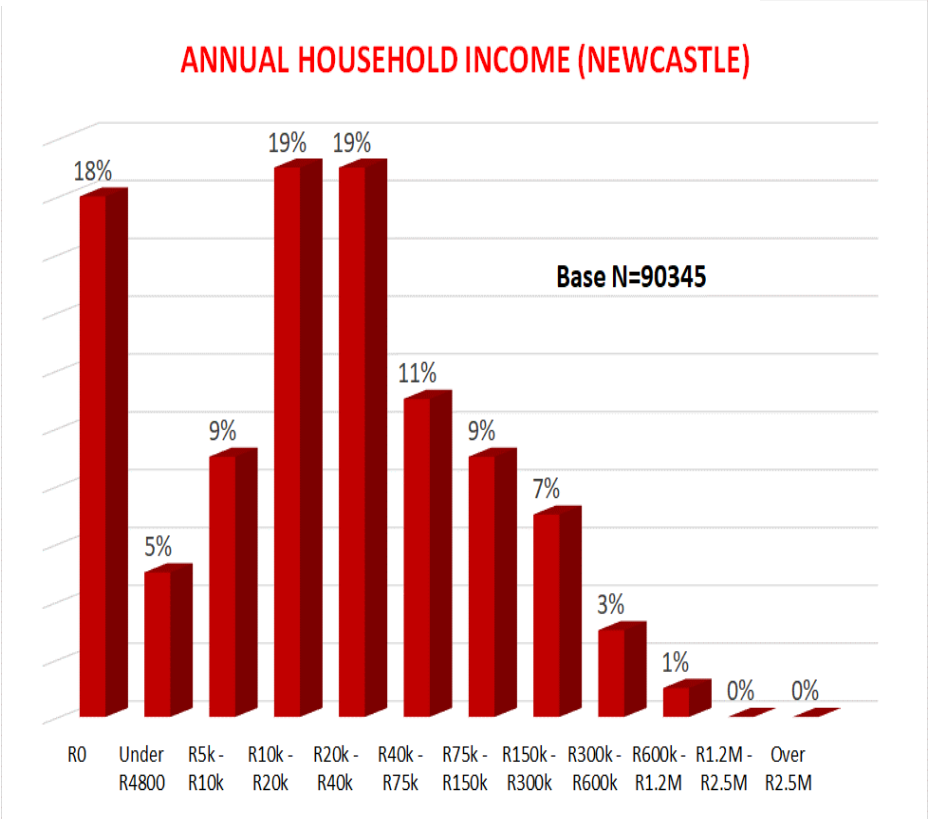
In terms of the most recent stats from Global Insight (2018), a very high majority of the households in Newcastle (70%) earn a combined income of less than R40,000 per annum, which translates to an average of R3 300 per month. This is significantly below the national average of household income, which is R103 204 per year, or R8,600 per month. This has implications on the Indigent Support provided by the municipality to the community of Newcastle as there is a growing number of households that earn a combined annual income of a maximum of R40,000. In 2011 the total number of households earning less that R40,000 was 68%, which is 58 427 households out of 86 024 households, and it has since increased in 2018 to 70%, which is 61 436 households out of a total number of 90 347 households.

The following is a method use by Standard Bank to rate households in terms of their income:-

Annual income	Monthly income	Classification
R0 – R19,000	R0 – R1,583	Lowest
R19,001 – R86,000	R1,584 – R7,167	Second lowest
R86,001 – R197,000	R7,168 – R16,417	Low emerging middle
R197,001 – R400,000	R16,418 – R33,333	Emerging middle
R400,001 – R688,000	R33,334 – R57,333	Lower middle
R688,001 – R1,481,000	R57,334 – R123,417	Upper middle
R1,481,001 -R2,360,000	R123,418 – R196,667	Upper income/Emerging affluent
R2,360,001+	R196,668+	Affluent

With respect to the above classification, half of the households in Newcastle fall under the lowest income classification, while three quarters of households fall within or below the second lowest threshold. A negligible percentage of households fall under the low emerging middle or the emerging middle category.

Figure 10: Annual Household Income (Source: Global Insight - 2018).



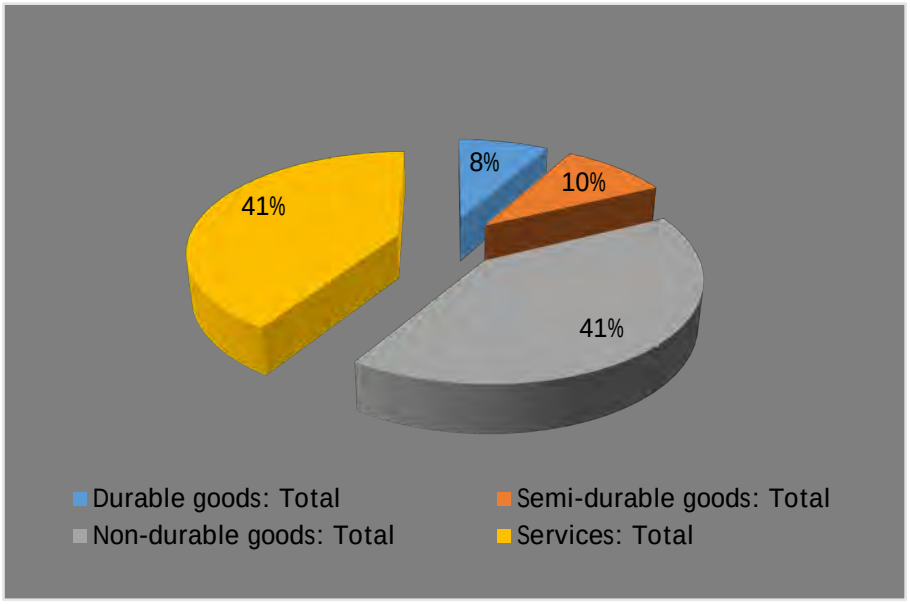
In terms of Annual Income individually, close to three quarters (72%) of the population earns less than R150 000 per annum,

which is equivalent to R12 500 a month. This is roughly the same salary earned by mine workers.

3.4.1.Household Expenditure.

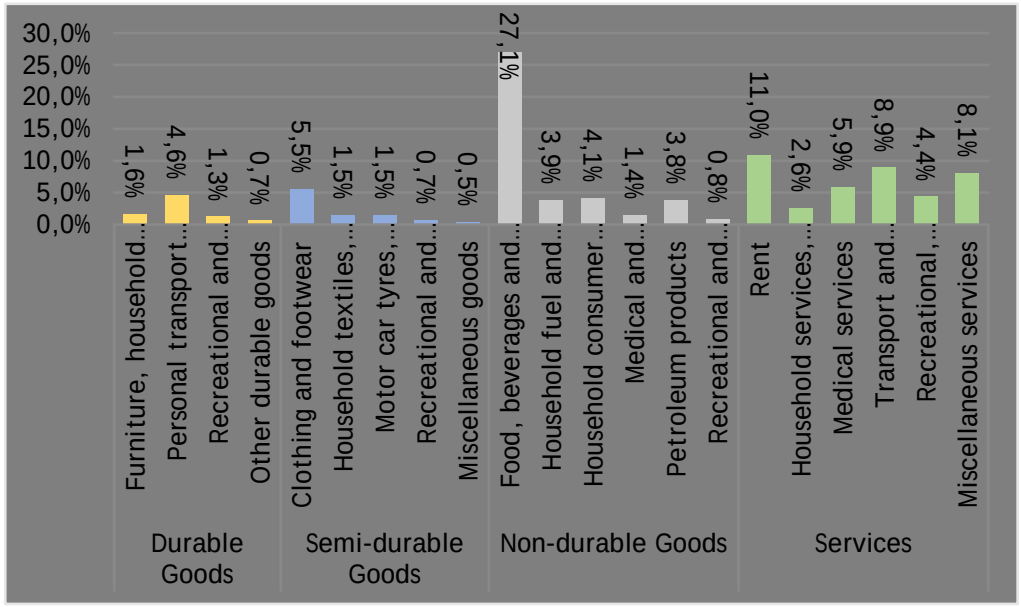
The total household income in 2010 was approximately R7.8 billion in Newcastle, of which 69.2% is remuneration (R5.4 billion) and 30.8% is unearned income (R2.4 billion). Of the total household income, 93.7% is household expenditure (7.3 billion), which consists of the purchase of goods and services. Savings were negative in 2010 suggesting that an additional R250 million worth of credit is being utilised in addition to total expenditure. The graph below displays the breakdown of expenditure into the major purchase categories.

Figure 11: Household Expenditure (Urban-Econ calculation on Quantec Data 2012).



The largest sub-category of expenditure is food, beverages and tobacco which collectively contributes just over 27% to the total expenditure within Newcastle. This is followed by rental (11%), transport and communication (8.9%), miscellaneous goods (8.1%), medical services (5.9%), and clothing and footwear (5.5%). This indicates that a large portion of expenditure is being used for basic necessity items such a food and clothing, as well as rent, transport and communication, with little left over for items such as household furnishing, transport equipment, recreation and entertainment, as well as luxury items.

Figure 12: Sub-category Contribution to Total Expenditure (2010).



Source: Urban-Econ calculations based on Quantec Data (2012).

3.5. Employment and Unemployment.

In terms of the unemployment rate within Newcastle, based on the figures presented on the table below (Stats SA 2001 Census Data), in the year 2001 the economically active population (a section of the population which is either employed or actively seeking employment) constituted 43.51% (144 885) of the total population. From the total economically active population, only a mere 39.52% (57 266) were employed and the rest of the 60.48% (87 619) were unemployed. The unemployed people within Newcastle were ranging from the seasonal workers who were presently unemployed, and individuals who could not find work. Regarding the unemployment rate within Newcastle for the year 2011, the economically active population constituted 27.71% (100 654) of the total population. From the total number of economically active people, only 62.56% (62 968) were employed and the rest of the 37.44% (37 686) were unemployed. In terms of gender, in 2001 the highest concentration of the unemployed was amongst the female population (42 750) as compared to the male population (36 985), and in 2011 it still remains highest amongst the female population (20 129) as compared to the male population (17 557). In general, the decrease in the unemployment rate means progress has been made within Newcastle from 60.48% in 2001 to 37.44% in 2011.

Table 7: Employment status by Gender in Newcastle.

	2001			2011		
	Male	**Female**	**Grand Total**	**Male**	**Female**	**Grand Total**
Employed	28 384	28 882	**57 266**	32 504	30 464	**62 968**
Unemployed	31 340	36 168	**67 508**	17 557	20 129	**37 686**
Scholar or student	22 455	20 622	**43 077**	**-**	**-**	**-**
Discouraged work-seeker	**-**	**-**	**-**	7 617	9 405	**17 021**
Home-maker or housewife	276	7 884	**8 160**	**-**	**-**	**-**
Pensioner or retired person/too old to work	3 845	6 155	**9 639**	**-**	**-**	**-**
Unable to work due to illness or disability	3 025	2 801	**5 826**	**-**	**-**	**-**
Seasonal worker not working presently	586	523	**1 109**	**-**	**-**	**-**
Does not choose to work	1 922	2 756	**4 678**	**-**	**-**	**-**
Could not find work	5 059	6 059	**11 118**	**-**	**-**	**-**
Other not economically active	-	-	**-**	50 405	61 820	**112 225**
Age less than 15 years	-	-	**-**	-	-	**-**
Not applicable	-	-	**-**	64 763	68 573	**133 335**
Grand Total	**96 533**	**111 850**	**208 383**	**172 846**	**190 390**	**363 236**

Source: Stats SA, 2001 – 2011 Census Data.

However, an analysis of the unemployment rate using the official expanded defection of unemployment reveals a slightly different picture. The average rate of unemployment in Newcastle Municipality is low compared to the Amajuba District, but higher than the provincial average of 21.7% and 22.4% among the females and males respectively. Zooming in at ward level, a much clearer picture is painted on the geographical concentration of the unemployed, which is mostly within the Newcastle Ease Area. There's also a direct correlation between unemployment and the levels of literacy within this area.

	Employed	Unemployed	Discouraged work-seeker	Other not economically active	Not applicable	Grand Total
Ward 1	1724	938	900	2920	4287	10769
Ward 2	4173	281	68	1967	2943	9432
Ward 3	2925	359	149	2547	2201	8182
Ward 4	2979	145	26	1523	1962	6634
Ward 5	3085	539	131	3371	2832	9958
Ward 6	1177	901	746	3923	5069	11816
Ward 7	1264	1353	869	3256	4894	11636
Ward 8	1054	1876	518	2172	3505	9124
Ward 9	1956	1525	494	3297	4554	11827
Ward 10	1170	867	509	3023	3371	8942

	Employed	Unemployed	Discouraged work-seeker	Other not economically active	Not applicable	Grand Total
Ward 11	1425	699	438	3150	3410	9121
Ward 12	808	1581	397	2787	3846	9420
Ward 13	997	1340	430	2448	3327	8542
Ward 14	2773	2244	548	5039	6201	16805
Ward 15	1074	1080	1725	2798	4898	11575
Ward 16	1728	1773	979	3935	6041	14456
Ward 17	1452	1948	785	3816	4833	12834
Ward 18	889	1140	659	2532	3536	8756
Ward 19	1742	1098	268	3403	3507	10018
Ward 20	1392	915	189	3652	3548	9696

	Employed	Unemployed	Discouraged work-seeker	Other not economically active	Not applicable	Grand Total
Ward 21	2879	750	375	3584	3702	11291
Ward 22	1435	702	289	3410	2940	8777
Ward 23	1549	837	270	4006	3954	10616
Ward 24	2110	1077	380	4444	3806	11817
Ward 25	2649	852	133	2482	2485	8601
Ward 26	2495	1544	675	3956	4708	13378
Ward 27	2067	1122	270	3708	3863	11031
Ward 28	1108	945	570	3244	3061	8928
Ward 29	2094	979	309	3876	3806	11065
Ward 30	937	710	752	3144	3643	9185
Ward 31	1481	1564	300	3522	4511	11379
Ward 32	1640	1269	571	3803	4636	11920
Ward 33	1008	1537	753	3683	5388	12369
Ward 34	3726	1194	546	3803	4067	13336
Grand Total	**62968**	**37686**	**17021**	**112225**	**133335**	**363236**

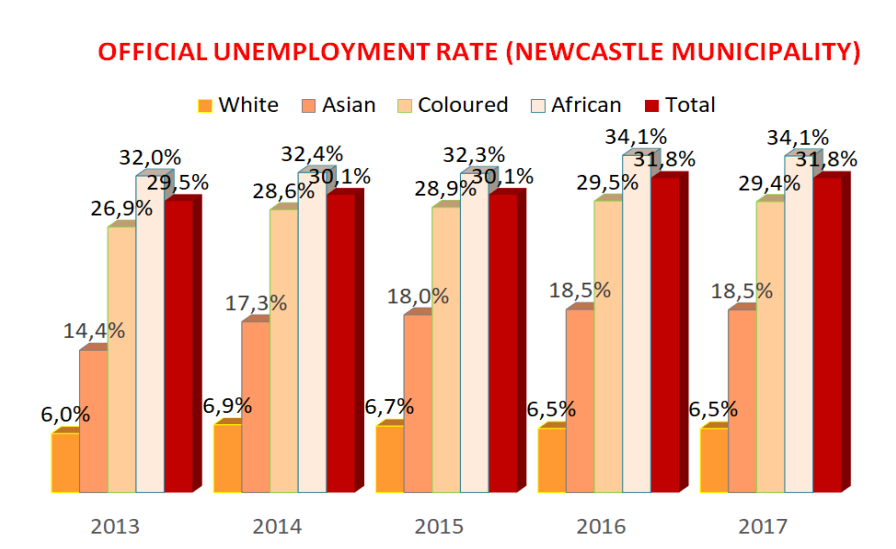
All the wards with the highest concentration of the unemployed are found within the Newcastle East Area in the townships of Madadeni, Osizweni, Blaauwbosch and Cavan. This has implications on the need for coordinated efforts between government and the private sector towards the creation of meaningful job opportunities. Furthermore, it is of crucial importance that the Newcastle Local Municipality creates favourable conditions that will attract potential business into these previously disadvantaged areas, and also assist in the development of youth entrepreneurs though SMME development.

In 2014 Newcastle Municipality accounted for 71.7% of both formal and informal employment within the Amajuba District Municipality. Since 2004 Newcastle's average contribution towards formal and informal employment within ADM has been 71,2%. The percentage for total employment within Newcastle has remained higher than that of ADM's contribution within KZN which is characterized by a contracting trend. An analysis of the information below reveals that Newcastle is the main economic hub within the district that provides a variety of employment opportunities, both formal and informal.

TOTAL FORMAL AND INFORMAL EMPLOYMENT					
	KwaZulu-Natal	Amajuba DM	Newcastle	Emadlangeni	Dannhauser
Total Employment (Formal & Informal)					
2004	2 157 565	94 757	67 396	15 826	11 534
2005	2 230 816	96 464	68 472	16 184	11 808
2006	2 330 572	99 311	70 367	16 675	12 269

2007	2 413 021	100 993	71 536	16 819	12 639
2008	2 442 434	99 842	70 881	16 324	12 637
2009	2 416 239	96 017	68 317	15 431	12 269
2010	2 378 090	91 871	65 514	14 556	11 801
2011	2 358 272	88 884	63 518	13 913	11 452
2012	2 378 376	91 331	65 427	14 173	11 731
2013	2 416 117	93 950	67 340	14 524	12 086
2014	2 441 360	95 902	68 835	14 751	12 315

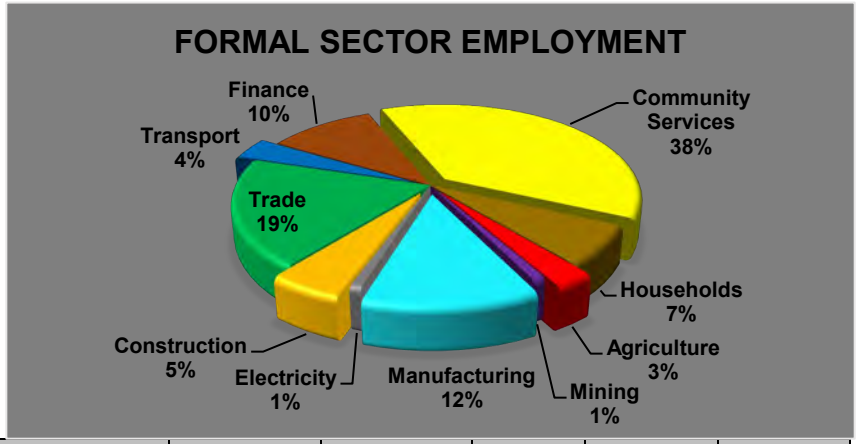
In terms of the employment and unemployment rate, this is analysed based on a definition of the economically active population. The economically active population refers to the section of the population which is either employed or are actively seeking employment. This specifically refers to the category of the population which is between the ages of 15 to 64 years. The size of the economically active population in Newcastle has increased proportionally from 27,8% in 2013 to 30,1% in 2017. In terms of stats from the Global Insight (2018) the official unemployment rate in 2017, was sitting at 31.8%, thus an increase from 29.5% in 2013. Africans consist of the highest number of the unemployed, followed closely by coloureds, Indians and then whites. The unemployment rate among all other population groups has held steady since 2013, except for 1% decline among Indians between 2016 and 2017. An increase in the number of economically active people has lead to an increase in the number of job seekers, hence and increase in the level of unemployment. Among the key factors contributing to an increase in unemployment within Newcastle is the decline experienced within the manufacturing and textile sector.



3.5.1.Formal Employment by Industry.

There is a higher percentage of semi-skilled labourers as compared to skilled labourers within Newcastle. This is based on observations made on the literacy levels within Newcastle. A combined 7,4%% of the population within Newcastle may be deemed as skilled based on the percentage of people with tertiary and higher post graduate education as the highest level of education. 35,6% of the population may be regarded as semi-skilled based on the percentage of secondary education as the highest level of education. The graph below depicts the distribution of those employed in the formal economy based on analysis made on broad economic sectors within Newcastle.

Table 8: Employment in Newcastle by Broad Economic Sectors (9 sectors).



	KwaZulu-Natal	Amajuba DM	Newcastle	Emadlangeni	Dannhauser
Formal Sector Employment					
Number of formally employed people in Broad Economic Sectors (9 sectors)					
1 Agriculture	91 759	3 016	1 542	839	635
2 Miningi	10 394	751	512	136	102
3 Manufacturing	289 046	8 787	6 617	1 293	877
4 Electricity	10 411	611	439	66	106
5 Construction	132 778	4 141	2 814	551	776
6 Trade	329 222	13 292	10 215	1 748	1 329
7 Transport	118 180	3 004	2 048	350	606
8 Finance	299 270	7 665	5 631	1 064	970
9 Community services	492 107	26 858	20 424	3 648	2 786
Households	216 148	6 418	3 785	1 503	1 131
Total	**1 989 315**	**74 543**	**54 028**	**11 199**	**9 317**

Source: KZN Treasury (Global Insight).

Collectively the primary sectors of Newcastle's economy (agriculture and mining) both contribute 3.8% to total formal employment within Newcastle. Of concern is the diminishing growth of formal employment within the agriculture sector due to a decrease in the levels of precipitation (climate change). The manufacturing sector, the sector that once made a significant contribution towards formal employment within Newcastle, contributes 12.2% to total formal employment (6 617 people). The manufacturing sector has also experienced negative growth trends largely attributed to the current global financial outlook. These trends are alarming as they highlight the decline in employment within the primary and secondary sectors, two of the sectors that form the foundation of the economy. Innovative measures by government are required in order to ensure that the agricultural and manufacturing sectors are rejuvenated to absorb more labour and stimulate economic activity.

The trading sector, including wholesale & retail trade, catering & accommodation, is amongst the largest formal employment sector with 18.9% of formal employment. The only other economic sector which is higher than the trading sector is the community services sector and it contributes 37.8% towards total employment within Newcastle. The finance sector contributes 10.4%, whereas the construction and the transport sector collectively contribute 8.9% towards formal employment.

Figure 13: Formal sector employment within Newcastle.

3.6. Human Development Index.

The Human Development Index (HDI) is a statistic composite index of life expectancy, education, and per capita income indicators, which are used to rank human development into 3tiers, namely:-

- Life Expectancy Index;
- Education Index; and
- The Gross National Income Index.

A country will score a higher HDI when the lifespan is higher, the education level is higher, and the Gross National Income (GNI) per capita is higher. According to a Human Development Report (2020) by the United Nations Development Programme, the following is applicable:-

Human Development Index	0.705
Rank	113
Life Expectancy at Birth	63.9 years
Education Index	0.721
Gross National Income per capita	11,756
Inequality Adjusted Human Development Index (IHDI)	0.463
Gender Development Index	0.984

The Human Development Index (HDI) for Newcastle has improved significantly since 1996. This is symbolised by the net decrease in representation of people living in poverty from 45%

in 1996 and 2001 down to 39% in 2007. This is, however, below the provincial average of 33% in urban areas. Most of the poverty-stricken households of Newcastle are located in the East as well as within the areas that fall under the Traditional Authority. The urbanized population is generally better off than the rural communities with regards to the affordability levels. The rural communities' level of access to basic services is significantly low hence resulting in major challenges. The provision of sustainable basic and essential services to these communities has proven to be one of the greatest challenges faced by the Newcastle Municipality, and innovative service delivery options are encouraged. Even though the HDI for Newcastle has shown some improvements, it is still lower than the countries HDI provided above from the United Nations Report on Human Development which records the HDI of South Africa as 0.705.

3.7. Dependency Ratio.

The dependency ratio indicates the number of young people (under 16years) and older people (above 64years) who depend on people of working age (16 – 64 years) for the livelihoods. It also entails people with special needs such as the disabled. The dependency ratio in Newcastle has declined from 60.1 in 2016 to 58.2 in 2022.

3.8. Poverty Levels.

The table below compares the number of people living in abject poverty within Newcastle Municipality with that of KwaZulu-Natal, Amajuba District and other local municipalities within the district. Newcastle Municipality has the least (44.4%) number of people living in poverty within Amajuba District, which has an average of 50.9%. The provincial average is 45.7%. 72.1% of the population in Dannhauser Municipality are living under poverty.

Table 9: People Living in Poverty.

	2002		2006		2012	
Districts	People living in poverty	Percentage of people living in poverty	People living in poverty	Percentage of people living in poverty	People living in poverty	Percentage of people living in poverty
KwaZulu-Natal	5 586 644	58.1%	5 224 176	52.8%	4 729 241	45.7%
Amajuba	301 878	64.4%	287 427	59.4%	256 987	50.9%
Newcastle	**170 620**	**56.0%**	**162 113**	**51.0%**	**148 150**	**44.4%**
Emadlangeni	43 787	69.1%	43 273	64.6%	34 941	51.3%
Dannhauser	87 471	86.8%	82 041	82.6%	73 896	72.1%

Source: Global Insight.

3.9. Cross-Cutting Issues.

Newcastle Municipality, an aspirant 'Inclusive City' is a town established as KZN 252 in terms of the Municipal Demarcation Act (Act No. 87 of 1998) and is the main economic hub amongst the family of four municipalities known as Amajuba District Municipality. Newcastle Municipality is located on the north western border of the KZN, 36 km away from Memel in Free

State Province and 100 km away from Ermelo in Mpumalanga Province.

Newcastle's space economy is dominated by wholesale, retail and trade at 14% of the local GDP, whilst the least economic contributor is the mining sector at 1%. It's 1854 km² geography begins at Bosworth rural area, south of N11 and spreads to the eastern and western region merely to conclude with Charlestown on the North of National Road N11. The economy of this 'aspirant city' is simply a reflection of the state of affairs prevailing in the country, where the economy is not performing, businesses are closing down, even the steel markets are on the downward spiral.

3.9.1.Land-use and Ownership.

One of the core principles of the SDF is to achieve spatial equity either by way of distribution of land in a fair manner and redress approach, or in the formation of sustainable human settlements. It therefore becomes judicious to look at the land split in the municipal region from the perspective of ownership.

The topic of 'land' is quite a sensitive and delicate one in this developmental Country and at the centre of it, is the historical baggage of how it was acquired from the time of the 'Koi Sans' to land dispositions during the formation of 'Bantu' homelands. Newcastle appears to be mirroring the same agenda that's prevailing national wide. The vast expanse of land is owned by commercial farmers and located west of the municipal area, with small pockets of land located on the immediate vicinity of the built-up area.

Spaces such as the CBD and the industrial area are generally productive and able to endure all kinds of storms. The current industrial area is 95% developed and plans for the expansion are underway. These plans have been boosted by the recent funding received abroad for development of the airport and the techno hub.

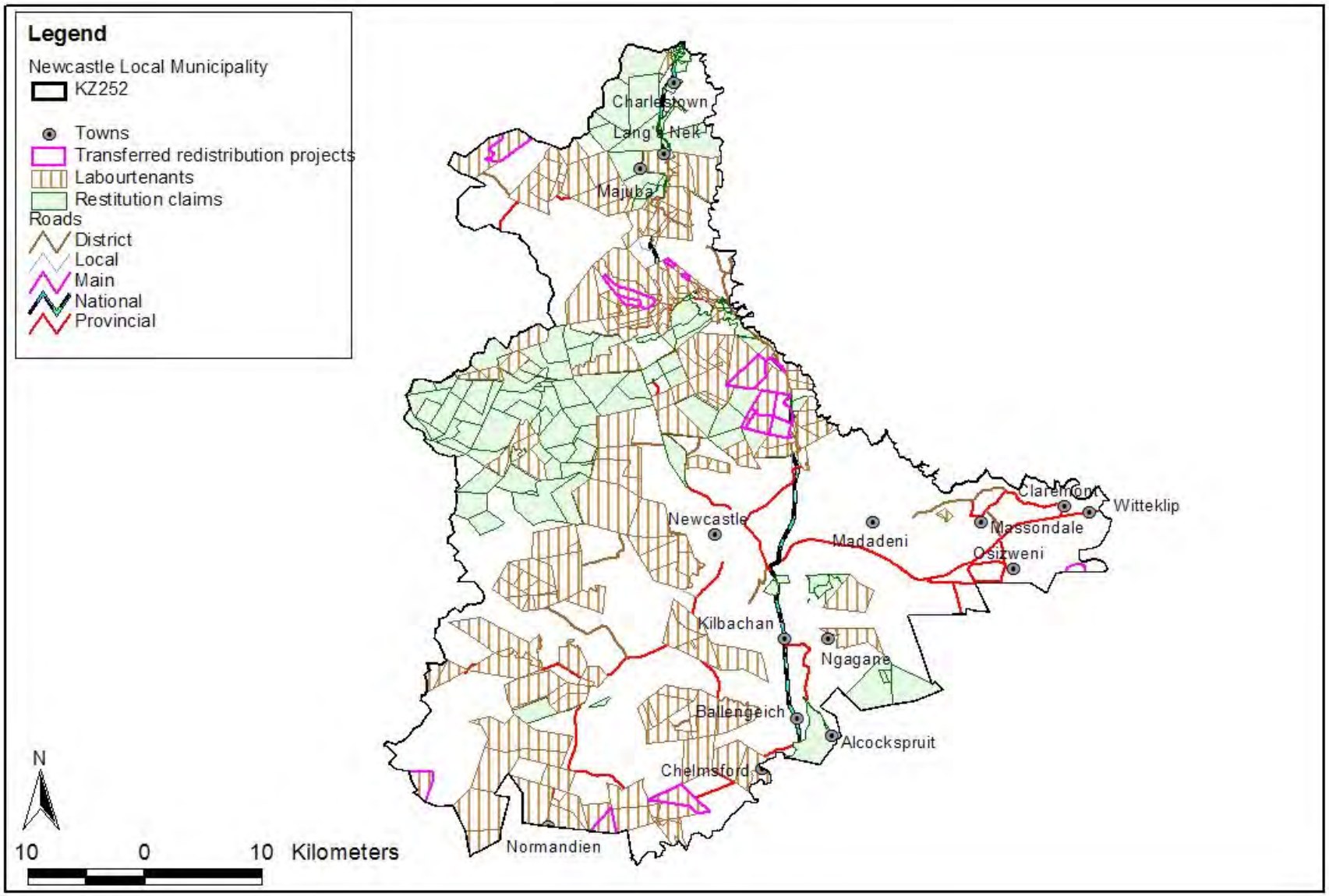
In the quest of reversing the gains of apartheid planning, the municipality commissioned the research with primary intent to establish who therefore owns the vacant pieces of land. Below are diagrams showing who the owners of the vacant pockets of land. It further breaks the distribution down by race and essentially it is this research that the municipality will utilize in its endeavour to achieve spatial equity. The interesting fact about this statistics is that majority of the privately owned vacant land (at 36%) is in the hands of the adult black males who have not reached retirement, between the ages of 39& 79 years to be precise. The inference of this research is that, the middle aged group is the one that must be pumping investment into the area to bridge the gap of spatial equity. And therefore, their socioeconomic status in this context becomes key. It begs the question of whether they are fiscally liquid to take this municipality to new heights and rewrite hostilities of history associated with the black life.

It is without a doubts that matters such location of these land parcels may be subjective from the people expected to invest and that the municipality is selling prime land to the lucrative investors. It is important to strive for a balance when land distribution or redistributions thereof is assumed. Growth and expansion of the town yield rapidly when land ownership is intertwined with economical ability to invest on available markets. It reduces the risk of stagnation of land ownership and prospecting for too long. In other words the intention is not to own land as a valuable asset and reduce productivity thereof, as is the case in most of the land reform projects.

3.9.2.Status of the Land Reform Programme.

According to the Amajuba District Municipality Area Based Plan, the Department of Rural Development and Land Reform is implementing the following projects within Newcastle Municipality:-

- Land Redistribution (LRAD): There are 15 completed land restitution projects where 5,097ha of land has been transferred to 283 households (1456 individuals).



Map 2: NLM Land Reform Map

- Land Restitution: There are 130 claims on farms in the Newcastle area, totalling 53,000ha. Of this, 34 claims have been settled, making up 12,700ha.
- Tenure Security (Labour Tenants): There are tenure security claims on 99 farms, making up a total area of 973ha.

The Amajuba District Municipality Area Based Plan further notes that 73,212ha of land has been transferred under the land reform programme. An application of the 30% target suggests that 109,447ha is required in order to bring the programme in Newcastle in line with the national targets.

As indicated on the Map above, the programme will have significant economic and spatial impact in the area. Strategies should be devised to integrate the programme into the service delivery and economic development programme of the municipality. Careful management and support to beneficiaries is necessary to sustain the production potential of land in the area.

3.9.3.Land Tenure Upgrading.

The need for land tenure upgrading in the NLM affects four types of communities, namely:-

- People who hold Deeds of Grant to land;
- People who require their title deeds to be adjusted;
- Tenants in the JBC area; and
- Farm dwellers.

3.9.4.Ubuhlebomzinyathi.

There is a small amount of pockets of land being traditionally held within the jurisdiction of Ubuhlebomzinyathi Community Authority should also be considered for land tenure upgrading. These include Khathide, Dicks, Mndozo, etc. At present, these communities enjoy beneficial occupation rights protected in terms of the Interim Protection of Informal Land Rights (IPILRA). These areas require careful management as they are fast deteriorating into urban slums.

3.9.5.AmaHlubi Settlement.

The land occupied by AmaHlubi Community in the vicinity of Drycut Cemetery should be investigated as it may fall outside the proclaimed area of Ubuhlebomzinyathi Community Authority. The land has been subject of a court case between Ingonyama Trust and AmaHlubi Traditional Council. Other areas that require attention in terms of tenure security are the settlements located to the north of the Osizweni Township and the JBC area.

3.9.6.Labour Tenant Claims.

As indicated on the Map above, a number of labour tenant claims were registered against various farms within the Newcastle Municipality Area. The process towards the resolution of these claims has been sluggish. It is critically important for the municipality to follow this process closely as it may result in the establishment of small isolated settlements.

Through the rural development strategy is required to guide this process and ensure that settlements do not encroach onto agricultural land in an uncontrolled manner.

3.9.7.Land Restitution.

A number of land restitution claims were lodged against various properties in the Newcastle Area. The majority of these are large in size and ranges with complexities. Charlestown, which involves dairy farming, timber plantations, crop production and livestock farming, has been resolved successfully with the community obtaining access to more than 10 000ha of good agricultural land. The challenge is now to develop the farms, sustain productivity and create employment opportunities. The process towards the resolution of the other land claims such as Ingogo is progressing slowly. In view of the size of these claims and potential for agricultural development, it is critically important for Newcastle Municipality to ensure that they are integrated into the economic and service delivery programmes of the municipality.

3.9.8.Impact of the Land Reform Programme.

As indicated on the map above, the land reform programme has a significant spatial impact in the area such as the following:

- The loss of productive agricultural land to residential development, resulting in reduced contributions by agriculture to the local economy and loss of job creation opportunities.
- Land reform resulting on the loss of productive agricultural land. If operations on productive land are unsustainable, this will “virtually destroy the agricultural sector, result in massive unemployment and poverty and a loss of food security.”
- Provision of adequate water supplies. An adequate and sustainable supply of water is critical to the long term development of agriculture. Threats includes climate change, invasive alien plants and pollution.

3.9.9.Restructuring frontiers of the Spatial Inequity.

The spatial character of South African cities and towns was shaped by apartheid planning based on segregation along race and class lines. Newcastle is no exception to this national phenomenon, where Madadeni, JBC area, Osizweni, etc. were developed 15 km away from affluent urban residential neighbourhoods. In this fractured and inefficient spatial structure, poor communities are situated away from job and economic opportunities, and excluded from the social fabric of the town. Therefore, as the epicentre of our desirable spatial pattern is a concept of smart planning driven by the trends of modern urbanism and cultural diversity.

From a planning point of view, we desire the city harnessed by the following principles which serve as the bedrock of this aspired model and inclusive city. These tools at the centre of restructuring this undesirable built form left and a constant reminder of how fragile the democracy really is:-

- Spatial Equity;
- Spatial Efficiency;
- And sustainability and resilience.

a) Spatial Equity.

The primary intent for spatial equity is to reverse the systematic approach to access and land distribution based on racial and class lines. The main responsibility of spatial equity is to ensure that all land users have the opportunity to utilise well suited and available land to address their basic needs and requirements for sustaining livelihoods and pursue prosperity. Equity in relation to spatial planning is achieved through the following elements:-

- Provision, upgrading and maintenance of key distribution routes.
- Promotion of economic activities in closer proximity to the unemployed;
- Clustering of social and community facilities at more accessible points.
- Promotion of private sector investment in disadvantaged areas.
- Spatial focus of resources to redress inequalities in services standards and quality of life.

The municipality has crystallised the above mentioned factors through its programme of revitalising the so called 'black townships' such as the Madadeni and Osizweni. Its programme of action is regarded as (Madadeni, Blaauwbosch and Osizweni) commonly known as MBO development, which is a blue print for investment in these areas. This is where at least 80% of the population resides, yet embroiled with unacceptable levels of inequality.

The following are some of the key structural elements of the MBO complex:-

- Explosive low density sprawls in the form of informal and traditional settlements that have developed within the MBO area. Some of this occurs on privately owned land in the JBC complex. The direction of this development is not controlled, but accommodates people who either cannot afford formal housing in legally designated areas or who seek location closer to the urban opportunities while wanting to maintain a rural lifestyle.
- Loose character of the urban fabric epitomized by the single storey house on a plot type of development. Nearby housing projects have reproduced the same type of settlements albeit with lower level of services. High space standards applied in the provision of public facilities also contribute to the loose character of the urban fabric.
- Urban-rural interface as the outer boundaries of the area adjoins onto agricultural land and rural settlements located on Ingonyama Trust land.
- Inwardly oriented discreet pockets of mono-functional developments operating in isolation. Creating separation of different land uses, particularly between residential, commercial and industrial areas;

- The net effect of this situation is an inefficient disintegrated spatial system, characterized by an enormous amount of movement between the Node and surrounding areas and especially between the Newcastle CBD and the JBC complex on a daily basis.

There are multiple projects being undertaken by different funders in MBO area, from the municipality's own revenue, to private sector investment and all driven by the notion of spatial equity. The Blaauwbosch area alone has a range of projects transcending to the neighbouring vicinity, the Johnstown and Cavan areas, otherwise referred to as JBC, a median of Madadeni and Osizweni townships located in the Newcastle Eastern area. People in this area are settled on unstructured farm land which has gradually urbanized over time. Due to its organic spatial pattern, the settlement is deprived of municipal basic services such as piped water on each property and a sanitation network. It is defined by unstructured and malfunctioning movement patterns.

The JBC area by all accounts, seems to be what planning principles purport namely with regards to the following:-

- Its central location unveils advancement of the so desired integration of fragmented settlement patterns. At the peak of the JBC area, the geographical boarders evident today, will be no more in future. Madadeni and Osizweni will be integrated through the JBC node;
- The population densities are very low in this area, and this presents an opportunity to enhance this even further and achieve the desirable thresholds;
- Social facilities will be clustered in identified and suitable localities to allow their optimization, both from the maintenance and usability perspective;
- It is conveniently traversed by the provincial road, P483, to the west. It is noted with fascination that P483 Road has transcended from being the mobility corridor to a development corridor over the recent years. This road had been previously used to serve for mobility of goods and services between the Newcastle area and the broader northern region, including Vryheid and the likes;
- Bulk infrastructure is currently located in the close proximity and currently servicing the likes of Madadeni and Osizweni townships; and
- As such the JBC area through various innovations to enhance the area, has been approved for a mega housing projects in the country, with an estimated 14 000 households and 70 000 people in the near future. This population accounts for Madadeni and Osizweni combined.

b) Spatial Efficiency.

Spatial efficiency is achieved through the use of limited resources to maximize the development potential. Efficient and strategic spatial planning should ensure the co-ordination and the resolution of conflicts between competing activities, while strengthening market access and unlocking development

opportunities crucial for economic growth. The following entails some of the efforts to be implemented by the municipality towards achieving spatial efficiency:-

1. Provision, upgrading and maintenance of **key distribution routes**.
2. **Infill planning** is required to make the delivery of services more cost effective.
3. **Stimulation of economic districts and nodes** to promote sufficient market thresholds.
4. **Planning around bulk capacities** to ensure more cost effective developments.
5. Promotion of **economic opportunities in close proximity to residential functions** (where sustainable).
6. Integration of diverse and complementary land uses to allow ease of movement of goods, services and people.

Smart cities require that serviced areas should seek to maximize development where all vacant tracks of land have not been developed adequately, otherwise referred to as infill development. The Siyahlala-La Low Income housing development is symbolic of the genius approach towards smart planning the Municipality bolsters about. This settlement was designed with primary objective to promote and maximize use of urban land. It is located approximately 4 km from the Central Business District and 7 km from the Riverside industrial area, and bordered by well-developed infrastructure in the Lennoxton residential area (former Indian area). Generally the Lennoxton area was built closer to the mine which closed down decades ago. Therefore, the prominence of undevelopable land classified as 'undermined areas' are found on this part of the town and nowhere else within the municipal area. Although green spaces are encouraged on these undermined areas.
The construction of Siyahlala-La Township has commenced and, for the first time since invading the land, the residents are now enjoying benefits of living in a formalised urban area. The community will receive title deeds and gain the dignity of owning property in South Africa. They will also be able to advance their livelihoods and potentially pursue start-up businesses wherein their houses are used as collateral for loans.

It does not end there for these residents, but planning, human settlements, urban renewal and technical services departments are working towards improving connectivity and integration between areas. The extension of the Albert Wessels Drive is key to successfully creating a link and integration between Siyahlala-La and the industrial area. It will minimize the travelling time to the industrial area by approximately 10 minutes and the associated costs of public transport. Development of this road will further open up the opportunities of developing the Equarand area, North of Siyahlala-La.

Movement and transport feature as an enabling element to foster linkages within the region. Hard infrastructure such as roads and the means of movement be it road, rail or foot movement are centre to the extent of mobility of the municipal inhabitants. Efficiency becomes a relevant aspect of movement

which needs to be considered in the spatial framework for Newcastle in an attempt to integrate the municipal and regional space.

c) Spatial Sustainability.

On the other hand, the spatial sustainability relates to achieving a sense of balance, between the key activities found on land. A continued balance between economic development, social development and environmental development should be sought in all development actions. The following becomes critical to the sustainable agenda:-

1. Plan service standards in line with **economic and environmental affordability**.
2. **Conservation and maintenance** of infrastructure and resources as opposed to replacement.
3. **Fragmented spatial structure causes sprawl** and should be countered.
4. Planning should promote the **sustainable use of resources**, rather than exclusion of use.
5. Improved **land management measures** to control potential conflicts are required.

One of the weaknesses the municipality is currently battling with, is the establishment of the environmental departments to supervise and pursue the environmental 'Agenda 21.'

3.9.10. Transportation and Movements in and around Newcastle.

a) Local Access and Movement.

With regards to internal movement, a number of prominent routes can be identified. Firstly, there is a strong movement of people between Madadeni and Osizweni. Secondly, a strong movement exists between the western and the eastern region along the MR483. Thirdly, a movement pattern exists between the Newcastle CBD on to other smaller settlements, such as Memel to the West and Ingogo, Charlestown and Volksrust to the North. These movements are strengthened by the roads the municipality and department of transport has invested in.

b) Regional Access and Movement.

Newcastle Municipality enjoys relatively good access at a national and regional scale. North-South linkages are facilitated by the N11 and East-West linkages by the P483 and R34. The N11 is a primary movement and mobility corridor. It runs in a North-South direction from the N2 in Ermelo to the N3 in Ladysmith through Newcastle Town thus making the area highly accessible and well connected to the national, provincial and regional road network.

Although the SDF identifies this route as a primary corridor, access to it is governed in terms of the South African National Roads Agency Limited (SANRAL) regulations. This includes limitations imposed on the number and location of direct access

points and location of uses, which may be viewed as having potential to interrupt traffic flows.

Secondary corridors include the R34 which runs East from Newcastle to Utrecht and beyond to Vryheid and Richards Bay, and West to Memel and Vrede as well as the R621 linking to Dannhauser. These routes all originate from the CBD. The Madadeni-Osizweni section of the road to Utrecht (MR483) has been identified as a mixed-use corridor and is to be developed with nodes of services and economic opportunities. Regional access routes are subject to the rules and regulations of the Department of Transport.

3.9.11. Public Infrastructure Investment.

This is one area which the municipality is still battling to advance at an accelerated pace. The problem is not only unique to the Newcastle Municipality, but the whole of government in general. However, funding such as the Municipal Infrastructure Grant (MIG) and the Neighbourhood Development Programme Grant (NDPG) have brought the much needed relief to municipalities. The capital infrastructure programme appended to this IDP sheds more detail in this regard.

The greatest concentration of the infrastructure expenditure has been in the eastern region, where basic services have been an aspiration, and private investment remained a pipe dream. However, the investment being pumped in the JBC block will make the area more function, especially if complemented with its economic hubs that integrate both commercialization and industrialization. This area has an added advantage in that the Theku Plaza is in existence and will likely attract other types of commercial activities within the node in a phenomenon resembling that of the 'Growth Pole Theory.' Its location is prime and enjoys better linkages with its surroundings. Intertwined with this concept is the necessity to bring industries closer to territories of labour force to avert high proportions of expenditure on transportation.

3.9.12. Impact of Urbanization.

The paradigm of planning is quite interesting that where formal townships have been established efforts to intensify and density development becomes an essential agenda. The organic rural areas which seemed to symbolize cultural identity and ethnicity, are now under natural transformation. There is a new proliferation of estate like mansions emerging, and these are supported by traditional infrastructure such as boreholes, slugging sewer systems, and solar panels. In brief, areas such as Disks, Manzana, etc located on the periphery of the peri-urban areas are gradually becoming urbanized. This requires the municipality to formalise and upgrade the services around this area. The only municipal service the area is not accustomed to entails tarred roads and collection of refuse. Due to such, the inhabitants of such area feel they are not liable for municipal rates and other related taxes. This has a negative effect on the municipal system of rates collection which translates into a potential loss of revenue.

3.9.13. Rural Region.

Newcastle's Rural Region mostly covers areas that fall outside the urban edge, such as Normandien, Botha's Pass, Ingogo, Bosworth, etc. There are settlements on the periphery of the urban edge which are considered to be rural, these include the areas of Dicks, Mndozo, Drycut and Soul City. The level of service in these areas are minimal compared to most of the areas within the urban edge. The current urban form within the municipal area comprises of a range of settlements from highly urbanised, organic, to rural settlements in the JBC that have extensive commercial farmlands with small isolated farm-dweller settlements. The JBC block is currently a transitional area from being organically rural to peri-urban.

Here it should be emphasised that past-apartheid policies had a profound impact on the structure and functionality of Newcastle Municipality. Its fragmented communities, marginalised their economic activities and undermined their participation in the economy. It located people in areas with poor access to urban services and facilities, and effectively entrenched the philosophy of unequal development.

The remainder of Rural Newcastle is largely dominated by expansive commercial farmland, which is used mainly for livestock farming and crop production. Some of the farms are affected by land reform, particularly land restitution and labour tenant programs that may lead to the creation of new settlements hence the negative exploitation of agriculturally valuable land. However, there are a few established settlements on commercial farmlands already such as the smaller rural settlement known as Ingogo. Other rural settlements are located within the Ubuhlebomzinyathi Traditional Authority, and include settlements that generally fall within the traditional leadership of AmaHlubi in the Drycut area and Khathide along the northern boundary of Osizweni.

The Rural Development Strategy seeks to achieve an equitable socio-economic enabling environment for sustainable development of rural communities. This vision shall be achieved by increasing access to services through the provision of physical infrastructure and social services. The Rural Spatial Development Region has a diverse land ownership composition with the majority of land being privately owned. The rural region is also receiving great attention from the municipality although not at the same scale as with the rest of the urban and peri-urban areas. The municipality is rolling out projects such as pit-latrine toilets and has identified others such as solar geysers as part of the green energy drive.

3.9.14. Land-use Management Objectives.

At this juncture we have constructed spatial analysis of the municipality which then stimulates the discussion about how concretisation and translation of the objectives illustrated at the beginning of this chapter to activities implementable on a day-to-day basis. Such can only be achieved through Land Use

Management which deals with fine grains of implementing Council's vision. Therefore, Land Use Management through the existing Planning Scheme developed during the phase of PDA and completed in terms of SPLUMA ought to purport the following:-

NORMATIVE PRINCIPLES	PROCEDURAL PRINCIPLES
• Environmental and economic sustainability • Equality and equity • Efficiency • Integrated development • Harmony in terms of land use relationships • Quality environments • Certainty	• Fair and good governance • Cooperative governance • Participation • Strategic links • Capacity building • Use of local and indigenous knowledge • Access to information

It is expected that the SDF will be rationalised through the implementation of these guidelines.

MPUMALANGA

MPUMALANGA

MPUMALANGA

FREE STATES PROVINCE

FREE STATE

Charlestown

Ingogo

Newcastle LM
KZ252

Newcastle Town

Madadeni

Khathide TA

Osizweni

JBC

Kilbarchan

Ingagane

Utrecht Local Mu
KZ253

Dannhauser Local Municipality
KZ254

End

1 : 273 000

0 3 6 9 12 15 18 Kilometers

LEGEND

Other
- Minerals

Transport
- Airport
- Railway Line

Existing Roads
- Class 1
- Class 2
- Class 3

Proposed Roads
- Class 1
- Class 2
- Class 3

LAND USE

Structuring Land Uses
- Open space system
- Existing Urban Areas
- Urban Periphery
- Future Urban Areas

Boundary
- Newcastle Urban Edge
- Development Boundary

Agriculture Land use
- Irreplaceable
- Threatened
- Moderate to Low
- Primary Agriculture
- Secondary Agriculture
- Mixed Land Use

HYDROLOGY

Wetlands
- Waterbodies
- Wetlands
- Rivers Buffer
- Major Dams

Environment
- Biodiversity Corridor
- Protected Areas

SDP 2024/25

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * LAND USE PATTERN

APRIL 2024

3.9.15. Newcastle Integrated Traffic and Transportation. Planning.

The development of Newcastle has necessitated the evaluation of the road and transportation network in terms of its ability to cater for the demand (present and future). The NLM ITTP entails a 10 year evaluation (2015 – 2025) of the impact of future developments on the existing road network with the aim being to have a better understanding of the road network and the identification of gaps that may occur.

The NLM ITTP was developed over a period of 3 years in collaboration with a engineering consultation company. The Plan was officially adopted by the NLM Council in 2016 and is yet to undergo a review process. The NLM ITTP was borne out of an extensive study that took into consideration the functionality of Newcastle within the Amajuba District. The following section looks into the findings and recommendations of the NLM integrated transport plan.

a) Analysis of the existing road network.

Upon a detailed analysis of the existing road network through the use of secondary data obtained from the KZN DOT – Provincial Road Network, it was deduced that the existing road network can be broken down into the following categories:-

- **CLASS 1: N11 –** The main trunk road that passes through the Newcastle study area and provides linkages between major city centres including Durban and Johannesburg. The existing road is characterised with high traffic volumes which is made up of a high percentage of heavy vehicles.
- **CLASS 2: P483 –** The main road is currently predominantly used as a public transport route from the MBO complex to the Newcastle CBD. The existing road is under immense pressure and it is envisaged that, if development in Newcastle continues at the current rate, it will not be able to accommodate any addition of vehicles in the future.
- **CLASS 3: R34, Steildrif 21, Scott Street/Boundary Street –** R34 is an existing road that provides linkages to areas such as Memel and Standerton. Access to this route is gained via the Newcastle CBD, which usually results in traffic congestions during the peak season hence delayed travel times. Scott Street/Boundary Street is an existing road that partially runs through a residential area south of the Newcastle CBD. The road provides linkages to areas such as Cecelia and Normandien.

From the evaluation it surfaced that the existing road classification of Newcastle does not provide sufficient hihg class roads necessary for accommodating high volumes of public transportation and privately owned vehicles. This hinders future growth of the area as it impacts negatively regarding the ability to unlock land for future development. There is a need for a new road classification that takes into cognisance the hinderance of urban sprawl. Furthermore, from the evaluation it also surfaced that there are planned development initiatives in Newcastle, particularly around the MBO complex. Therefore these

developments form the baseline for forecasting the transportation demand within Newcastle. The challenges related to the development of an integrated land and transportation network may be attributed to poor apartheid planning. The following table entails the road network proposals and amendments:-

EXISTING ROAD NETWORK	NETWORK PROPOSALS AND AMMENDMENTS	PROPOSED ROAD CLASSIFICATION
–	N11 Realignment	CLASS 1
–	Ladysmith Drive	–
–	Main Road (P483)	CLASS 2
–	Proposed Secondary Activity Spine	CLASS 2
–	Proposed Road East of Airport Industrial	CLASS 3
–	Link Road	–
Link Road East	–	CLASS 2
Link Road West	–	CLASS 3
Steildrief 21	–	CLASS 3
–	Proposed Road 3	CLASS 3
–	Proposed Road Development in Fairleigh, Fernwood and Paradise	–
–	Madadeni CBD	–
–	Northern Activity Spine	CLASS 2
–	Jobstown Road Development	CLASS 3
–	Madadeni Ring Road	CLASS 3
–	Northern, JBC and Osizweni Proposed Roads	CLASS 3

The amendment and proposed introduction of new routes works hand in hand with the upgrading of the aforementioned intersection points. Therefore it is recommended that all amendments and proposals be implemented within the 10 year time line as failure to do so may hinder growth of the municipality. It should also be noted that the implementation through construction of the Proposed Secondary Activity Spine and Northern Activity Spine is of vital importance to the proposed road network and it thus recommended that these be prioritised as they have the potential to be alternative routes for public transportation hence unlocking land for development and easing traffic congestion between the two commercial hubs, MBO complex and Newcastle CBD.

Newcastle Town

Madadeni

Khathide TA

Osizweni

JBC

Kilbarchan

Ingagane

N11

Utrecht Local Municipality
KZ253

Dannhauser Local Municipality
KZ254

N

1 : 130 000

0 3 6 9 Kilometers

LEGEND

Boundary

- Newcastle Urban Edge
- Development Boundary

Existing Roads

- Class 1
- Class 2
- Class 3
- Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Proposed Roads

- Class 1
- Class 2
- Class 3

Other

- Airport
- Railway Line

SDP 2024/25 NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * TRANSPORTATION NETWORK APRIL 2024

Low and high density residential development, urban sprawl, commercial ribbon developments and some major developments in the form of shopping centres have taken place within NLM. However, this growth comes with a number of developmental challenges such as capacity problems at intersections, capacity problems on major roads, and public transport challenges. It is also worth noting that there are plans to introduce a fast train service between Johannesburg and Durban. The route is to pass through Newcastle and will thus have implications on transportation facilities requirements and/or infrastructure. Furthermore, according to the New Growth Path, NLM is earmarked for an inland dry port which is identified as a Strategic Infrastructure Project (SIP2). Therefore, there is a need to ensure that NLM's movement network enhances the spatial configuration for the present and future development areas. The transportation systems must function efficiently for the envisaged development of Newcastle to be achieved.

Table 10: Vision, Strategy and Objective of the NLM ITTP.

	OBJECTIVE	KEY STRATEGY
Planning	To develop and implement roads infrastructure plan	Plan, develop and manage a sustainable and cost effective road infrastructure plan
		Development of financial plan for expenditures and funding
	Development of a Road asset management plan	Development and managing of a sustainable road asset management plan
		Development of a financial budget for cost effective implementation
		Data collection surveys to assist implementation of plan
		Development of accurate service standards
Operation and maintenance	To ensure the provision and maintenance of safe roads	Maintain existing road surfaces Maintain street pavements
		Repair dangerous potholes
		Repaint road signs
		Development of financial budget
Service and infrastructure	Development of roads with in the MBO complex	Surface gravel roads and develop sidewalks within the MBO complex
	Development of PT facilities and PT stops and shelters	Development of new facilities as well as existing informal facilities
		Refurbishment of existing facilities
		Development of PT laybys within the MBO complex, this includes shelter and seating
	Ensure pedestrian safety	Development of safe sidewalks, pedestrian crossings, street lights and signage
		Develop and implement surveys for October road safety month

The following entails network proposals and amendments that have been reviewed:-

- N11 Re-alignment;
- Ladysmith Drive;
- Proposed intersection of Main Road P483 and Secondary Activity Spine;
- Karbochem Road and Proposed Secondary Activity Spine;
- Karbochem South Access;
- Proposed Road East of Airport Industrial;
- Link Road;
- Proposed Road Development in Fairleigh, Fernwood and Paradise;
- Madadeni CBD;
- Northern Activity Spine;
- Jobstown Road Development;
- Hans Coetzee Road;
- Madadeni Ring Road; and
- Madadeni, JBC and Osizweni Proposed Roads.

The proposed road classification will need to provide optimal functionality for a long period of time. The proposed road classification has been analysed for implementation within a 10 year period. However it should be noted that the proposed road classification will have positive long term effects on the Newcastle Municipality. An exact timeline will be largely dependent on developments that have taken place within the study area. The implementation and construction of the Proposed Secondary Activity Spine and Northern Activity Spine are the most vital parts of the proposed network hierarchy as they provide alternative transport routes, unlocking land and calming traffic between the two major hubs namely the MBO complex and Newcastle CBD.

The existing road network does not allow for future growth of the Newcastle Municipality. This is due to the lack of transportation routes that are available hindering travel to areas which can be unlocked for future economic growth. Newcastle Municipality is earmarked for an inland dry port, this will bring about a change within the municipality catapulting it is as a leading industrial area within South Africa. However the viability of this is widely dependant on transportation as it will be one of the major driving forces in achieving this status. A lack of implementation and construction will limit and hinder the growth of the municipality until such time that the viability of the entire proposed road network hierarchy is compromised.

It should be noted that before proposed plans are considered, all parties involved will need to be consulted. These include the national bodies i.e. SANRAL, provincial and local bodies, the transportation authority, town planning and finance.

3.9.16. Settlement Pattern.

The settlement pattern in NLM has largely followed access routes thus forming an economic system with definite

interdependencies between and among various elements. However, it has also been highly influenced by the past apartheid planning and segregationist policies. The current settlement pattern reflects a continuum of settlements from a highly urban Newcastle town through to peri-urban settlements in the JBC and extensive commercial farmlands with small isolated farm-dweller settlements.

The urban component of the NLM comprises of three distinct sections, namely:-

- Newcastle West;
- A central Industrial Area; and
- Madadeni and Osizweni to the East.

An urban edge has been determined around this entire complex and it is proposed that all future urban development takes place within these confines thus to integrate, density and diversify it as well as to limit the loss of high yield agricultural land.

3.9.17. Newcastle West.

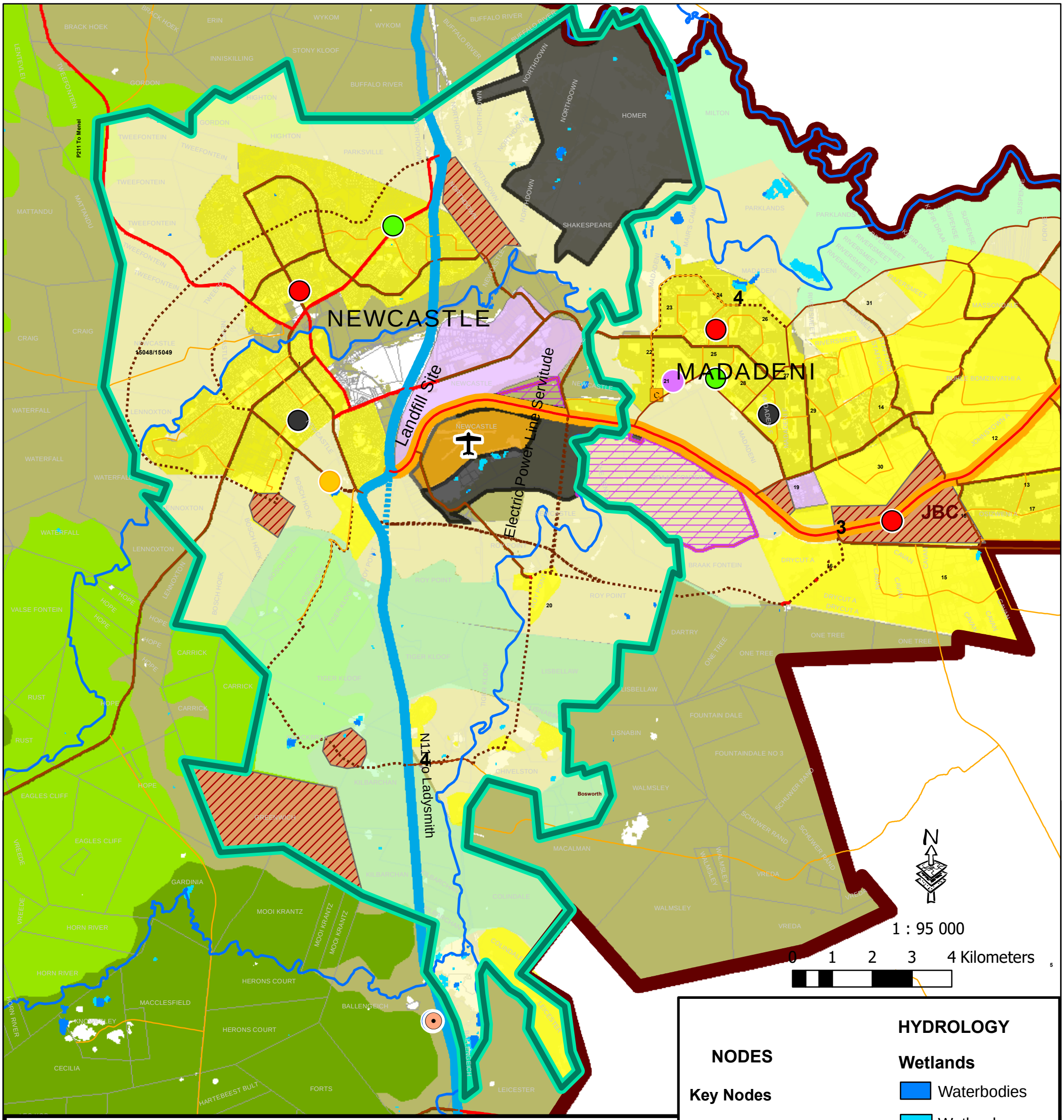
The CBD is located in Newcastle West on the Southern side of the confluence of the Ncandu and Jordan Rivers. Newcastle West is predominantly residential with the Northern section being the most affluent. Ribbon development runs South-Eastwards from the CBD along the R34 and includes a new shopping centre, restaurants, garage and car showroom, hotels and lodges, amongst other things. The Northern portion of Newcastle West also accommodates the show-grounds, Monte Vista Casino and Conference Centre, a golf course and a technical college.

Immediately South of the CBD are the original residential areas of the town also laid out in the same gridiron-street pattern and home to the Newcastle Private Hospital and Newcastle Provincial Hospital. The police station and a number of home offices which have spread outwards from the CBD are also found South of the CBD. South-West of the CBD are further residential suburbs.

Newcastle CBD is currently going through a process of spatial transformation. This involves three main processes, namely:-

- Decentralisation of commercial and office space;
- Redevelopment; and
- Expansion of the town area.

Decentralisation of commercial and office space occurs in the form of nodular development at both Eastern and Western entrances/gateways into Newcastle CBD.



Major Nodes

- Rural Nodes
- Educational Nodes
- Medical Nodes
- Commercial Nodes
- Neighbourhood Node
- Regional Social Facility Nodes
- Mixed Use Nodes

Existing Roads

- Class 1
- Class 2
- Class 3
- Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Proposed Roads

- Class 1
- Class 2
- Class 3

Other

- Airport
- Railway Line

LAND USE

Structuring Land Uses

- Open space system
- Existing Urban Areas
- Urban Periphery
- Future Urban Areas

Projects

- Catalystic Projects

Boundary

- Newcastle Urban Edge
- Development Boundary

NODES

Key Nodes

- Primary CBD Node
- Secondary Node
- Industrial Growth Point
- Light Industrial Node
- Industrial Node
- Mixed Use Intervention Node
- Tertiary Node
- Focused M.U. Node
- Airport Precinct

HYDROLOGY

Wetlands

- Waterbodies
- Wetlands
- Rivers Buffer
- Major Dams

Environment

- Biodiversity Corridor
- Protected Areas

Agriculture

- Irreplaceable
- Threatened
- Moderate to Low

Newcastle West development includes a number of service industries, a community commercial centre, hotels and a number of associated developments. The area is earmarked for further commercial development.

Rights were granted for the development of a regional shopping centre next to the new Casino and the Newcastle Mall has since taken root and is in operation. A new office complex has also been developed in the area while infrastructure has been laid for mixed land use development. Other developments expected in this node in the near future include motor-showrooms, restaurants, etc. Redevelopment on the other hand, involves the refurbishment of buildings vacant or under-utilised, because of economic downturn and relocation of offices to the new office node. This process also includes the transformation of office use, particularly professional offices, into residential areas that are adjacent to the CBD. A number of dwelling units have been granted office use rights or are being used as offices.

Newcastle Municipality has accordingly developed strategic responses to these trends. These include the Newcastle West Precinct Plan, the CBD Development Plan and the Newcastle South Spatial Development Plan (SDP). The latter provides for a range of residential land uses, including mixed land use and commercial nodes. The net effect of these plans is the extension of the town's built-up area, shifting of the urban edge and opening of new interface zones. In view of its strategic location in Northern KwaZulu-Natal, Newcastle is likely to remain a regional service centre unchallenged by other nearby towns in the foreseeable future. Its market threshold is relatively secure, but its economic and social vitality remains dependent on the state of its regional hinterland. The CBD itself has remained relatively stable.

3.9.18. Central Industrial Area.

East of the CBD lies large industrial areas, the N11 and Iscor facility, as well as an airfield and landfill site. It is also the location of Amcor Dam and Recreational facility. The area occupies approximately 516ha of land zoned for industrial use, of which only a small portion is developed. While the area accounts for a significant amount of employment opportunities in the NLM, it historically developed as a buffer strip between the former white only areas in the Newcastle West and the former black only townships of Madadeni and Osizweni.

The Western Service Delivery Region (WSDR) covers the areas of Newcastle West within the Urban Edge, these would be the Newcastle Central Business District (CBD), the Newcastle West suburbs and the airport industrial area. These areas are covered under the Newcastle scheme. The zooming into the WSDR will give more detailed land use guidelines and highlight priority investment and development areas and will also act as a guide to decision-makers and investors. A number of intervention areas for the WSDR have been identified where the intention is that the entire Service Delivery Region be covered

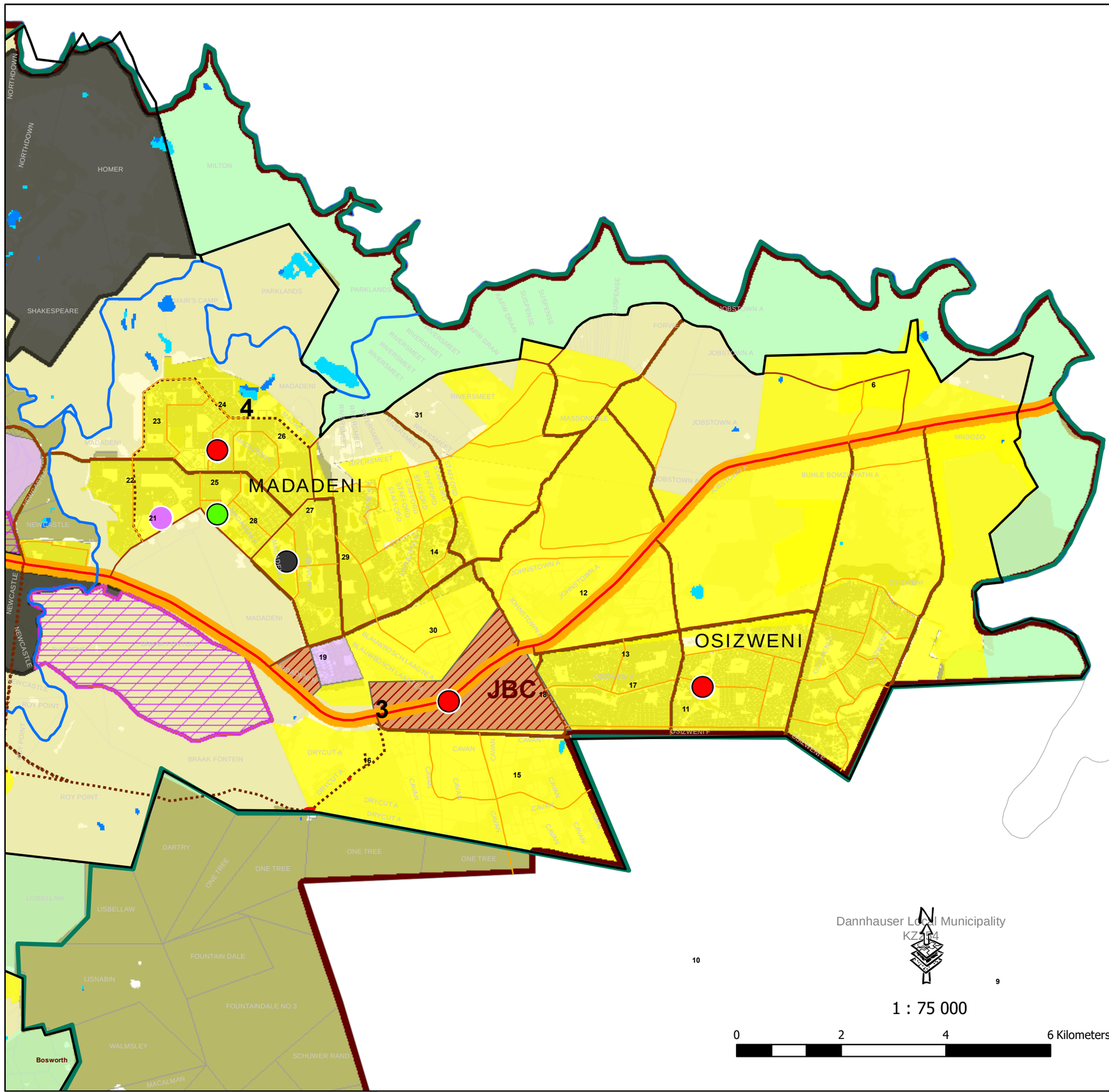
in the long term by the municipal hierarchy of plans. Intervention areas for the WSDR include:-

- Newcastle West Intervention Area;
- Newcastle South Intervention Area;
- Newcastle Industrial Intervention Area; and
- KIB Intervention Area.

3.9.19. MBO Complex.

MBO is located along P483 and comprises of the townships of Madadeni and Osizweni, and the JBC area. Madadeni and Osizweni were laid out in the 1970s on the basis of a Master Plan developed in 1975, and reviewed in June 1985. The plan was based on the dominant planning doctrine and highly influenced by the political regime. It gave rise to a compact linear urban form with a rectilinear road network based on 3 to 4 km grid spacing of major arterials. The JBC area, which joins the Madadeni and Osizweni areas, has a more peri-urban character, consisting mainly of informal settlements. This area developed as a result of “shack farming” thus transforming the area from agriculture into an urban slum, with no formal planning. This has given rise to a complex set of land legal issues including title adjustment, beneficial occupation rights, tenancy and freehold ownership rights.

The MBO complex is characterised by a poor condition of services and a general lack of amenity and pleasant appearance. This robs the area of private sector investment and perpetuates dependency on the Newcastle city centre. Urban renewal programmes being initiated in the MBO complex will result in the upgrade of the public realm and improve the quality of life of the previously disadvantaged. It will also promote both public and private sector investment in the area. Access to public facilities and a safe environment are the other important aspects of quality of life that should be addressed in these areas.



LEGEND

Major Nodes
- Rural Nodes
- Educational Nodes
- Medical Nodes
- Commercial Nodes
- Neighbourhood Node
- Regional Social Facility Nodes
- Mixed Use Nodes

Existing Roads
- Class 1
- Class 2
- Class 3
- Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Proposed Roads
- Class 1
- Class 2
- Class 3

Other
- Airport
- Railway Line

LAND USE

Structuring Land Uses
- Open space system
- Existing Urban Areas
- Urban Periphery
- Future Urban Areas

Projects
- Catalystic Projects

Boundary
- Newcastle Urban Edge
- Development Boundary

NODES

Key Nodes
- Primary CBD Node
- Secondary Node
- Industrial Growth Point
- Light Industrial Node
- Industrial Node
- Mixed Use Intervention Node
- Tertiary Node
- Focused M.U. Node
- Airport Precinct

HYDROLOGY

Wetlands
- Waterbodies
- Wetlands
- Rivers Buffer
- Major Dams

Environment
- Biodiversity Corridor
- Protected Areas

Agriculture
- Irreplaceable
- Threatened
- Moderate to Low

3.9.20. Rural Settlements.

The rural component of the municipality is dominated by expansive commercial farmland, which is used mainly for livestock farming and crop production. Some of the farms are affected by the land reform program, particularly the land restitution and labour tenancy program that may lead to the creation of new settlements and erosion of agricultural land.

However, there are few established settlements on commercial farmlands. These settlements include smaller rural settlements such as Charlestown and Ingogo. Charlestown provides basic services and functions to the surrounding agricultural areas and is identified as a tertiary node in the SDF, together with Lennoxton. Ingogo, on the other hand, is a purely rural settlement based on its low population numbers, and is classified as a rural node, as is Leokop.

Other rural settlements are located within the Ubuhlebonzinyathi Community Authority area and include the settlements that generally fall within the traditional leadership of AmaHlubi in the Drycut area and Khathide along the northern boundary of the NLM.

WARD 1	WARD 6	WARD 7
Botha's Pass. Brinkshoop. Charlestown. Ngogo. Majuba Forest. Normandien. Wykom.	Claremont. Jakkalspan. Jobstown. Masondale.	Manzana. Mndozo.
WARD 12	**WARD 15**	**WARD 16**
Jonhstown, divided into various sections:- Johnstown-Bhareni. Johnstown-Dindela. Johnstown-Leslie. Johnstwon-Phesheya kodonga.	Blaauwboschelaagte. Cavan. Mahalbhomi.	Blaauwboschlaagte. Dry Cut.
WARD 18	**WARD 31**	
Blaauwboschlaagte.	Riversmeet. Suspense. Soul City.	

MPUMALANGA

MPUMALANGA

FREE STATE

Utrecht Local Municipality
KZ253

Dannhauser Local Municipality
KZ254

Endumeni Local
KZ24

NEWCASTLE

MADADENI

OSIZWENI

1 : 273 000

0 3 6 9 12 15 18 Kilometers

LEGEND

Major Nodes
- Rural Nodes

Other (Transport)
- Airport
- Railway Line

Existing Roads
- Class 1
- Class 2
- Class 3
- Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Proposed Roads
- Class 1
- Class 2
- Class 3

LAND USE

Structuring Land Uses
- Open space system
- Existing Urban Areas
- Urban Periphery
- Future Urban Areas

Projects
- Catalystic Projects

Boundary
- Newcastle Urban Edge
- Development Boundary

NODES

Key Nodes
- Primary CBD Node
- Secondary Node
- Industrial Growth Point
- Light Industrial Node
- Industrial Node

HYDROLOGY

Wetlands
- Waterbodies
- Wetlands
- Rivers Buffer
- Major Dams

Environment
- Biodiversity Corridor
- Protected Areas

Agriculture
- Irreplaceable
- Threatened
- Moderate to Low

SDP 2024/25

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * RURAL SERVICE DELIVERY REGIONS

APRIL 2024

3.9.21. Former Mining Areas.

A number of settlements are also located in the south-eastern portion of NLM. These settlements are scattered throughout the area and are mainly as a result of mining activity, which is concentrated along a mining belt that runs from the centre of the municipal area towards the south east. The mines have stimulated the development of numerous smaller settlements, such as Kilbarchan, Ingagane and Ballengeich. It has however impacted negatively on the spatial structure of the Municipal area by preventing development of an integrated urban structure. Higher standards of housing and access to infrastructure are found in these formal settlements. The settlement pattern can mainly be ascribed to the mining activities and the Ingagane power station in the area, which caused discrete pockets of settlements. These are mostly around or close to mining activities. Some of the mining activities have however been downscaled or closed down.

3.9.22. Impact of Post-Apartheid Spatial Planning.

Past apartheid policies had a profound impact on the structure and functionality of the Newcastle Municipality. The policies fragmented communities, marginalised their economic activities and undermined their participation in the economy. They located people in areas with poor access to urban services and facilities, and effectively entrenched the philosophy of unequal development. Spatial fragmentation was implemented to effectively separate the urban complex of Newcastle-West and the former dormitory suburbs of Madadeni and Osizweni. These two areas are situated at least between 15km and 35km from Newcastle central business district (CBD) in line with apartheid spatial engineering. Spatial fragmentation, referring to separate blobs of development with no linkages, has the potential to undermine the role of Newcastle in its regional context and impact negatively on its ability to perform its functions effectively and efficiently.

3.9.23. Land Use Management.

In terms of the Municipal Systems Act (Act No. 32 of 2000), a Land Use Management System is a legal requirement that Newcastle Municipality is obliged to meet. In response, Newcastle municipality has developed a wall-to-wall scheme as part of a comprehensive review of the existing Newcastle Town Planning Scheme, and a process towards the introduction of land use controls in areas hitherto not covered by the scheme. However, this document has not been implemented as due process is being followed to amend the Newcastle Town Planning Scheme as provided for in the KwaZulu-Natal Planning and Development Act, 2008 (Act No. 6 of 2008). The Newcastle municipality has taken an incremental approach toward the implementation of the town-planning scheme in all areas, except the agricultural land. At present, Newcastle town is the only area that is covered by a Town Planning Scheme within the municipality.

MPUMALANGA

MPUMALANGA

Charlestown

Ingogo

Utrecht Local Municipality
KZ253

FREE STATE

Newcastle Town

Madadeni

Khathide TA

Osizweni

JBC

Newcastle LM
KZ252

Kilbarchan

Ingagane

Dannhauser Local Municipality
KZ254

N

1 : 273 000

0 3 6 9 12 15 18 Kilometers

Endumeni Local
KZ241

LEGEND

Major Nodes

- 1st Order SDC
- 2nd Order SDC
- 3rd Order SDC
- Rural SDC

Other (Transport)

- Airport
- Railway Line

Existing Roads

- Class 1
- Class 2
- Class 3
- Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Proposed Roads

- Class 1
- Class 2
- Class 3

Intervention Areas

- Bothas Pass Tourism Intervention Area
- Charlestown Intervention Area
- Dicks Mndozo Intervention Area
- Ingogo Intervention Area
- JBC Intervention Area
- KIB Intervention Area
- MBO Intervention Area
- MR 483 Mixed Use Corridor
- Massondale Intervention Area
- Milton Intervention Area
- Newcastle Industrial Intervention Area
- Newcastle South Intervention Area
- Newcastle West Intervention Area
- Normandie Tourism Intervention Area
- Vulintaba Tourism Intervention Area

Boundary

- Newcastle Urban Edge
- Development Boundary

SDF 2024/25

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * MUNICIPAL WIDE INTERVENTION AREAS

MAY 2024

3.9.24. Spatial Trends and patterns.

The urban part of Newcastle Local Municipality is characterized by a highly inefficient and fractured spatial pattern inherited from the apartheid past. Historically, the town of Newcastle was divided along racial (now class lines), with the poorer communities situated away from job and economic opportunities, and excluded from the social fabric of the town. The main residential areas for the poor – Madadeni, Osizweni and JBC area located approximately 20 to 35km from the CBD.

The following are some of the key structural elements of the MBO complex:-

- Explosive low density sprawls in the form of informal and traditional settlements that have developed within the MBO area. Some of this occurs on privately owned land in the JBC complex. The direction of this development is not controlled, but accommodates people who either cannot afford formal housing in legally designated areas or who seek location closer to the urban opportunities while wanting to maintain a rural lifestyle.1975.
- Loose character of the urban fabric epitomised by the single storey house on a plot type of development. Nearby housing projects have reproduced the same type of settlements albeit with lower level of services. High space standards applied in the provision of public facilities also contribute to the loose character of the urban fabric.
- Urban rural interface as the outer boundaries of the area adjoins onto agricultural land and rural settlements located on Ingonyama Trust land.
- Inwardly oriented discreet pockets of mono-functional developments operating in isolation. Creating separation of different land uses, particularly between residential, commercial and industrial areas.

The net effect of this situation is an inefficient disintegrated spatial system, characterised by an enormous amount of movement between the Node and surrounding areas and especially between the Newcastle CBD and the JBC complex on a daily basis.

3.9.25. Land Reform Programme and Rural Development.

The Newcastle Area has long been grappling with the land issues and has been involved in the implementation of the land reform since its inception. Land issues in the area cover both urban and rural areas, and cuts across the various elements of the land reform programme. Despite this, the area still lacks a common and coordinated vision for land and agrarian reform. Attempts by the Department of Rural Development and Land Reform, in association with Amajuba District to develop an Area Based Plan dealing comprehensively with the land issues in the area has not made any significant impact in this regard.

a) Status of Land Reform Programme.

According to the Amajuba District Municipality Area Based Plan, the Department of Rural Development and Land Reform is implementing the following projects within Newcastle Municipality:-

- ***Land Redistribution (LRAD)***: There are 15 completed land restitution projects where 5,097ha of land has been transferred to 283 households (1456 individuals).
- ***Land Restitution***: There are 130 claims on farms in the Newcastle area, totalling 53,000ha. Of this, 34 claims have been settled, making up 12,700ha.
- ***Tenure Security (Labour Tenants)***: There are tenure security claims on 99 farms, making up a total area of 973ha.

The Amajuba District Municipality Area Based Plan further notes that 73,212ha of land has been transferred under the land reform programme. An application of the 30% target suggests that 109,447ha is required in order to bring the programme in Newcastle in line with the national targets.

As indicated on the Map (figure 5) above, the programme will have significant economic and spatial impact in the area. Strategies should be devised to integrate the programme into the service delivery and economic development programme of the municipality. Careful management and support to beneficiaries is necessary to sustain the production potential of land in the area.

b) Land Tenure Upgrading.

The need for land tenure upgrading in the NLM affects four types of communities, namely:-

- People who hold Deeds of Grant to land;
- People who require their title deeds to be adjusted;
- Tenants in the JBC area; and
- Farm dwellers.

a) Madadeni and Osizweni Townships.

The title upgrading process undertaken as part of the Extended Discount Benefit Scheme involving areas where people held their properties through Deeds of Grant (e.g. Madadeni and Osizweni Townships) has virtually been completed.

b) JBC and Charlestown.

Similarly, substantial progress has been made with the title adjustment process involving land owners in the JBC and Charlestown areas. The completion of this exercise is critical to unlocking privately owned land in these areas for the development of sustainable human settlements. In fact, a comprehensive scheme which involved the provincial Department of Human Settlements and the national Department of Rural Development and Land Reform should be initiated as part of the Urban Renewal Programme to deal with the land issues in the JBC and Charlestown areas. This includes people who occupy the area as tenants whose land tenure remains insecure.

c) Ubuhlebomzinyathi.

Communities occupying the area that falls under the jurisdiction of Ubuhlebomzinyathi Community Authority should also be considered for land tenure upgrading. These include Khathide, Dicks, Mndozo, etc. At present, these communities enjoy beneficial occupation rights protected in terms of the Interim Protection of Informal Land Rights (IPILRA). These areas require careful management as they are fast deteriorating into urban slums. Densities are increasing and accounts for some of the huge urban service backlogs in the NLM.

d) AmaHlubi Settlement.

The land occupied by AmaHlubi Community in the vicinity of Drycut Cemetery should be investigated as it may fall outside the proclaimed area of Ubuhlebomzinyathi Community Authority. The land has been subject of a court case between Ingonyama Trust and AmaHlubi Traditional Council. Other areas that require attention in terms of tenure security are the settlements located to the north of the Osizweni Township and the JBC area.

e) Labour Tenant Claims.

As indicated on the Map above, a number of labour tenant claims were registered against various farms within the Newcastle Municipality Area. The process towards the resolution of these claims has been frustratingly slow. It is critically important for the municipality to follow this process closely as it may result in the establishment of small isolated settlements. A rural development strategy is required to guide this process and ensure that settlements do not encroach onto agricultural land in an uncontrolled manner.

f) Land Restitution.

A number of land restitution claims were lodged against various properties in the Newcastle Area. The majority of these are large in size and ranges with complexities. Charlestown, which involves dairy farming, timber plantations, crop production and livestock farming, has been resolved successfully with the community obtaining access to more than 10 000ha of good agricultural land. The challenge is now to develop the farms, sustain productivity and create employment opportunities. The process towards the resolution of the other land claims such as Ingogo is progressing slowly. In view of the size of these claims and potential for agricultural development, it is critically important for Newcastle Municipality to ensure that they are integrated into the economic and service delivery programmes of the municipality.

g) Impact of the land Reform programme.

As indicated on figure 5 above, the land reform programme has a significant spatial impact in the area. Other impacts are as follows:-

- **The loss of productive agricultural land to residential development**, resulting in reduced contributions by

agriculture to the local economy and loss of job creation opportunities.

- **Land reform resulting on the loss of productive agricultural land**. If operations on productive land are unsustainable, this will "virtually destroy the agricultural sector, result in massive unemployment and poverty and a loss of food security."
- **Provision of adequate water supplies**. An adequate and sustainable supply of water is critical to the long term development of agriculture. Threats includes climate change, invasive alien plants and pollution.

3.9.26. SWOT Analysis (Spatial Analysis).

STRENGHTS	WEAKNESSES
▪ Newcastle is a city that is resilient and adaptive. ▪ It is organized around mobility and development corridors with a complete transportation network (road, rail, and air). ▪ It is anchored by its natural resources which make it unique and desirable with good potential agricultural land. ▪ The N11 route bisects the Eastern and Western halves of the municipal urban area. The road is also used as an alternative route from Durban to Gauteng.	▪ Higher densities are found close to established nodes. ▪ Urban sprawl leads to Infrastructure backlogs and new informal settlements mushrooming. ▪ A fragmented spatial structure with limited future spatial growth options which lead to shortage of residential land. ▪ Industrial sector stagnated with very few new industrial developments. ▪ Poor management of open spaces and large tracks of undermined areas that cannot be utilized within the built-up areas.
OPPORTUNITIES	**THREATS**
▪ Clustering of social and community facilities around development nodes and corridors including Service Delivery Centres which in turn contribute to land use and transportation integration. ▪ Tourism is growing and drawing tourist investment to the town. ▪ Mining, a growing demand on resources such as coal. ▪ The road infrastructure, railway lines and airport which provide connectivity. ▪ Informal sector can become a long term economic reality while private investment is also on the increase. ▪ Open spaces with densification potential	▪ Private investment patterns remain in nodes of Newcastle west and a general decline in investment. ▪ Natural Environment is experiencing a lack of environmental assessment. ▪ Urbanisation made it difficult to formalize settlements which are time consuming. ▪ Lack of personnel and resources, issue of unregistered planners. ▪ Unplanned Informal Settlements and developments creeping onto natural resources and neighbouring municipalities. ▪ Urban decay in major nodes.
STRENGHTS	**WEAKNESSES**
▪ It is the anchor city within the Northern Natal region and 2nd order node in KZN. ▪ It is located on the boundaries of Free State and Mpumalanga provinces which allow for capital to be spent in Newcastle Municipal area.	▪ Poor accessibility due to mobility function of corridors being compromised and undefined, road network towards MBO areas as well, while the railway lines and airport has been underutilized.

3.9.27. Natural Environment.

a) Terrain.

The terrain of NLM is relatively flat even though the area is characterised by some mountainous terrain running from the North along the Western boundary. Elevation is the lowest in

the Eastern portion of the municipality, with scattered small hills and rolling landscapes in the centre. Elevations above sea level range from 1160.04m above sea level in the flat terrain in the east to 2228.53m above sea level in the mountainous terrain.

The most concentrated urban development and industry are located on relatively flat terrain. This generally refers to the urban complex of Newcastle town and MBO complex and the industrial area located in between. The elevated relief towards the West refers to the Drakensburg range and the Amajuba Mountain to the North.

b) Geology.

The subsurface geology has a great influence on the terrain of Newcastle including the soil and vegetation cover which are essential to the conditions of development. It is also the source of minerals that form the characteristics of the area. The geological structure if NLM features four kinds of rock formations which include the following:-

- **Carboniferous age sandstone of the Vryheid Formation –** This is basically the oldest geological formation present in NLM and is mostly prevalent in the Newcastle East Area.
- **Jurrasic Age Dolerite –** The youngest geological formation present in the area and mostly prevalent in the Newcastle West Area.
- Permian age mudstone and sandstone of the Emakwezini Formation – Which occurs more towards the Newcastle West Boundary.
- **Permian/carboniferous age shale of the Volksrust Formation –** Pockets of this formation occurs within the Newcastle West Area and most of the surrounding areas of Charlestown.

Furthermore, the mineral potential of NLM is also closely related to the geological systems of the area. The minerals within the area contribute to the economic value of Newcastle. The Klip River coal field, the most economically important of the KwaZulu-Natal coal fields occurs North-South along the N11 and more towards the Newcastle East Area. In simple terms, Newcastle lies North of the coal fields and there is potential for the exploitation of such coal resources. The following entails the minerals resources that occur in the area:-

- **Torbonite –** Prevalence of this form of coal is found immediately West of Newcastle.
- **Iron Oxide (FeO) –** This is the mostly illegally exploited form of coal and it is concentrated within the MBO area. Due to such, there remains limited potential for attracting investments as there are minimal reserves left.
- **Bauxite (Al) –** Four bauxite deposits occur to the West of N11 and South of the Newcastle CBD. A South African Geological Survey concluded that exploitation was unlikely due to the sites being too widely located hence too expensive to process efficiently.
- **Aggregate –** There is abundance of dolerite and sandstone deposits in the area which thus provides ideal sources of aggregate for construction and other purposes.

- **Sand –** Sand is mostly found along river courses due to the disintegration of the parent rock. Newcastle is endowed with adequate quaternary deposits along streams and river courses (i.e. the Buffalo River and the Ngagane River) and these can be mined to use for building purposes.
- **Brick Clay –** The shales of the Vryheid Formation provide excellent raw material for high quality clay bricks. Such soft rock deposits occur at or near the surface thus making them much easier to mine through open cast methods.

c) Catchments.

Newcastle is located in the catchment of the Ngagane River with Ncandu River being one of the major tributaries. The Ngagane River flows into the Buffalo River which is one of the major rivers in the Thukela Water Management Area (TWMA). The Thukela basin has strategic water importance which thus makes it a significant in terms of water supply.

Five main catchments areas form part of NLM. This includes the larger Buffalo River catchment, which ultimately forms part of the Tugela River system. These include:-

- The Ngagane River where it meets the Ncandu River (Ngagane Catchment);
- The Ncandu River where it meets the Ngagane River (Ncandu Catchment);
- The Ngagane River where it meets the Buffalo River (Additional Ngagane Catchment, which includes the upstream Ncandu and Ngagane River Catchments);
- The Buffalo River at its confluence with the Ngagane River (Buffalo Catchment); and
- The Buffalo River to where it intersects with the Newcastle LM boundary (Additional Buffalo Catchment, which includes the upstream Ngagane and Ncandu River Catchments).

Two significant dams were identified within the study area, namely that of the Chelmsford Dam, also known as the Ntshingwayo Dam, located to the South of Newcastle within the Ngagane River catchment, and the Zaaihoek Dam located to the North-East of Newcastle within the Buffalo River catchment. In addition to this, two significant wetland systems were identified, namely the Wakkerstroom Wetland located just outside Wakkerstroom and the Boshoffsvlei Wetland located to the North-East of Newcastle Town. It should be noted that legislation dictates (as per the National Water Act No. 36 of 1998) that wetland areas are protected and therefore development within 30 metres of the wetland is prohibited.

The total flow and Mean Annual Runoff (MAR) per quaternary catchment located within the study area and above-mentioned catchments is expected to exit the Buffalo River at the South-Eastern boundary of the NLM boundary. The majority of water abstracted (85%) is used for irrigation. The total area registered

for irrigation is equal to 55 124ha within the NLM. The total water abstracted compared to that which is available (as per the MAR) is equal to 10.5%.

3.9.28. Water Quality.

a) Sources of Water Contamination.

The land cover indicates that a large expanse of the municipality is natural grassland with isolated thickets, natural forest, agriculture and forestry. Urban settlement is centred around the town of Newcastle, which is sited across the boundaries of the Buffalo-Ngagane, Buffalo Local Municipality and the Ngagane catchments. The residential land use comprises informal land use as well as well-established medium to low cost housing.

Noxious industry is primarily situated within the Ngagane Catchment and the Additional Buffalo River Catchment where it intersects with the NLM. The industry comprises of ore beneficiation, power stations, steel manufacturing and chemical manufacturing. Mining is largely inactive in the area and isolated in the Ngagane and Buffalo Local Municipality catchments.

The potential contaminants associated with the non-point source land-use in NLM are limited given the extensive natural grassland. The isolated nature of agriculture practises, which could have impacts such as excessive nutrient loading and suspended particles, is not considered to be significant other than in the Buffalo River.

Industrial land use is likely to be the significant impact on water quality in the region. The potential contaminants include:-

- Heavy metals;
- Particulate matter;
- Organic contaminants;
- Soluble salts which translates into low oxygen levels;
- High turbidity;
- Increased levels of tropic sensitivity; and
- Elevated toxicity of water.

Furthermore, the issue of Acid Mine Drainage in the Ballengeich area deserves the urgent intervention of authorities and a concerted effort involving relevant parties. This is noted as a possible source of both surface and ground water pollution both now and in years to come. The resultant impact is the applicability of water for agricultural, domestic and ecological use. Increased water treatment costs would also be realised to facilitate potable water.

b) Quality of Water.

The DWA results within NLM indicate good water quality; however the quality of the river water is impacted upon by poorly performing WWTW or urban run-off with total coliforms and faecal coliforms. The industrial impact is not evident and seems to manifest through fluctuating levels of chemicals such as Fe,

Mn, TDS and sulphate. This assessment of water quality is based on the current water quality data. However, following discussions with DWA and based on the potential contaminant sources, it is suspected that the impact may be more pronounced should additional variables be analysed especially along reaches of the Ngagane River.

The Ngagane River experiences the majority of the industrial impact with several noxious industries located within this catchment. Monitoring data from DWA suggests that an impact is occurring at sampling site 188866 (immediately downstream of Siltech operations). This is evident from TDS values deviating from upstream results and is likely associated with increased sulphate (494mg/l) content of the river from the ash dump or colliery yard in that area. These levels decrease downstream to an average of 235mg/l downstream of Arcelor Mittal Steel. The sulphate and TDS levels increase again following the confluence with the Ncandu River suggesting an impact, from either the Ncandu River, or a point source on the Ngagane River in this area.

c) Groundwater.

Groundwater quality is generally moderate to poor and often exceeding Class 1 of the Kempster Classification and this renders this resource mostly suitable for short-term use without sophisticated and costly treatment. There are a number of contributing factors to poor water quality, and based on the determinants exceeding Class1, the more probable sources are:-

- Poor or low rates of recharge;
- Mining activities, particularly coal mining;
- Local industry; and
- Farming activities.

Based on first order harvest potential calculations, groundwater has the potential to service the whole of the NLM basic water needs, and thus should be considered a valuable resource. Areas of particular sensitivity entail all the existing groundwater resources in relation to the potential yield they may deliver. Geological structures (faults, dykes and lineaments) that may act as preferential groundwater flow paths, and areas of high potential production and zones of potential recharge are also amongst area of particular sensitivity. Groundwater quality is typically moderate to poor, however, treatment may be required and costs to purify determinants (calcium, iron, and manganese) requiring treatment are typically manageable.

Sources of increased quantities of particular determinants have not been established with any conviction. However, major sources of concern are mining activities, heavy industry, and urban areas which have a high probability of altering pristine groundwater conditions in a significant manner. It is evident that there are instances of very significant groundwater supply

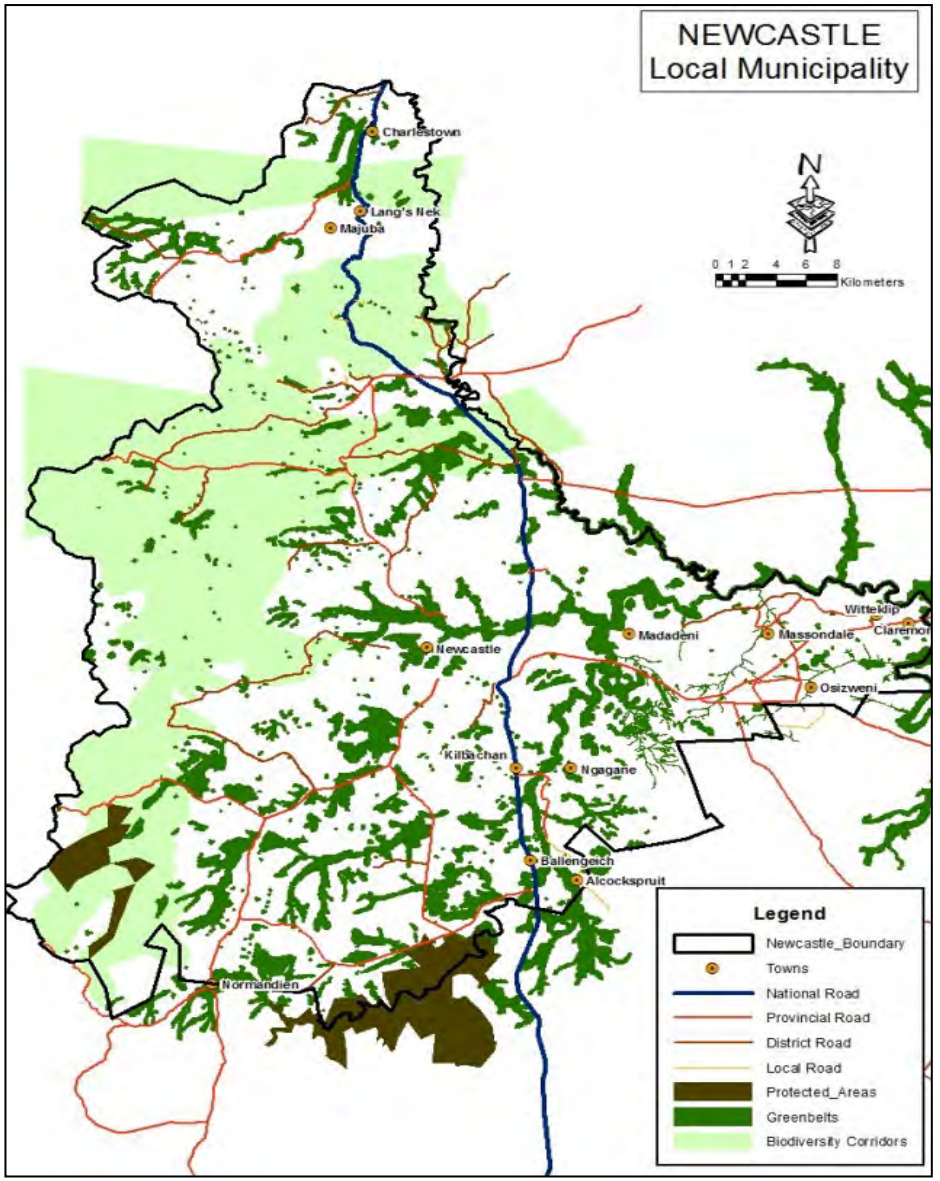
potential when located in geo-hydrological favourable locations, and this figure is potentially inflated. Data deficiencies are a concern and meaningful statistical analysis is restricted. A full and comprehensive hydro-census study should be implemented for the whole of the Local Municipality.

3.9.29. Biodiversity Assessment.

a) Status of vegetation.

Transformed land is mostly associated with cultivation, mining, urban and dense rural development, and the spread of alien trees. Although many of the 'natural' areas have been degraded to some extent, these could be classified as untransformed, i.e. the loss of biodiversity was likely to be minimal. In all, approximately 50% of the area could be classified as transformed.

Land that has been transformed is likely to have lost a large number of plant species, as well as most of the larger mammals that previously occurred in the area. Conversely the man-made irrigation dams and the wetlands that feed them might still contain a significant number of species, including some of high conservation significance. The wetlands are also likely to be important corridors for dispersal of many water-dependent species. With regards to the terrestrial component, it is highly likely that the transformed land is no longer functional as a corridor.



The most apparent typologies of land cover within Newcastle are as follows:-

- **Grassland** – Most of the Western area in Newcastle is covered by grassland thus representing a larger percentage of the area's natural open space.
- **Commercial Agricultures** – Agricultures is the second largest land cover, dominated by dry-land cropping. The concentration of agricultural use patterns is mostly in the South of Newcastle.
- **Settlements** – The third largest land cover in Newcastle is that of the settlements, both urban and rural, and they occur mostly in the West, Central and Eastern parts of Newcastle. These patterns are mostly associated with high levels of landscape fragmentation and degradation thereof.
- **Plantations** – Commercial timber plantations have changed the landscape in the Western parts of the area and in the area around Hilda in the North of Newcastle.
- **Dense Bush** – This is mostly land cover that includes natural bush and invasive plant species.
- **Mining and Quarries** – Such land cover is arranged in a scattered pattern of mining and quarrying activities.

b) Biodiversity Corridors.

Aerial images were examined for assessing important ecological corridors, which are required for facilitating migration of fauna and flora in the long term. Emphasis was placed on untransformed land that spanned three or more of the Mucina & Rutherford (2006) vegetation types (The assumption in this exercise was that vegetation in good condition would have high floral diversity, thus having the potential to function as corridors and to support high faunal diversity.

While it was evident from the study that a number of areas with high levels of transformation were compromised as functional corridors, there were some contiguous stretches of vegetation that appeared to be viable. These spanned three or more vegetation types and were considered a priority for further investigation.

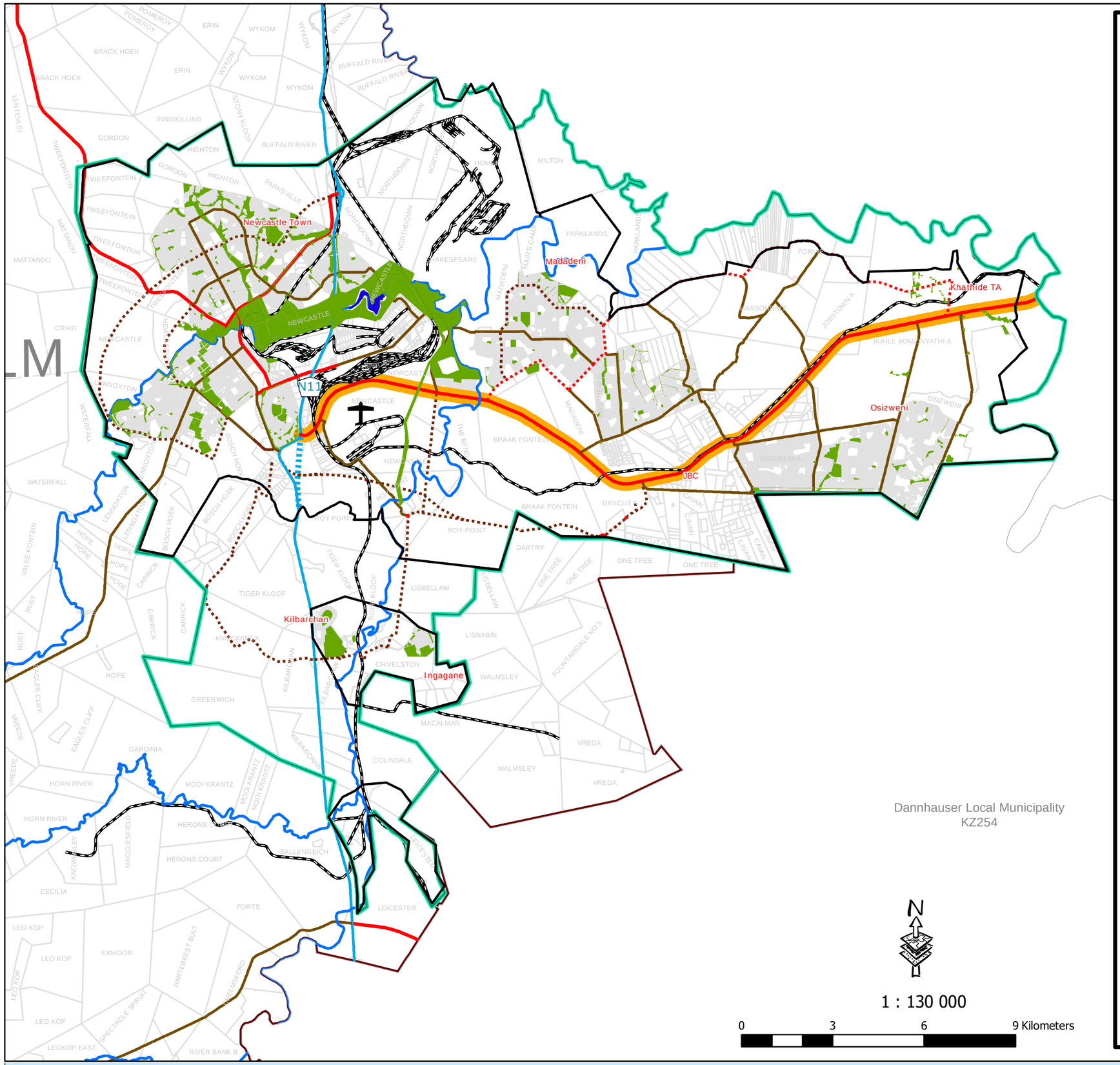
The only North-South axis that represented a viable corridor was along the Western boundary, but was confined to one vegetation type, namely the Low Escarpment Moist. This area has maintained a relatively untransformed vegetation condition due to the high elevations of between 200 m and 1800 m above sea level, and relatively inaccessible terrain.

The assumption was that East-West orientation of corridors was likely to be more effective, as this would encompass a significant portion of the topographic diversity and resultantly, water catchments and habitat diversity. In the case of both the recommended corridors, altitude ranged from about 2100 metres above sea level in the West to 1500 metres in the East, over a distance of under 15 km.

c) Suitable Land for Agriculture.

The agricultural categories listed below entail the distribution of agricultural land within NLM. Such categories are also a representation of the ability of an area to produce food under the application of recommended practices on a sustainable basis:-

- Category A – Irreplaceable Land: This category of land is regarded as **high to very high potential agricultural land** hence necessitating its conservation strictly for agricultural use in order to ensure national food security. Within KZN in general, this category of land cover is limited which thus means there is a need for the introduction of efforts directly focused on retaining such land for food production. Land in Category A has no or very few limitations to agricultural production and can support intensive arable cropping systems. Such land also contains "unique agricultural land" which is essentially land that may be used for producing specific high-value crops. This type of land is important for agriculture due to a specific combination of factors such as location, climate and/or soil properties that make it highly suited for a specific crop when managed with specific farming or conservation methods. Most of the area West of Newcastle, specifically along the boundary, is endowed with Category A agricultural land.
- Category B – Threatened Land: Category B is regarded as **moderate to high potential agricultural land**. It is also of a scarce nature within the wider KZN hence necessitating its conservation. Land within this category has produce sustainably in the long term with few limitations to agricultural production. Concentration of Category B agricultural land is also mostly West of Newcastle.
- Category C – Primary agricultural land: Such land is regarded as land with **moderate to low agricultural potential**, on which significant interventions will be required to achieve viable and sustainable food production even though agriculture is still the majority land use in the rural landscape. Such land is limited in terms of annual arable land and thus may be used for purposes to support livestock production i.e. grazing land. The conservation of Category C land is of crucial importance in order to ensure the conservation of higher potential agricultural land categories through acting as a buffer. The concentration of Category C land in NLM is found immediately West of Newcastle's urban edge with grazing being the predominant land use.
- Category D – Secondary agricultural land use: This form of land is regarded as land with **low agricultural potential** and it requires severe interventions in order to enable sustainable agricultural production such as terracing, contours, high levels of fertility correction etc. There is minimal amounts of such land within Newcastle and it can be found further South of the Madadeni residential township, and upper North towards Amajuba forest.
- Category E – Mixed land use: Such land is regarded as land with **limited to no potential for agricultural production**. However, such land may be applicable to conservation due to its tourism status depending on its location. Such land in Newcastle is largely concentrated around and/or within the urban edge.



Dannhauser Local Municipality
KZ254

N

1 : 130 000

0 3 6 9 Kilometers

LEGEND

Other
- Airport
- Railway Line

Existing Roads
- Class 1
- Class 2
- Class 3
- Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

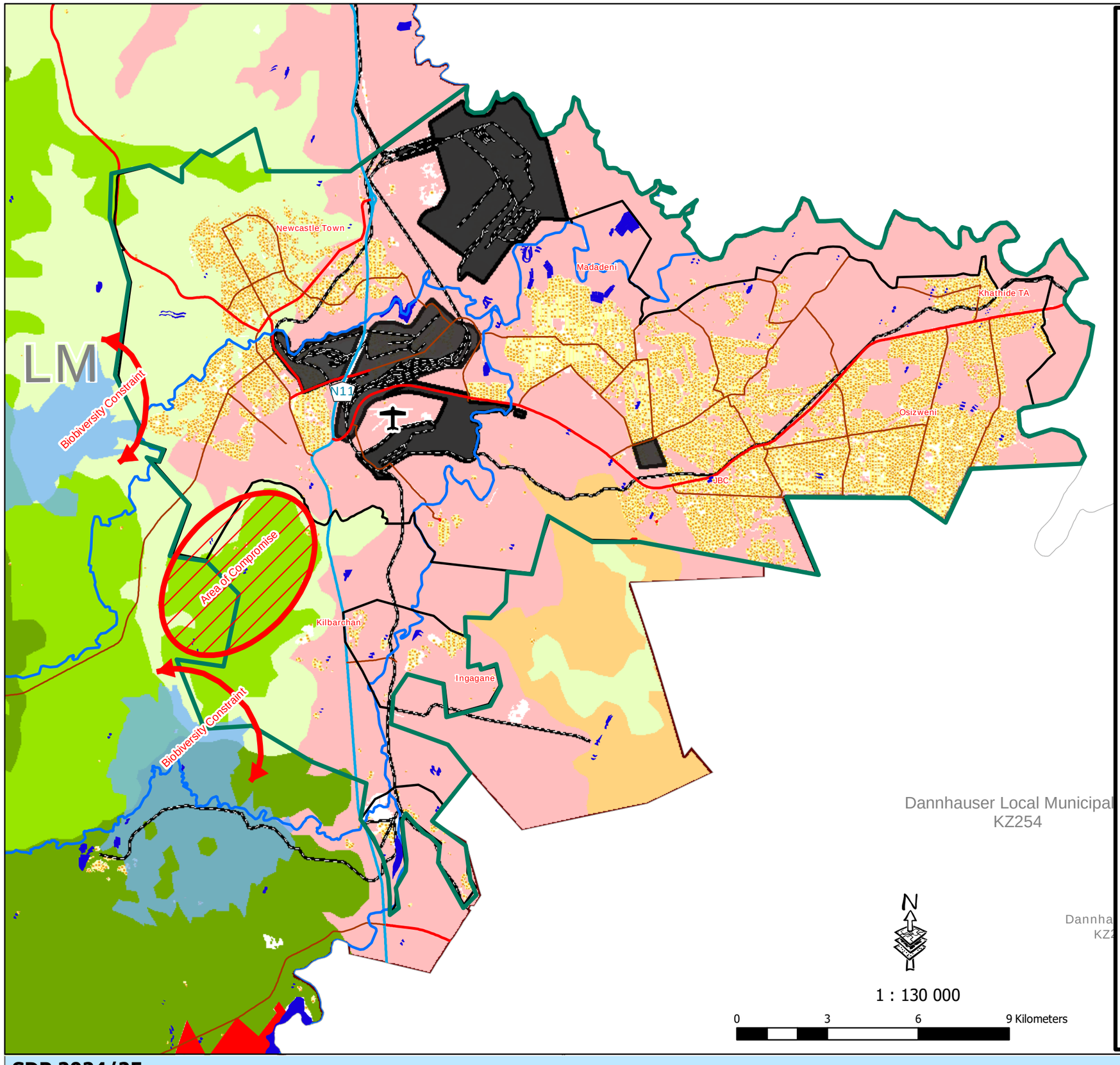
Proposed Roads
- Class 1
- Class 2
- Class 3

Build Area
- Existing Built-up Areas
- Industrial
- Urban Open Space

Water
- Main Rivers
- Minor Dams

Other
- Airport
- Railway Line

Boundary
- Newcastle Urban Edge
- Development Boundary



LEGEND

Other
- Airport
- Railway Line

Existing Roads
- Class 1
- Class 2
- Class 3

Proposed Roads
- Class 1
- Class 2
- Class 3

Households (2013 SBC)

LAND USE

Structuring Land Uses
- Open space system
- Urban Built-Form

Boundary
- Newcastle Urban Edge
- Development Boundary

HYDROLOGY

Agriculture
- Irreplaceable
- Threatened
- Primary Agriculture
- Secondary Agriculture
- Mixed Land Use

Environment
- Biodiversity Corridor
- Protected Areas
- Main Rivers
- Dams

SDP 2024/25

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * URBAN EDGE

APRIL 2024

MPUMALANGA

MPUMALANGA

MPUMALANGA

FREE STATE

Charlestown

Ingogo

Newcastle Town

Madadeni

Khathide TA

Osizweni

JBC

Kilbarchan

Ingagane

Newcastle LM
KZ252

eDumbe Local Municipality
KZ261

Utrecht Local Municipality
KZ253

Dannhauser Local Municipality
KZ254

Endumeni Local M
KZ241

N

1 : 273 000

0 3 6 9 12 15 18 Kilometers

LEGEND

Transport
- Airport
- Railway Line

Existing Roads
- Class 1
- Class 2
- Class 3

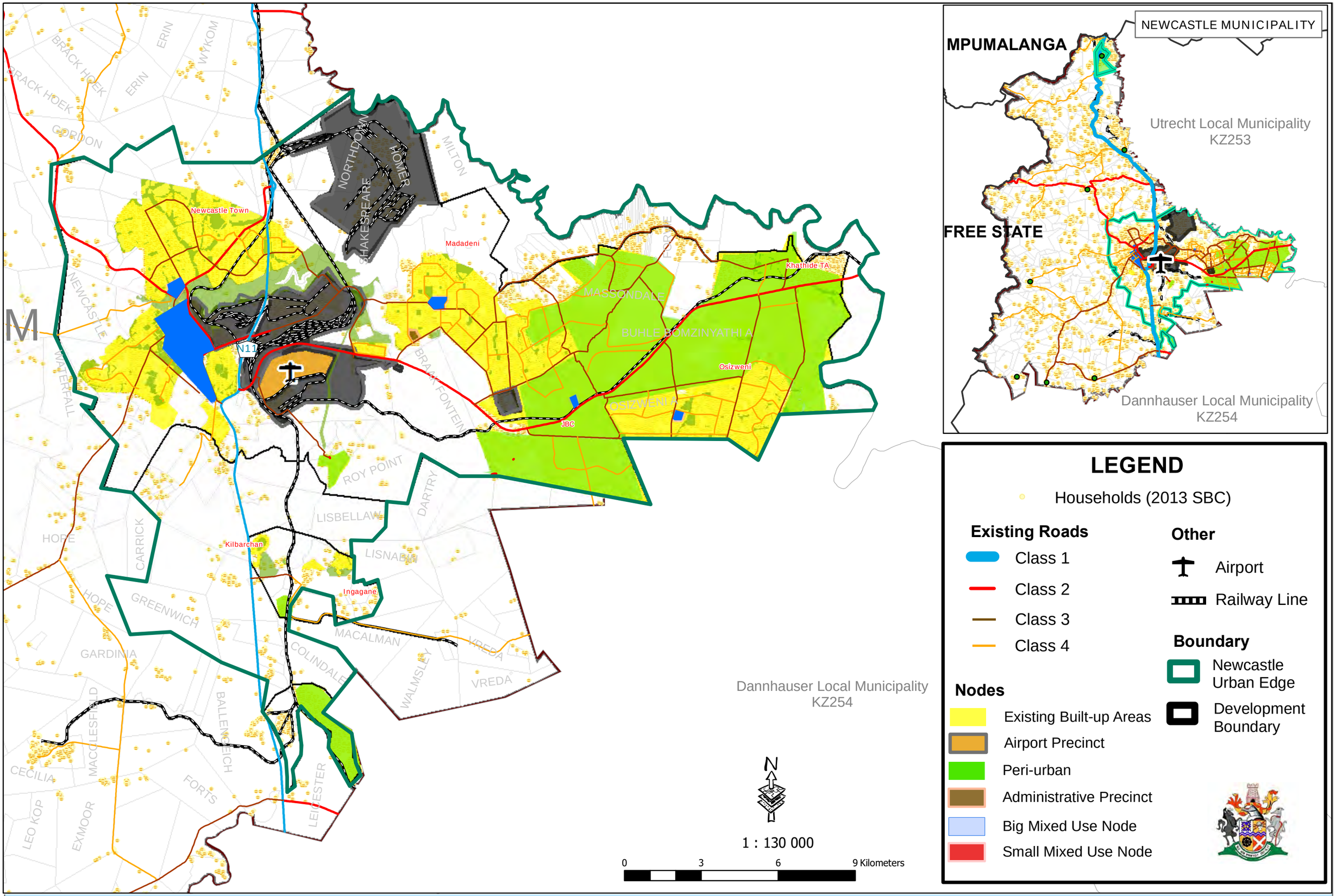
Prohibition
- UrbanEdge 2016.
- Highest
- Lowest
- Major Dams

Boundary
- Newcastle Urban Edge
- Development Boundary

SDP 2024/25

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * DEVELOPMENT PROHIBITION

APRIL 2024


NEWCASTLE MUNICIPALITY
MPUMALANGA
FREE STATE
Utrecht Local Municipality
KZ253
Dannhauser Local Municipality
KZ254
Newcastle Town
Madadeni
Khathide TA
Osizweni
JBC
Kilbarchan
Ingagane
N11
BRACK HOEK
ERIN
WYKOM
GORDON
NORTHDOWN
SHAKESPEARE
LOWER
MILTON
NEWCASTLE
WATERFALL
BRAM FONTEIN
MASSONDALE
BUHLE BOMZINYATHI A
OSIZWENI A
ROY POINT
DARTRY
LISBELLAW
LISNABIN
HOPE
CARRICK
GREENWICH
MACALMAN
COLINDALE
WALMSLEY
VREDA
GARDINIA
MACCLESFIELD
BALLENGEICH
LEICESTER
CECILIA
FORTS
LEO KOP
EXMOOR
Dannhauser Local Municipality
KZ254
N
1 : 130 000
0
3
6
9 Kilometers
LEGEND
Households (2013 SBC)
Existing Roads
Class 1
Class 2
Class 3
Class 4
Other
Airport
Railway Line
Boundary
Newcastle Urban Edge
Development Boundary
Nodes
Existing Built-up Areas
Airport Precinct
Peri-urban
Administrative Precinct
Big Mixed Use Node
Small Mixed Use Node

3.9.30. Air Quality.

A study has been conducted with purpose of assessing the air quality in order to determine the sensitivity of the airshed, the pollution sources of the area and the sensitive receptors. The 'airshed' is the geographic area or a region within which an air pollution problem is largely contained due to the combined effect of the topography and local atmospheric conditions. According to the Environmental Management Framework for NLM (2015), the following is noted:-

- Newcastle's central business district is situated in the valley and suffers from poor dispersion conditions during the winter months. As a result, the city suffers short-term pollution episodes. Lower lying areas that are affected include commercial, residential and industrial land uses.
- Current air pollution sources of concern:
  - Industrial activities (criteria pollutants and others);
  - Waste facilities (dust);
  - Off-site agriculture (dust, herbicides and pesticides); and
  - Transport routes (criteria pollutants).

The ambient air quality of Newcastle is slowly deteriorating to insignificance and interventions are drastically needed in order to improve the quality of the air. This may also be largely due to the current landfill site which has reached the saturation level. The poor planning measures that accrue to the apartheid government were characterised by the prioritisation of land for industrial development in close proximity to where air quality impacts are likely to be greatest. In simple terms, the proximity of industrial areas to the settlements is alarming. According to the National Framework for Air Quality (2012), in 2007, the air quality rating of Newcastle was classified as potentially poor. This rating basically meant that air quality may be poor at varying instances and therefore rendering the area a priority for support in terms of air quality management.

Based on the Environmental Management Framework for NLM (2015), Newcastle may either be Class 3 Air Quality Area (Alert Area) or a Class 4 Air Quality Area (Transitional Compliant Area). The following is applicable to Class 3 and Class 4 areas respectively:-

- Class 3 Air Quality Area (Alert Area): Newcastle is an area that is Section 24 compliant whereby there's no harm to health or well-being of the citizens due to the air quality. It is also an area where ambient air quality remains within the standards, but sustained air quality management interventions is required in order to, at least, maintain or improve this situation.
- Class 4 Air Quality (Transitional Compliant Area): Air Quality is not Section 24 compliant meaning there's possible harm to health and well-being of the citizens of Newcastle. This type of air quality is applicable in areas whereby ambient air quality represents a possible threat to health and well-being and requires immediate and sustained air quality management interventions to, at least, bring there are into compliance with the standards within agreed time frames.

However, improved monitoring measures have been implemented within Newcastle in order to specifically determine the classification of Air Quality within Newcastle and these entail a broad and coordinated framework that uses modern monitoring instruments including a monitoring station in Newcastle. The Amajuba District Municipality is currently in the process of preparing and Air Quality Management Plan for the District. This initiative will include a comprehensive source inventory of emission data, meteorological data and supplementary data to inform constraints and opportunities of air quality in Newcastle.

3.9.31. Climate Change.

Climate change is one of the biggest environmental and humanitarian crisis of our era. Climate change is changing our economy and communities in diverse ways. Scientists warn that if we do not aggressively reduce the emissions of the Greenhouse gases which are responsible for climate change now, the results will inevitably be catastrophic. Climate change is the single biggest environmental and humanitarian crisis of our time. The Earth's atmosphere is overloaded with heat-trapping carbon dioxide, which threatens large-scale disruptions in climate with disastrous consequences. Since the negative effects of climate change affect everyone, the efforts to aggressively reduce the Greenhouse gases emissions will need cooperation among nations and individuals, irrespective of their level of education, field of study, or economic status. The world shares one atmosphere, therefore we will have to solve this problem together. Governments around the world have committed to work together to limit global warming, recognizing that climate-related risks grow with the magnitude of warming and associated changes in the climate.

The following entails different climate change definitions relating to policies and programmes to support local action:-

- **National commitments to GHG reductions:** South Africa has committed to reduce its GHG emissions by 34% below the current emissions path by 2020; and by 43% by 2025.
- **National Climate Change Response White Paper:** The policy on South Africa's GHG reduction commitments and how the country will achieve them.
- **National Energy Efficiency Strategy:** This strategy outlines South Africa's energy efficiency goals and how it aims to achieve them.
- **Renewable energy programme:** The national Department of Energy aims to have 3,725 Mega-Watts of renewable energy (e.g. wind power, solar power, etc) installed by 2016. The bidding process for these projects is currently underway.
- A research programme on **national vulnerability** to project climate change impacts.

a) effects of climate change

- South Africa's coastal regions will warm by around 1–2°C by about 2050 and around 3–4°C by about 2100.
- South Africa's interior regions will warm by around 3–4°C by about 2050 and around 6–7°C by about 2100.
- There will be significant changes in rainfall patterns and this, coupled with increased evaporation, will result in significant changes in respect of water availability, such as the western side of the country which is likely to experience significant reductions in the flow of streams in the region.
- South Africa's biodiversity will be severely impacted, especially the grasslands, fynbos and succulent Karoo where a high level of extinction is predicted.
- Small scale and homestead farmers in dry lands are most vulnerable to climate change and although intensive irrigated

agriculture is better off than these farmers, irrigated lands remain vulnerable to reductions in available water.

- Some predictions suggest that maize production in summer rainfall areas and fruit and cereal production in winter rainfall areas may be badly affected.
- Commercial forestry is vulnerable to an increased frequency of wildfires and changes in available water in south-western regions.
- Rangelands are vulnerable to bush encroachment which reduces grazing lands.
- Alien invasive plant species are likely to spread more and have an ever-increasing negative impact on water resources;
- Although strong trends have already been detected in South Africa's seas, including rising sea levels and the warming of the Agulhas current and parts of the Benguela, we are not yet sure what impacts these could have on South Africa's seas, the creatures living in the seas or on the communities dependent on the sea.
- Because of South Africa's already poor health profile, South Africans are specifically vulnerable to new or exacerbated health threats resulting from climate change. For example, some effects of climate change may already be occurring due to changes in rainfall (droughts and floods) and temperature extremes and Cholera outbreaks have been associated with extreme weather events, especially in poor, high density settlements.
- There will be an increase in the frequency and severity of extreme weather events. Damage costs due to extreme weather-related events (flooding, fire, storms and drought) have already been conservatively estimated at being roughly 1 billion rand per year between 2000 and 2009" (United Nations Climate Change Conference).

b) effects of greenhouse gases to climate change

- The earth's climate is driven by a continuous flow of energy from the sun;
- As the sun's energy reaches the earth (mainly in the form of visible light), about 30% is reflected back into space, while the remaining 70% passes through the atmosphere to warm the surface of the earth. The earth warms up and then releases the heat (infrared radiation) slowly back into space (the earth being far cooler than the sun);
- Greenhouse gases (ghgs) keep the planet at a temperature essential for life on earth. Ghgs in the atmosphere trap some of the infrared radiation, preventing it from escaping from the earth's surface to space;
- The main greenhouse gases are water vapour, carbon dioxide, ozone, methane, nitrous oxide and halocarbons and other industrial gases. Apart from the industrial gases, all of these gases occur naturally. Together, they make up less than one percent of the atmosphere. This is enough to produce a natural greenhouse effect that keeps the planet some 30 degrees Celsius warmer than it would otherwise be. This is essential to support life;
- Climate change is occurring as a result of human activities that have introduced a massive increase in the levels of greenhouse gases in the atmosphere;
- The major human emissions of **GHG** come from:
    - Burning coal, oil, and natural gas (carbon dioxide)
    - Agriculture and changes in land use, i.e. chopping down of forests and thus reducing the earth's natural ability to absorb ghgs (methane and nitrous oxide)
    - Vehicle exhaust fumes and other sources (ozone)
    - Other industrial activities (industrial gases such as CFCs –chloroflourocarbons, HFCs – hydroflourocarbons, and PFCs – perfluorocarbons)

- This is all happening at an enormously rapid pace. The result is known as the enhanced greenhouse effect;
- Warming up is the simplest way for the climate to get rid of the extra energy. However, even a small rise in temperature will be accompanied by many other changes: in cloud cover, wind patterns and ocean patterns for example.

c) Green Buildings and climate change mitigation

- Green buildings offer several ways to reduce GHG emissions associated with energy use in buildings.
- With the rising costs of energy, consumers are "demanding energy efficiency in their buildings, including their homes," schools and public institutions.
- Energy efficiency demand has resulted in the development and adoption of numerous technical options such as high-tech building materials, equipment and energy management technology on the global market to reduce GHG emissions in building stocks
- Concepts like net-zero buildings, insulation, smart glazing, and building automation are of increasing interest.
- Green buildings have advocated for the installation and use of more efficient generators in buildings, efficient transmission, and distribution systems resulting in reduced emissions contribution.
- Reduction of energy needs through passive energy designs or reducing grid reliance through on-site wind and solar generation contribute to achieving net zero energy buildings which consume very little energy as a result of excellent insulation
- Net-zero energy buildings have a potential to lower emissions by 90% than the current building standards.
- Switching to onsite renewable energy and lower carbon fuel technologies such as solar, wind, geothermal and biogas is a major step in green buildings.
- The adoption of LED efficient lighting, low energy consumption air conditioners, refrigerators, household appliances and equipment are fundamental in green buildings.
- Enhancing the building's thermal integrity through improved sealing and insulation, energy-efficient windows, proper building orientation that effectively makes use of natural light are important technical options of green buildings
- Green buildings' orientation towards the sun to capture natural lightning and the use of efficient lamps is reported to eliminate emissions of 0.67 $GtCO_2$ /year in 2030.
  Green buildings promote thermal retrofitting of existing buildings with a potential to reduce emissions by 0.52 to 0.93 $GtCO_2$/year in 2030

d) Climate change Mitigation

Climate change mitigation are efforts that focus on reducing greenhouse gas emissions, through the following initiatives:-

- Solar water heaters installed on the roofs of homes heat water using the sun's energy; avoiding the use of electricity to heat water.
- Installation of ceilings in homes keeps them cooler in summer and warmer in winter making homes more comfortable; saving on money needed to buy electricity, paraffin, gas, etc, to heat/cool the house; improving building quality, particularly of low-income housing; and greatly improving health and quality of life.
- Public transport: safe, affordable and reliable public transport is more energy efficient than private car use. Public transport reduces pollution and traffic jams,

improves mobility of people and stimulates economic activity.

e) Climate change Adaptation

Climate change adaptation are efforts that are an attempt to build resilience within our communities to the impacts and effects of climate variability and a changing climate. This requires an assessment of localised risks, and an integration of climate change considerations into all areas of decision-making. The following entails some adaptation measures:-

- Restoring wetlands helps with flood prevention, because a wetland is a natural flood "buffer," acting as a storage space for all the water
- The National Working for Water programme involves the removal of alien plants/trees. It has many benefits:
  • creating jobs
  • Saving water (alien plants generally absorb more water)
  • protecting from floods (alien plants sometimes block rivers and cause them to flood)
  • increasing the amount of local plants/fish (alien plants generally kill local plants/fish, because they use most of the water/nutrients)
  • Urban greening (tree planting) absorbs greenhouse gases and provides shade and beauty.
  • Rainwater tanks collect rainwater from roofs of homes. This water can be used for washing, local food gardens, etc.
- Installation of energy-intensive air conditioning to cope with higher temperatures.

f) Vulnerability to climate change

Vulnerability is a function of the character, magnitude, and rate of climate change and variation to which a system is exposed, its sensitivity, and its adaptive capacity. And below is list of some vulnerabilities to climate change:-

- Change in other crop production areas (e.g. vegetables, nuts, etc.)
- Increased risks to livestock
- Reduced food security
- Loss of High Priority Biomes
- Increased impacts on threatened ecosystems
- Increased impacts on environment due to land-use change
- Increased water borne and communicable diseases (e.g. typhoid fever, cholera and hepatitis)
- Increased impacts on traditional and informal dwellings
- Increased isolation of rural communities
- Less water available for irrigation and drinking
- Increased impacts of flooding from litter blocking storm water and sewer systems

g) Newcastle Climate Change Strategic Interventions

- Identify communities that are most vulnerable to increased exposure of indoor air pollutants and climate change.
- Identify climate resilient land-uses that will support the agricultural industry's efforts to exploit new agricultural opportunities, new areas and new crops thus reducing climate change impacts on current agricultural potential.
- Promote development of emergency plans that will assist with responding to climate change related impacts such as malnutrition.
- Identify and profile facilities that contribute to poor air quality due to pollutants emitted in the atmosphere.
- Conduct capacity building initiatives for various stakeholders within the district on relevant legislations governing air quality management for the facilities' compliance.

- Support development of the infrastructure framework that will guide proactive planning and decision making on aspects such as transport, human settlements, and technical services sectors for responding to climate change impacts of extreme weather such as floods, increased rainfall and storm surges.
- Support the Incorporation of projected climate change impacts into the planning of municipal water supply.
- Support the implementation of flooding drainage systems that will reduce impacts on rural roads.

3.9.32. SWOT Analysis: Natural Environment.

STRENGTHS	WEAKNESSES
• Clusters of forests along Western cliff of plateau region. • Agriculture contributes significantly to the LED, household income and food security. • Mining is a major contributor to GDP, LED income. • Large wetland areas with tourism potential. • Baseline Water Quality is relatively good. • Beautiful landscapes of scenic significance. • Climate conditions favourable for agric-hub. • Large water catchment area. • Direct involvement of KZN Dept. of Agricultural and Environmental affairs in the agricultural sector. • Good system of open spaces.	• Large Scale of alien infestation. • Most abandoned coal mines are high risk areas. • Waste treatment infrastructure is under pressure and needs upgrading. • Landfill facility needs better management and rehabilitation. • Some residential zones have developed in close proximity where air quality impacts are likely to be greatest. • Lack of environmental education. • Lack of qualified environmental planners dealing with environmental issues. • Lack of air quality study

OPPORTUNITIES	THREATS
• Eradicating alien plants and creating job opportunities at the same time. • Rehabilitation of degraded land in MBO area. • Investigate, rehabilitate and revert mining areas to alternative land uses. • Establishing biodiversity conservation corridors along Western highland plateau region. • Improve infrastructure to address infrastructure backlogs which might impact negatively on the environment. • Formalization and upgrading informal settlements. • Relocation of settlements located in high risk areas such as floodplains. • Opportunities for small and emerging farmers.	• Large scale loss of biodiversity. • Settlement, industrialization & mining threaten biodiversity. • Loss of good agricultural land to settlement, mining & industry. • Mining impacts on water quality. • Need for new landfill site. • Illegal mines pose a health and safety risk. • Informal and illegal dumping sites. • Poor agricultural practises in some instances.

3.9.33. Animal Pound.

Section 3 of the KZN Pound Act. No. 3 of 2006, stipulates that *"each municipality without a pound must…establish and operate a pound to service its area of jurisdiction".* The NLM pound was constructed in 2013/14 and operations commenced in November 2014. The KZN department of Co-operative Governance & Traditional Affairs (COGTA) provided a R1.5 million grant to assist the municipality with the construction, establishing and ultimate operation of the animal pound as per the provisions of the KZN Pounds Act No .3 of 2006. A study

commissioned by ??? to look into the causes of fatal road accidents in the province of KZN indicated that roaming stray animals was one of the main causes of road accidents in our provincial and municipal roads hence the recommendation that all Category B municipalities should establish pounds. Furthermore, the report informed COGTA that Newcastle was a high priority municipality with regards to the establishment of a pound as our location renders us a cross boarder municipality thus leading to a high traffic flow.

Functionally, the operational upkeep of the pound is currently outsourced as per the provisions of Section 76 (b) of the Local Government Municipal Systems Act. No 32 of 2000 as amended.

The only significant challenge is the very low tariffs that are provide for within the Act, otherwise, the NLM has made sufficient budget provisions in the draft 2020/21 budget as well as the two outer years.

3.9.34. Disaster Management.

Newcastle Municipality consists of 34 wards which has varied levels of vulnerability to disasters. It is also prone to wide range of natural and man-made risks and hazards that, in some instances, may result in disasters. These mainly include floods and fires which occur during any part of the year usually resulting in serious damages, costs, loss of life and/or property, infrastructure, and economic livelihoods.

Section 26 (g) of Municipal Systems Act No. 32 of 2000, requires the IDP to reflect an applicable Disaster Management Plan. Subsequently, section 53 (2) (a) of Disaster Management Act No. 57 of 2002 specifies that a disaster management plan for a municipal area must form an integral part of the municipality's integrated development plan (IDP). As the Integrated Development Plan is the Development Plan for a municipality in a 5 year term, integration of the Disaster Management Plan in the IDP ensures that the municipality does not embark on development that increases that communities vulnerability to disaster. However, the disaster management plan ensures that the municipality embarks on programmes that lessens the communities risk to disaster whilst increasing there resilient whereby some disasters cannot be avoided.

The Newcastle Municipality Disaster Management Plan, hereinafter referred to as "the Plan", was drafted by the Newcastle Municipality Disaster Management Advisory Forum in February 2014 and adopted by full Council in August 2017. The plan is currently being review as per the legislative prescripts.

The Plan aims to achieve the following objectives:

- Prevention and reduction of disaster risks;
- Mitigation of impacts; preparedness for effective response to disasters;
- Minimize loss and property damage; and quick recovery from the impacts.

The Plan articulates actions to prevent and mitigate disasters and how risk reduction measures are dealt with in the long-term and managing emergencies in the shorter term, including

aspects of preparedness, response and recovery. The Plan is a live document and as a result is updated regularly and will be reviewed after every two (2) years as per the disaster management policy framework prescripts.
The structure of the Disaster Management Plan is informed by the Disaster Management Policy Framework which prompts that it should consists of four (4) Key Performance Areas namely:

- **Institutional Arrangements**
- **Disaster Risk Assessment**
- **Disaster Risk Reduction**
- **Response & Recovery**

Which are supported by three (3) enablers namely:

- **Information Communication Technology**
- **Education, Awareness, Training & Research**
- **Funding**

❖ Institutional Arrangements.

Newcastle Municipality's Disaster Management Advisory Forum was established in 2014 to satisfy the recommendations as stated in the Disaster Management Act (Act No. 57 of 2002); National Disaster Management Framework of 2005 as well as the Policy Framework for Disaster Risk Management. Moreover, in order to ensure integrated planning within the Newcastle jurisdictional area, the Office of the Strategic Executive Director under the Integrated Development Planning (IDP) has committed to establishing the Inter-Governmental Relations Committee (IGRC) on behalf of the Office of the Mayor. However, there is still non-existence of the Disaster Management Inter-Departmental Committee and this is attributed to a general lack of understanding and application of the relevant legislation. Attending to the non-existence of the Disaster Management Inter-Departmental Committee and the IGRC, the Management Committee (MANCO) and the Community Services Portfolio Standing Committee, in the interim, currently serve as the IGRC between departments and Council.

Below is the composition of the Newcastle Fire and Rescue Services Stations and personnel:-

NEWCASTLE FIRE STATION	MADADENI FIRE SUB-STATION	OSIZWENI FIRE SUB-STATION	EMERGENCY CONTROL CENTRE
1 x Divisional Commander: Fire Safety & Disaster and 1 x Senior Station Officer: Fire Safety & Disaster	N/A	N/A	N/A
1 x Divisional Commander: Fire Operations 1 x Station Officer: Fire Operations 4 x Leading Fire-fighters 18 x Fire fighters (2 dropped from last financial year)	8 x Fire fighters (2 per shift)	1 x Station Officer: Fire Operations 12 x Fire fighters	1 x Communications Officer 4 x Control-room Operators
ADDITIONAL STAFF REQUIRED TO MEET THE SANS 10090:2003 REQUIREMENTS			
FIRE OPERATIONS 1 x Chief Fire Officer 20 x Fire-fighters **DISASTER MANAGEMENT** 1 x Head: Disaster Management 2 x Disaster Management Practitioners	1 x Station Officer 2 x Leading Fire-fighters 16 x Fire-fighters	2 x Leading Fire-fighters 4 x Fire-fighters	4 x Senior Control-room Operators

Below is the status of machinery of the Newcastle Fire and Rescue Services Stations:

NEWCASTLE FIRE STATION	MADADENI FIRE SUB-STATION	OSIZWENI FIRE SUB-STATION	EMERGENCY COMMUNICATION CENTRE
2 x Major Fire Pumps 1 x 13 000l Water Tanker 1 x Aircraft Crash Vehicle 1 x Bush Tender 2 x Skid Units 1 x Light Delivery Vehicles	1 x Medium Fire Pump	1 x Medium Fire Pump 1 x Rescue Vehicle 1 x Disaster Management Utility	Out-dated communication system
ADDITIONAL STAFF REQUIRED TO MEET THE SANS 10090:2003 REQUIREMENTS			
1 x Aerial Appliance 1 x BA Unit 1 x Hazmat Unit	1 x Rescue Unit	1 x Medium Fire Pump	Upgrading of entire system

NLM is part of the Amajuba District Fire Technical Task Team which normally holds meetings for strategic planning twice a year. NLM has also established formidable relations with NGO's, CBO's, Government and Private Sector stakeholders comprising Farmers Associations, Arcelor Mittal, Karbo-Chem, etc.

In terms of the employment of dedicated and skilled personnel for the disaster management function, the Fire Services Department of the Newcastle Local Municipality currently has one dedicated member for Disaster Management. This is largely due to budget constraints, which thus requires the allocation of an additional budget for the appointment of additional staff. Additionally, other challenges the Disaster management and Fire Services are currently faced with pertain to, amongst other issues:

- Insufficient fire personnel and equipment;
- insufficient budget to deal with fire and rescue issues;
- lack of qualified and designated personnel for Disaster Risk Management; and
- lack of adequate budget allocation for disaster related activities.

The table below displays the Disaster Management and Fire Services SWOT Analysis:-

Strengths	**Weaknesses**
• Fully fledged Emergency Communication Centre; • Three (3) functional fire stations; • Functionality of Newcastle Disaster Management Advisory Forum; • Availability of Fire Prevention Officer appointed by the Department of Forestry and Fisheries; • Recently updated risk Ward Risk Profiles; • Functional Fire Safety unit to conduct awareness's campaign in Hospitals, Schools, Public meetings and Non-Governmental Organisations; • Availability of minimum fire fighting vehicles and equipment; • Availability of skilled fire and disaster management personnel; • Availability of Local Disaster Management Centre.	• Failure to appoint designated and qualified disaster management practitioners; • Failure to split Disaster Management and Fire Operations functions; • Failure to provide separate budget for the procurement of disaster management Wendy-houses, storage containers; • Failure to upgrade the existing Emergency Communication Centre's equipment; • Insufficient capacity to deal with disaster management and fire; • Unavailability of risk reduction personnel; • Insufficient budget to deal with pressing disaster management issues; • Review and establishment of mutual assistance/memorandum of understanding with the neighbouring local municipalities that are not fully functional; • Climate change versus the budget allocation to implement climate change adaptation mandate
Opportunities	**Threats**
• Implementation of Climate Change Strategy projects • Installation of lightning conductor • Training of Ward Committees and Councillors in augmenting Disaster management capacity Establishment of Disaster Management Inter-Department Co-ordinating Committee.	• Water pollution of the Ncandu River and Amcor Dam; • Non-maintenance of Storm Water Drains • Non-maintenance of Sewerage Plants especially in Blaauwbosch; • Frequent breakdown of old fire engines due to age; • Non-availability of Aerial Fire Appliance to deal with incidents in high-rise buildings;

	• Increasing traditional and informal dwellings in Newcastle • Unoccupied land that cause land invaders • Research system to come up with strategies to minimize district risks.

❖ Disaster Risk Assessment.

(a) List of Priority Risks (Hazards).

A table or list of priority disaster risks/hazards must be provided. Newcastle Municipality is mostly threatened by the following hazards:-

- Veld fires
- Dwellings / Structural fires
- COVID-19
- Lightning;
- Strong winds
- Heavy rains
- Floods
- Hail Storm
- Drought
- Snow
- Hazmat
- Water Borne Disease

Animal Borne Disease Legend:	
Red	Extreme high / Likely to happen
Orange	High / Chances of it happening are good
Yellow	Medium / May or may not happen
Green	Low / Rare possibility of it happening
W	Ward

HAZARD	Veld Fires	Structural Fires	Drought	Lightning	Strong Winds	Heavy Rains	Floods
WARD 1							
WARD 2							
WARD 3							
WARD 4							
WARD 5							
WARD 6							
WARD 7							
WARD 8							
WARD 9							
WARD 10							
WARD 11							
WARD 12							
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WARD 27							
WARD 28							
WARD 29							
WARD 30							
WARD 31							
WARD 32							
WARD 33							
WARD 34							

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Charlestown

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Newcastle Town

Madadeni

Khathide TA

Osizweni

JBC

Newcastle LM
KZ252

Kilbarchan

Ingagane

Dannhauser LM
KZ25

N

1 : 273 000

0 3 6 9 12 15 18 Kilometers

Legend

- Place Names
- rsa provinces
- kzn local municipalities
- Class 1
- Class 2
- Class 3
- Property
- Newcastle LM
- Local Municipalities
- Major Dams

Legend

Veld Fires

- Very High
- High
- Medium
- Low
- Very Low

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * DISASTER MANAGEMENT MAPPING - VELD FIRES

MAY 2019

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- Class 1
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- Class 3
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- Major Dams

Legend

Structural

- Very High
- High
- Medium
- Low
- Very Low

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * DISASTER MANAGEMENT MAPPING - STRUCTURAL

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0 3 6 9 12 15 18 Kilometers

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- Place Names
- rsa provinces
- kzn local municipalities
- Class 1
- Class 2
- Class 3
- Property
- Newcastle LM
- Local Municipalities
- Major Dams

Legend

Strong Wind

- Very High
- High
- Medium
- Low
- Very Low

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * DISASTER MANAGEMENT MAPPING - STRONG WIND

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0 3 6 9 12 15 18 Kilometers

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- Place Names
- rsa provinces
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- Class 1
- Class 2
- Class 3
- Property
- Newcastle LM
- Local Municipalities
- Major Dams

Legend

Drought

- High
- Medium
- Low
- Very Low

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * DISASTER MANAGEMENT MAPPING - DROUGHT

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Dannhauser LM
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1 : 273 000

0 3 6 9 12 15 18 Kilometers

Legend

- Place Names
- rsa provinces
- kzn local municipalities
- Class 1
- Class 2
- Class 3
- Property
- Newcastle LM
- Local Municipalities
- Major Dams

Legend

Floods

- Very High
- High
- Medium
- Low
- Very Low

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * DISASTER MANAGEMENT MAPPING - FLOODS

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Newcastle LM
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Dannhauser LM
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1 : 273 000

0 3 6 9 12 15 18 Kilometers

Legend

- Place Names
- rsa provinces
- kzn local municipalities
- Class 1
- Class 2
- Class 3
- Property
- Newcastle LM
- Local Municipalities
- Major Dams

Legend

Heavy Rain

- Very High
- High
- Medium
- Low
- Very Low

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * DISASTER MANAGEMENT MAPPING - HEAVY RAINS

MAY 2019

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0 3 6 9 12 15 18 Kilometers

Legend

- Place Names
- rsa provinces
- kzn local municipalities
- Class 1
- Class 2
- Class 3
- Property
- Newcastle LM
- Local Municipalities
- Major Dams

Legend

Lightning

- Very High
- High
- Medium
- Low
- Very Low

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * DISASTER MANAGEMENT MAPPING - LIGHTNING

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Legend

- Place Names
- rsa provinces
- kzn local municipalities
- Class 1
- Class 2
- Class 3
- Property
- Newcastle LM
- Local Municipalities
- Major Dams

Legend

Hazmat Spillage

- High
- Medium
- Very Low

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * DISASTER MANAGEMENT MAPPING - HAZMAT SPILLAGE

MAY 2019

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1 : 273 000

0 3 6 9 12 15 18 Kilometers

Legend

- rsa provinces
- kzn local municipalities
- Newcastle LM
- Major Dams
- Class 1
- Class 2
- Class 3
- Property
- Place Names
- Local Municipalities

Legend

- Snow

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * DISASTER MANAGEMENT MAPPING - SNOW

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Dannhauser LM
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1 : 273 000

0 3 6 9 12 15 18 Kilometers

Legend

- Place Names
- rsa provinces
- kzn local municipalities
- Class 1
- Class 2
- Class 3
- Property
- Newcastle LM
- Local Municipalities
- Major Dams

Legend

Animal Desease

- Very Low

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * DISASTER MANAGEMENT MAPPING - ANIMAL DISEASE

MAY 2019

With regards to mapping that reflects strategic interventions for Disaster risk reduction, due to extremely low resources, the Newcastle Fire and Rescue Services is still trying to assess as to how best they can fulfil this function. The GIS within the Development Planning will compose maps showing areas where strategic interventions are going to be implemented as soon as Fire and Disaster brings relevant information to them.

(b) Analysis of Climate Change Risks.

Climate change impacts affect disaster management, infrastructure and human settlements in several ways in Newcastle Municipality. The increase in the severity of storm events and increase in flooding damage infrastructure which may result in service delivery disruptions. The impacts of storm events particularly affect communities located in informal settlements, on flood plains and where there is poor drainage infrastructure. In addition, communities in rural areas that depend on subsistence farming may be unable to grow crops that they have grown in the past due to the changing climate. It is predicted that there will therefore be an increase in rates of rural-urban migration. Rural communities may also become more physically isolated due to extreme events impacting on key infrastructure (*Amajuba district climate change vulnerability assessment and response plan*, *March 2018, version 2).*

As climatic changes increase average temperatures and rainfall variability (such as extended periods of drought), human settlements may express a higher demand for cooling appliances and access to water *(Department of Environmental Affairs* 2015). Additionally, contrasting extreme weather (such as severe storms and flash floods) may induce the displacement of people and settlements, increase public health risks, and escalate pressures on rural and urban infrastructure and transport systems *(Department of Environmental Affairs 2015).* Major climatic risks in the municipal area include: drought, floods, severe storms (wind, hail, and lightning) and veld fire hazards. Regarding veld fires specifically, the entire municipal area has an extreme veld fire risk *(Department of Agriculture, Forestry and Fisheries 2010).*

(c) Contingency Plan: Fires.

The contingency plan for fires entails contingency arrangements in relation to the aforementioned risk. It also entails a collection of information and inputs received from different stakeholders. The potential and historically proven causes and consequences of the identified risk are as follows:-

Causes:-

- Human error/negligence;
- Lack of capacity and awareness regarding fire risk;
- Misuse of flammable liquids such as paraffin;
- Conflict and/or alcohol;
- Illegal connection of electricity;
- High density of residential dwellings, formal and informal structures;
- Challenges with response due to ineffective communication (such as the fact that no toll-free number exists for the fire department) and blocking of roads by residents placing furniture on the streets when a fire occurs;

- Highly flammable building materials and households content (wood, cardboard and plastic);
- Lack of water reticulation for fire-fighting purposes (fire hydrants);
- Lack of insufficient fire breaks;
- Lightning;
- Lack of maintenance of equipment; and
- Unskilled personnel operating specialised equipment.

Consequences:-

- Loss of life and property;
- Impact on the economy;
- Loss of jobs.

Table 11: Stakeholders including responsibilities for the fire risk.

STAKEHOLDER	PRIMARY ROLES AND RESPONSIBILITIES
Executive Committee	Executive Committee declares a state of disaster and receives and considers reports with regard to disaster risk management.
Municipal Manager	Municipal Manager is overall responsible for governance in the Municipality, including effective disaster risk management.
Head : Disaster Management Function through Director : Community Safety	The Disaster Management Functions are overall disaster risk management and coordination, as per Section 44 of the Disaster Management Act. Each Municipal Department will complete its own disaster management plans, to be incorporated into the Municipality's Municipal Disaster Management Plan.
Fire and Emergency Services	Assist with disaster risk reduction, implementation and co-operation.
Disaster Management Volunteers	The formal, trained volunteer unit assist Disaster Management in their functions.
The residents and communities affected	Assist with disaster risk reduction and cooperation.
Ward Councillors	The Ward Councillors assist with community liaison within their Wards.
Community Leaders	Community Leaders assist with community liaison.
Non-Governmental Organisations (NGOs) and Community Based Organisations (CBOs)	The NGOs and CBOs assists with disaster risk reduction and co-operation.
Private Sector and Industry	Assist with disaster risk reduction and cooperation.
Department of Health Care	Assisting with prevention/mitigation, response and recovery actions. Treating and transporting of patients.
Corporate Services	Assisting with administration and legal advice.
Financial Services	Funding

The following table entails mitigation/prevention activities relevant to the reduction of the identified disaster risk and are to be co-ordinated, monitored and evaluated by the Newcastle Municipality.

Table 12: Mitigation and Prevention actions.

ACTION	LEAD/ RESPONSIBLE AGENT/STAKEHOLDER

Residential related fires. Awareness Programmes	Disaster Management Centre & Fire Services
Veld fires. Awareness programme in and around open spaces, fire breaks administered	Disaster Management Centre & Fire Services
Early fire risk predictions. Early warning of high fire risk places & times, based on weather and vegetation/field condition	Disaster Management Centre & Fire Services
Survey of industries (for fire and hazardous materials risks); associated updating of hazard severity map; compilation of hazardous materials register/database, indicating the location and contents of facilities spatially and in database format; Stakeholder meetings to confirm and refine the findings. Integrated register/database	Disaster Management Centre & Fire Services
All industries ensuring that their staff is well trained, motivated and equipped.	Industries
All industries ensure that all equipment, especially equipment that could cause an Industrial fire, is well maintained.	Industries
Constant review and monitoring of industries safety procedures and plans.	Disaster Management Centre & Fire Services

(d) Municipal Capacity in terms of Disaster Response and Recovery.

Newcastle Municipality has the primary function of responding to any disaster and/or disaster related incidents within its area of jurisdiction. Responsibilities are same for Fire and Rescue as well. Response to neighbouring local municipalities should be done within the context of established and signed Mutual Assistance Agreements (MAA) or Memorandum of Understanding (MOU).

(e) Grant funding allocated for post-disaster recovery (where applicable).

Nothing has been requested. Council is still relying on its internal funding for Emergency Services (Disaster Risk Management).

(f) Information Management and Communication.

The afore-mentioned Emergency Communication Centre receives emergency calls and despatches required resources. Disaster related information is also cascaded to relevant stakeholders via Head of Communication within the Newcastle Municipality

(g) Early Warning Strategy.

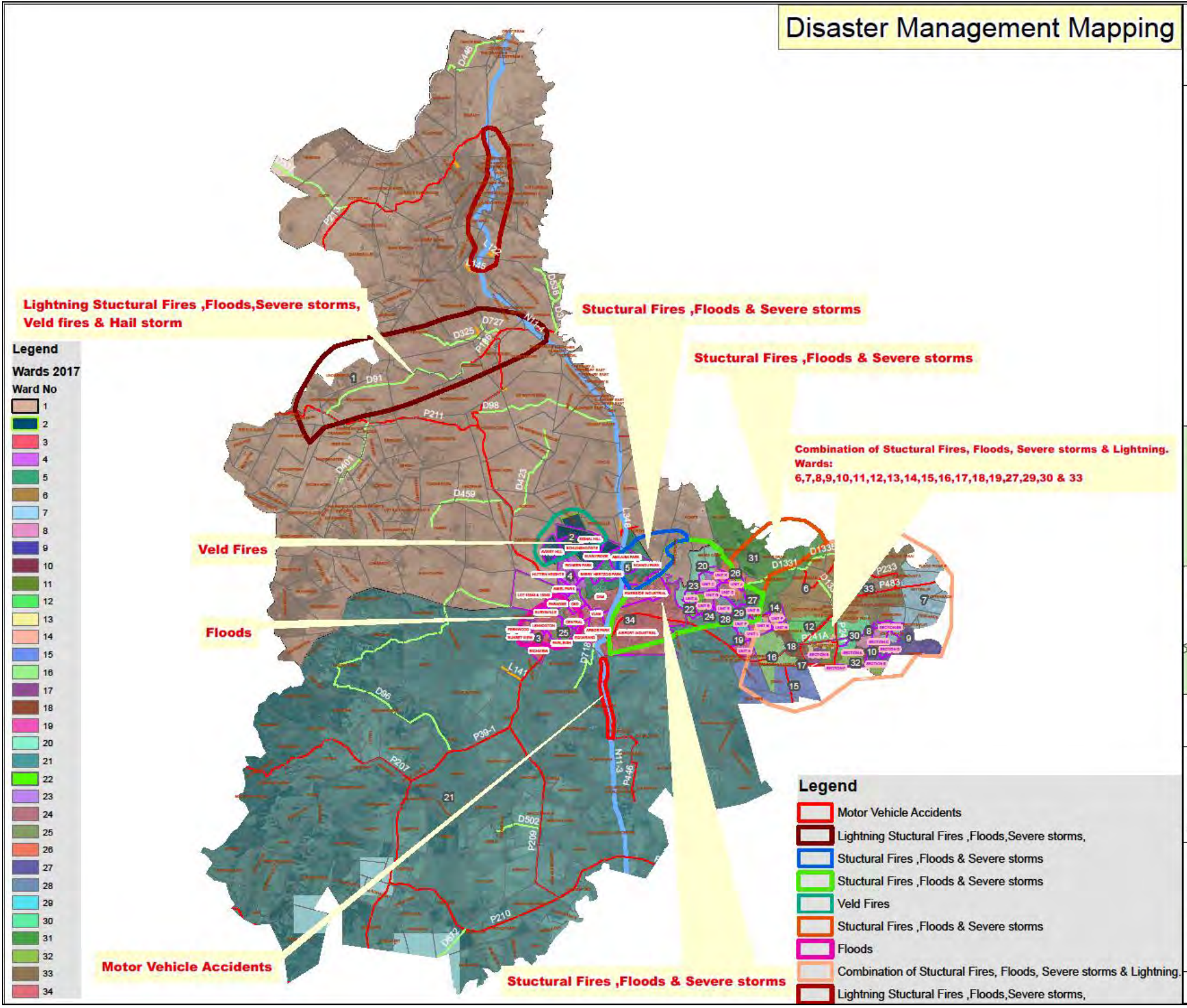
Newcastle Municipality has installed flood-warning sirens at strategic places to warn communities-at-risk of impending floods. Local radio is also used for early warnings.

(h) Private Partnerships.

Currently there are no private partnerships. The municipality needs to establish partnerships with all relevant stakeholders for

funding disaster risk reduction, public awareness programmes and projects

Disaster Management Mapping



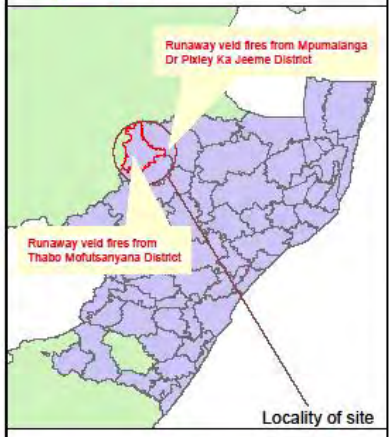
Title:
Site & Locality Plan:
Newcastle
Disaster Management Map

Legend

- kzn local municipalities
- NewcastleMun
- Parent Farms

Road_Network
CLASS

- National Road
- Provincial Road
- District Road
- Local Road
- Gravel Road
- Other Road
- newcastle_units
- Newcastle Suburbs



Scale 1: 4000

N

Projection: Clarke 1880
Sphere: WGS84
Datum: Hartebeesthoek_1994

Designed by: Samu Madida
GIS Technician

Date: 22 July 2018

Revision no: 1

DIRECTORATE: TOWN PLANNING

Private Bag x9021
Newcastle
2940
e-mail: gis@newcastle.gov.za

Hospital Street
Newcastle
Tel: (034) 328 6100/7800
Fax: (034) 317 3918

NEWCASTLE LOCAL MUNICIPALITY

Signature:

Legend

- Motor Vehicle Accidents
- Lightning Stuctural Fires ,Floods,Severe storms,
- Stuctural Fires ,Floods & Severe storms
- Stuctural Fires ,Floods & Severe storms
- Veld Fires
- Stuctural Fires ,Floods & Severe storms
- Floods
- Combination of Stuctural Fires, Floods, Severe storms & Lightning.
- Lightning Stuctural Fires ,Floods,Severe storms,

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Newcastle LM
KZ252

Utrecht

Dannhauser Local Municipality
KZ254

Endumeni Local Mu
KZ241

ERIN
GORDON
MATTANDU
CRAIG
HOMER
MILTON
CADIE
FORT

NEWCASTLE MUNICIPALITY

Utrecht Local Municipality
KZ253

Dannhauser Local Municipality
KZ254

N

1 : 273 000

0 3 6 9 12 15 18 Kilometers

LEGEND

Existing Roads
- Class 1
- Class 2
- Class 3
- Class 4
- Railway Line

Nodes
- Built-up Areas
- Airport Precinct
- Peri-urban
- Industrial Area
- Big Mixed Use Node
- Small Mixed Use Node

Other
- Airport

Boundary
- Newcastle Urban Edge
- Development Boundary
- Disaster Centres

Disaster Areas
- Air Pollution
- Fires
- Illegal Mining
- River Flooding
- Snow

3.9.35. Consolidated Newcastle Spatial Development Framework.

The SDF is based on four interrelated, spatial starting points, which together give overall direction to the future spatial form and development of the city of Newcastle.

(a)Newcastle a city that is resilient and adaptive.

Newcastle's prosperity will be determined by how well it adapts to change within and without. It will constantly have to balance the provision of basic needs, social services and utilities; the stimulation of economic development and employment creation; and the management of city growth and protection of environmental resources, energy and water supply constraints, and climate change.

In addition, the City will need to compete nationally and globally for investment in order to increase growth, and turn around local poverty. It will constantly have to balance the provision of basic needs, social services and utilities; the stimulation of economic development and employment creation; and the management of city growth and protection of environmental resources (including the built and infrastructural environments).

Spatially, Newcastle must be flexible and able to adapt rapidly to changes in the pace of development, and to shifts in the demand for industrial, commercial and residential property. It will need to be both proactive and precautionary in the way it prepares for the impacts of climate change, depleting oil reserves and natural water resources, and the widening gap between rich and poor.

(b)Newcastle a city within a region.

Newcastle should not become a regional city, which absorbs all the surrounding towns in its growth path. The diverse identities, functions and growth opportunities of the towns and rural settlements surrounding Newcastle, such as Utrecht, Memel, Normandien, Dannhauser and Charlestown, need to be preserved, and their functional interrelationships recognized, respected and enhanced.

It is important to understand that the future of Newcastle and its neighbours are interdependent. Coordinated planning, budgeting and management of the region's infrastructural development and water, energy and biodiversity resources are critical. In addition, greater coordination is required to enhance the region's tourism assets, and for the economic positioning of the cities and towns in relation to each other, as well as collectively within a national and global context.

(c)Newcastle a city anchored by its natural assets.

Newcastle's natural resources are what make Newcastle a unique and desirable place in which to live, work and invest. Because people derive benefits from the natural environment in a number of direct and indirect ways, it follows that these natural anchors should play an important role in shaping where and how the city develops. Therefor systematic conservation planning should aim to efficiently identify an effective network of

persistent and sustainable high priority biodiversity areas, whilst simultaneously, supporting local ecosystems and ecological infrastructure which in turn will have spin-offs for the entire Newcastle. This development must respect the presence, role and function of these natural anchors, and should make the most of the possible benefits residents and visitors could derive from them.

(d) Newcastle a city organized around development corridors.

Successful modern cities are those that:-

- Offer an adequate and exciting range of opportunities, facilities, services and amenities that are as far as possible accessible by foot, bicycle, bus and car (in that order of priority); and
- Provide the businesses and industries that drive the city's economy with a different kind of accessibility, namely easy access to goods and services, facilities that enable economic activity and the easy movement of goods.

With our ever-increasing resource constraints and insecurities, it follows that the public and private sector should collectively focus and coordinate their efforts to build a city that has these vital attributes.

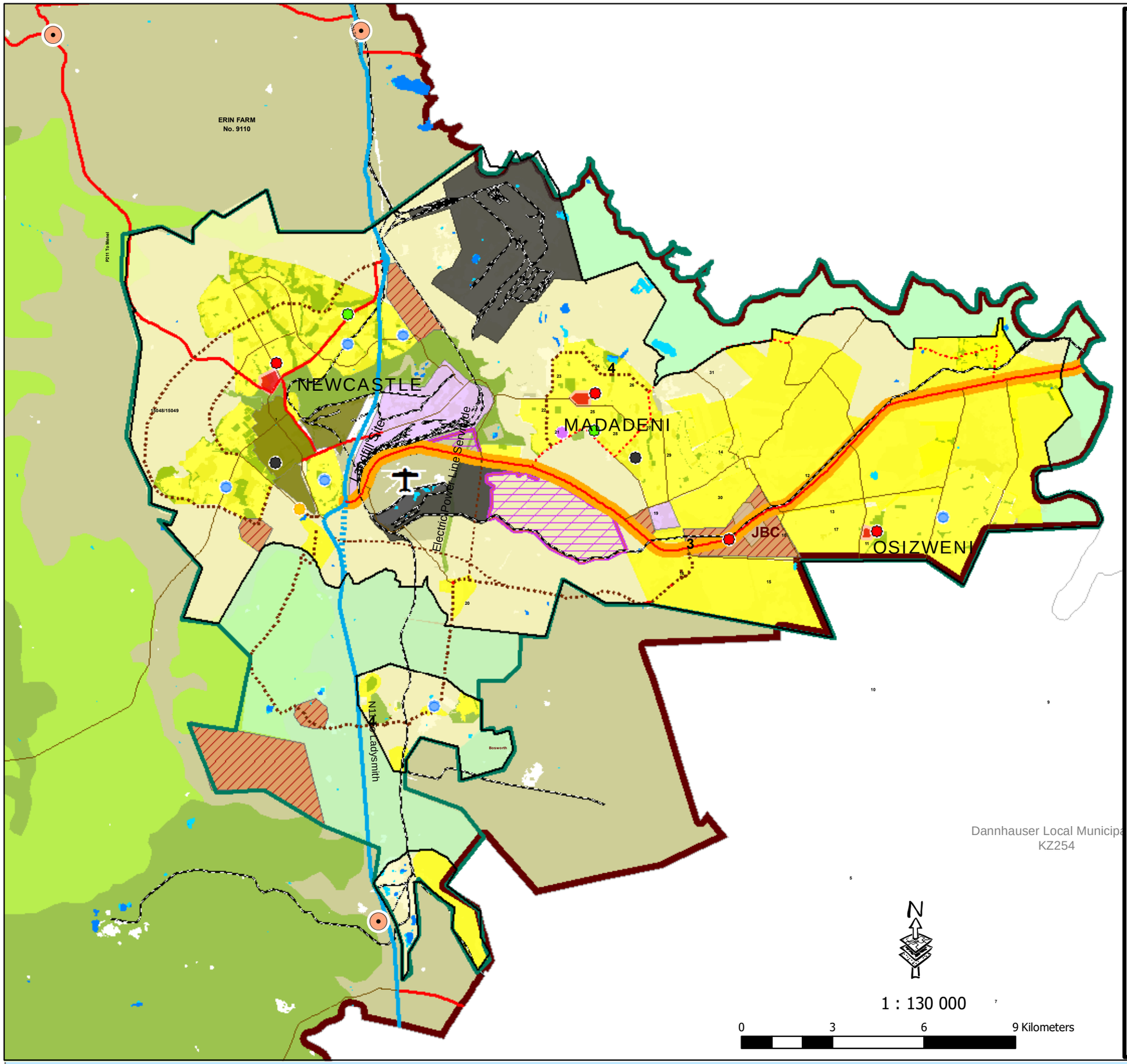
For this reason, the SDF proposes that development in Newcastle is focused on a series of activity development corridors. These corridors are systems of mutually reinforcing elements, supported by coordinated infrastructure investments.

The SDF also strive to be aligned with national corridors such as identified in the National Growth and Development Plan (SP2).

Activity development corridors:

- offer easy access to goods, services and people;
- are well served by facilities for pedestrians, cyclists, road-based and rail-based public transport facilities;
- offer a vibrant mix of land uses (residential, commercial, industrial and/or recreational);
- are reinforced by a road network that ranges from national to local roads, to facilitate ease of movement; and
- are 5-10 minutes from most people's homes.

These development corridors already exist in Newcastle, although some are more prominent than others. Logical extensions to these corridors are proposed as the focus for the managed growth of the city. The SDF also strive to be aligned with national corridors such as identified in the National Development Plan.



LEGEND

Major Nodes
- Rural Nodes
- Educational Nodes
- Medical Nodes
- Commercial Nodes
- Neighbourhood Node
- Regional Social Facility Nodes
- Mixed Use Nodes

Existing Roads
- Class 1
- Class 2
- Class 3
- Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Proposed Roads
- Class 1
- Class 2
- Class 3

Other
- Airport
- Railway Line

LAND USE

Structuring Land Uses
- Open space system
- Existing Urban Areas
- Urban Periphery
- Future Urban Areas

Projects
- Catalystic Projects

Boundary
- Newcastle Urban Edge
- Development Boundary

NODES

Key Nodes
- Primary CBD Node
- Secondary Node
- Industrial Growth Point
- Light Industrial Node
- Industrial Node

HYDROLOGY

Wetlands
- Waterbodies
- Wetlands
- Rivers Buffer
- Major Dams

Environment
- Biodiversity Corridor
- Protected Areas

Agriculture
- Irreplaceable
- Threatened
- Moderate to Low

SDP 2024/25

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * CONSOLIDATED SDF MAP

APRIL 2024

3.10. Municipal Transformation and Institutional Development.

According to the business dictionary, transformation is a process of profound and radical change that orients an organization in a new direction and takes it in an entirely different level of effectiveness. Transformation implies a basic change of character and little or no resemblance with the past structure. It is from this premise that Newcastle Municipality plans to accelerate municipal transformation and organizational development.

3.10.1. Institutional Arrangement.

Following the 2016 Local Government Elections, the Newcastle Municipality is composed of 34 wards and 67 councillors. Council, EXCO and Portfolio Committees meet on a monthly basis to set policies, approve a budget and monitor performance to ensure that operations are in place for efficient service delivery. With that being said, the NLM Municipal Portfolio Committees are structured as per the national guidelines. Their core function is to look at specific issues that relate to each portfolio committee, research those issues, deliberate on them and then make recommendations to EXCO and the full Council, for the latter to take decisions.

African National Congress	22
Inkatha Freedom Party	18
Economic Freedom Fighters	8
Team Sugar South Africa	7
Democratic Alliance	5
Action SA	3
Vryheids Front	1
National Freedom Party	1
Patriotic Alliance	1
African Transformation Movement	1

3.10.2. Municipal Public Accounts Committee (MPAC).

Following the guidelines from the Department of Co-operative Governance and Traditional Affairs, the Council has established a Municipal Public Accounts Committee. The Committee consists of 5 Councillors of the Municipality, who are not members of the Executive Committee. The Committee examines the following:-

a) The financial statements of all executive organs of Council;
b) Any audit reports issued by the Auditor General on the affairs of the Municipality and its Municipal Entity;
c) Any other financial statements or reports referred to the Committee by the Council; and
d) The annual report on behalf of the Council.

It also reports to the Council, through the Speaker, on any of the financial statements and reports referred to above, and develops the annual oversight report based on the annual report, initiates any investigation in its area of competence, and performs any other function assigned to it by resolution of the Council. Below is the distribution list for the MPAC of the NLM:-

Municipal Public Accounts Committee	
1.	Cllr. E. J. C. Cronje (Chairperson).
2.	Cllr. M. E. Buthelezi.
3.	Cllr. T.N. Dlamini
4.	Cllr. M. T. Lethea.

Municipal Public Accounts Committee	
5.	Cllr. X. S. Makhubo.
6.	Cllr. N. P. Maseko.
7.	Cllr. Z.E. Madi
8.	Cllr. S.P. Masuku
9.	Cllr. M.H. Simelane
10.	Cllr. S. E. Shabangu.
11.	Cllr. S. Ntsele.

3.10.3. Powers and Functions.

The following Local Government Powers and Functions, as bestowed upon Newcastle Municipality, were separated into core and non-core functions. Further allocation of powers and functions is elaborated on under the institutional arrangements section.

Table 13: Core/Primary Functions.

Core/Primary		Capacity to implement (MDB)	Proposed intervention
Schedule 4 Part B	Building Regulations	Yes	None
	Electricity and Gas Reticulation	Yes	None
	Fire Fighting Services	Yes	None
	Municipal Planning	Yes	None
	Storm water Management systems in Built up areas	Yes	None
	Water and Sanitation Services	Yes	Await recommendations from MEC on intervention
Schedule 5 Part B	Cemeteries	Yes	None
	Cleansing	Yes	None
	Municipal Roads	Yes	None
	Refuse Removal, refuse dumps and solid waste disposal	Yes	None
	Street lighting	Yes	None
	Traffic and parking	Yes	None

Table 14: Non-core Powers and Functions.

	Non-core /Secondary Functions		
Schedule 4 Part B	**COMMENT FROM MDB(District Wide)**	**Schedule 5 Part B**	**COMMENT FROM MDB(District Wide)**
Air Pollution	None	Beaches and Amusement Facilities	Not or being poorly performed
Child Care facilities	Not or being poorly performed	Billboards and the display of advertisements in public places	None
Municipal Airports	Not or being poorly performed	Control of undertakings that sell liquor to the public	Not or being poorly performed
Municipal Health Services	None	Facilities for the accommodation, care and burial of animals	Not or being poorly performed
Municipal Public Transport	Not or being poorly performed None	Fencing and fences	None

	Non-core /Secondary Functions		
Schedule 4 Part B	**COMMENT FROM MDB(District Wide)**	**Schedule 5 Part B**	**COMMENT FROM MDB(District Wide)**
Municipal Public Works	None	Licensing of dogs	Not or being poorly performed
Pontoons, ferries, jetties etc	Not or being poorly performed	Licensing and control of undertakings that sell food to the public	Not or being poorly performed
Trading Regulations	Not or being poorly performed	Markets	Not or being poorly performed
Local Tourism	Being poorly performed	Municipal Abattoirs	Not or being poorly performed
		Noise Pollution	Not or being poorly performed
		Pounds	Not or being poorly performed
		Public Places	None
		Street Trading	None
		Control of public nuisances	None
		Local Sports facilities	None
		Municipal parks and recreation	None
		Funeral parlours and crematoria	None

Newcastle Municipality has developed sufficient in-house capacity to perform all the core functions. None core functions are performed with the assistance of various government departments and other service delivery agencies e.g. Eskom. There is a need to initiate the process of clarifying roles and responsibilities of all internal and external stakeholders in respect of Powers and Functions at all levels. This has accordingly been prioritised in the NNTAS.

In order to maximise administrative and operational efficiency, all powers subject to section 32 of the Local Government: Municipal Structures Act 1998, not otherwise delegated, have been delegated to the Executive Committee excluding the following:-

- Approval of an Integrated Development Plan;
- Passing of by-laws;
- Approval of budgets;
- Imposition of rates and other taxes, levies and duties; and
- Raising of loans.

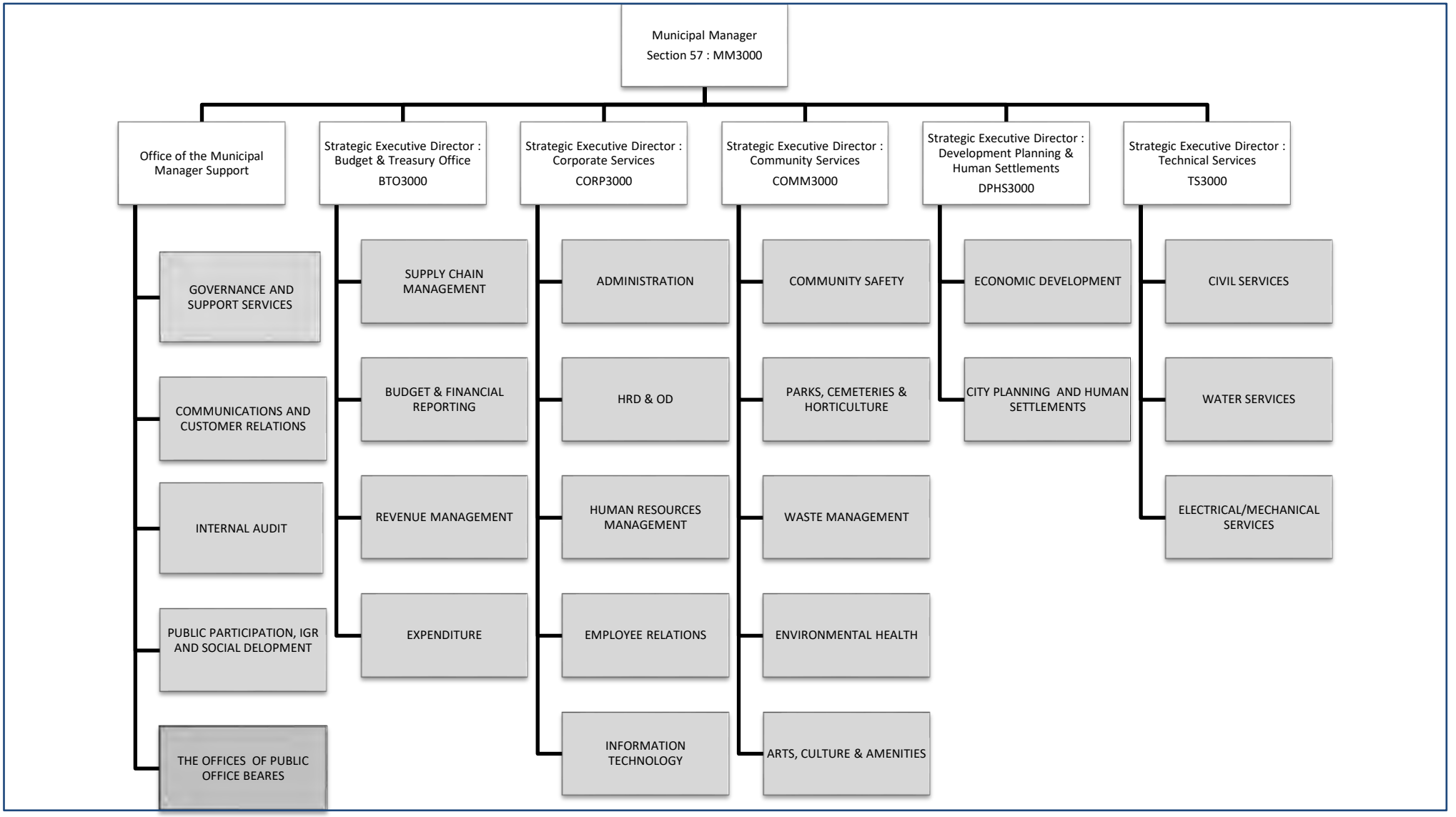
In respect of the water and sanitation service – this service is rendered through a Water services provider (uThukela Water Pty Ltd) with the Municipality serving as the Water Services Authority. The Amajuba District function being performed by the municipality is the Environmental Health Function and arrangements regarding the transfer of the function to the District are in progress.

3.10.4. Organogram.

Newcastle Local Municipality adopted the below structure on the Council meeting that was held on 31 May 2023, it aligns to a large degree to National Key Performance Areas as well as the municipal IDP priorities. The Municipal Manager heads the administrative structure of Newcastle Municipality and is assisted by five Heads of Departments (Strategic Executive Directors/

SED’s). Each department is further divided into a particular number of business units headed by Directors.

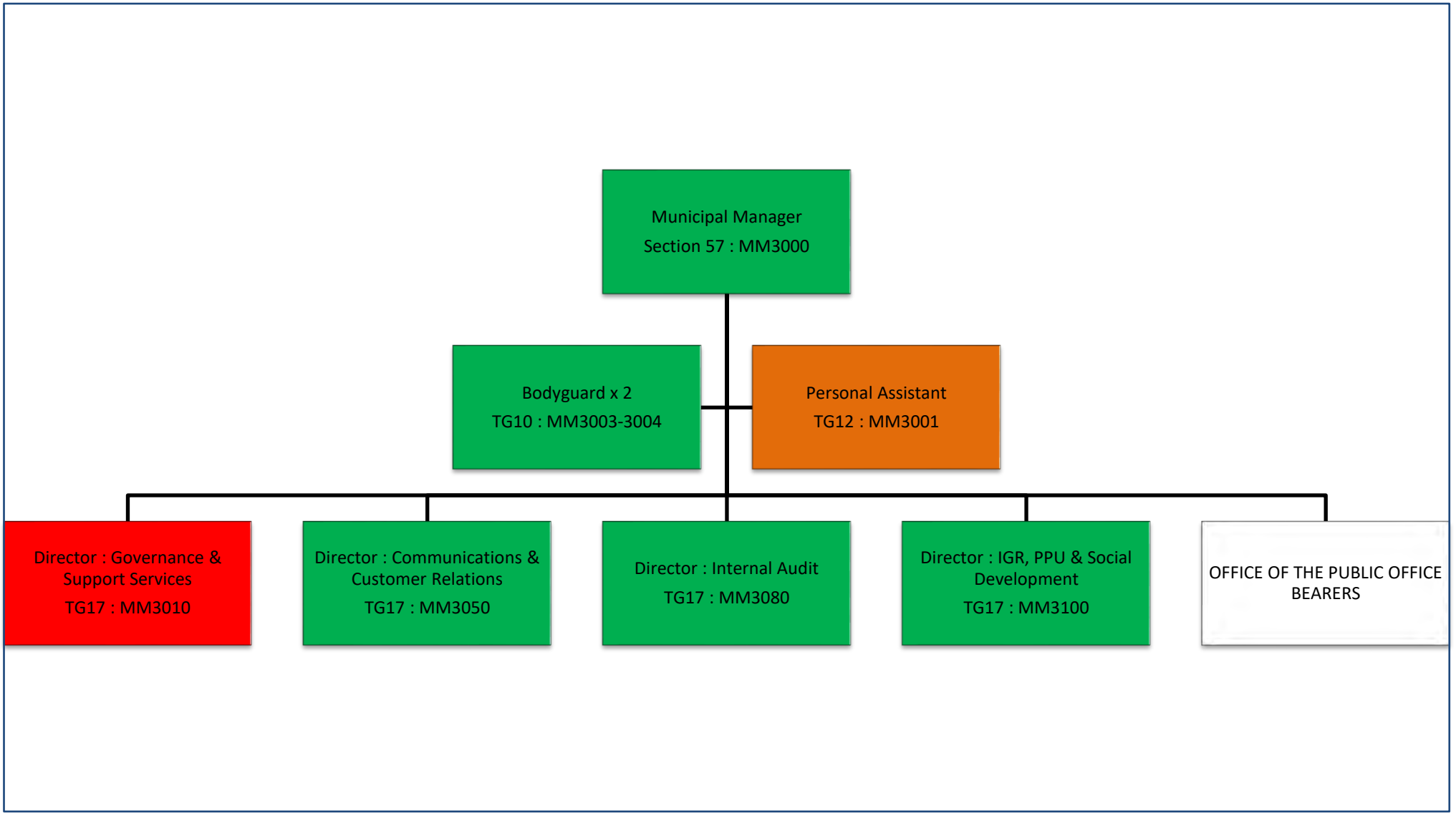
NEWCASTLE LOCAL MUNICIPALITY



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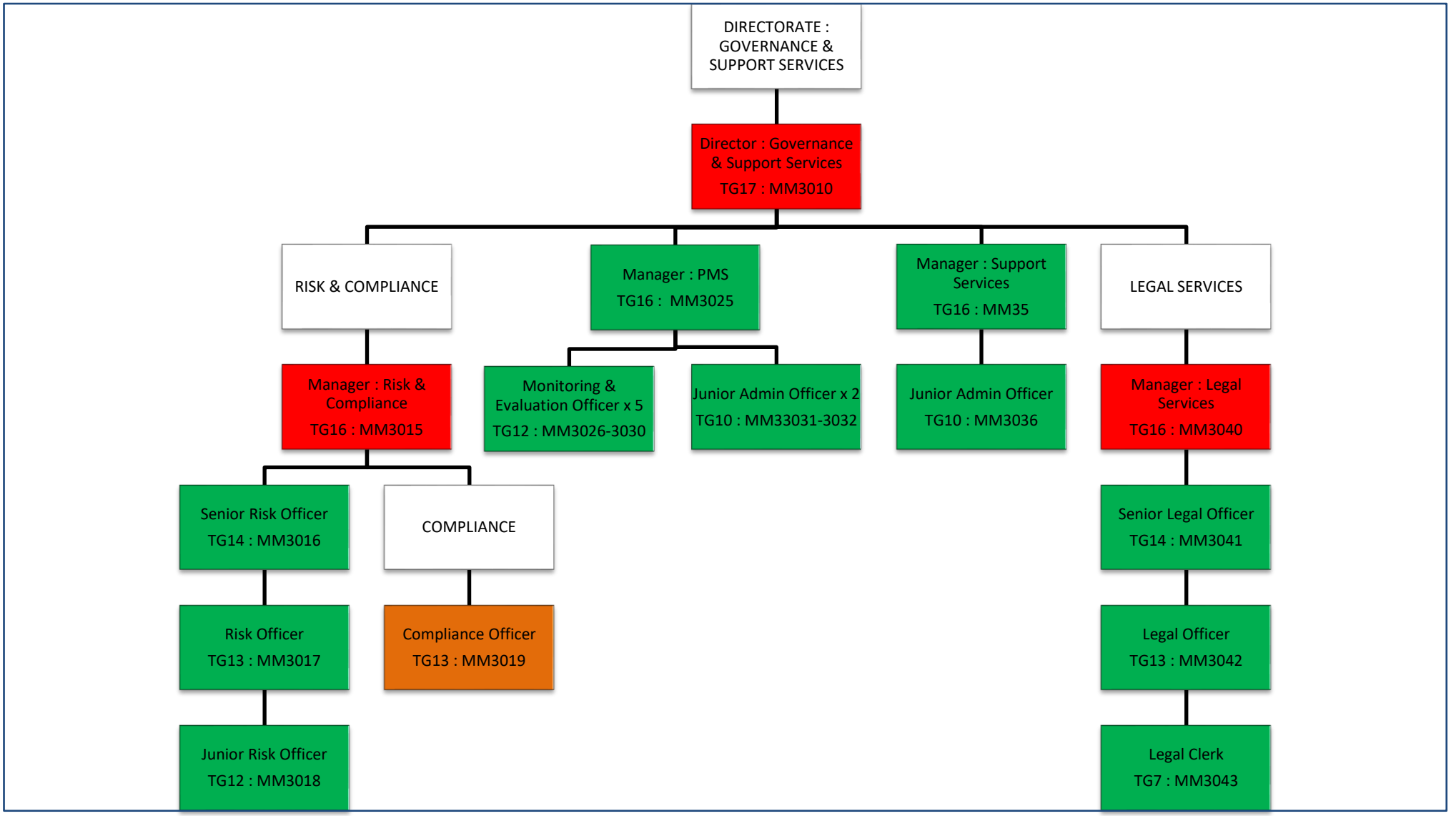
OFFICE OF THE MUNICIPAL MANAGER

TOP STRUCTURE



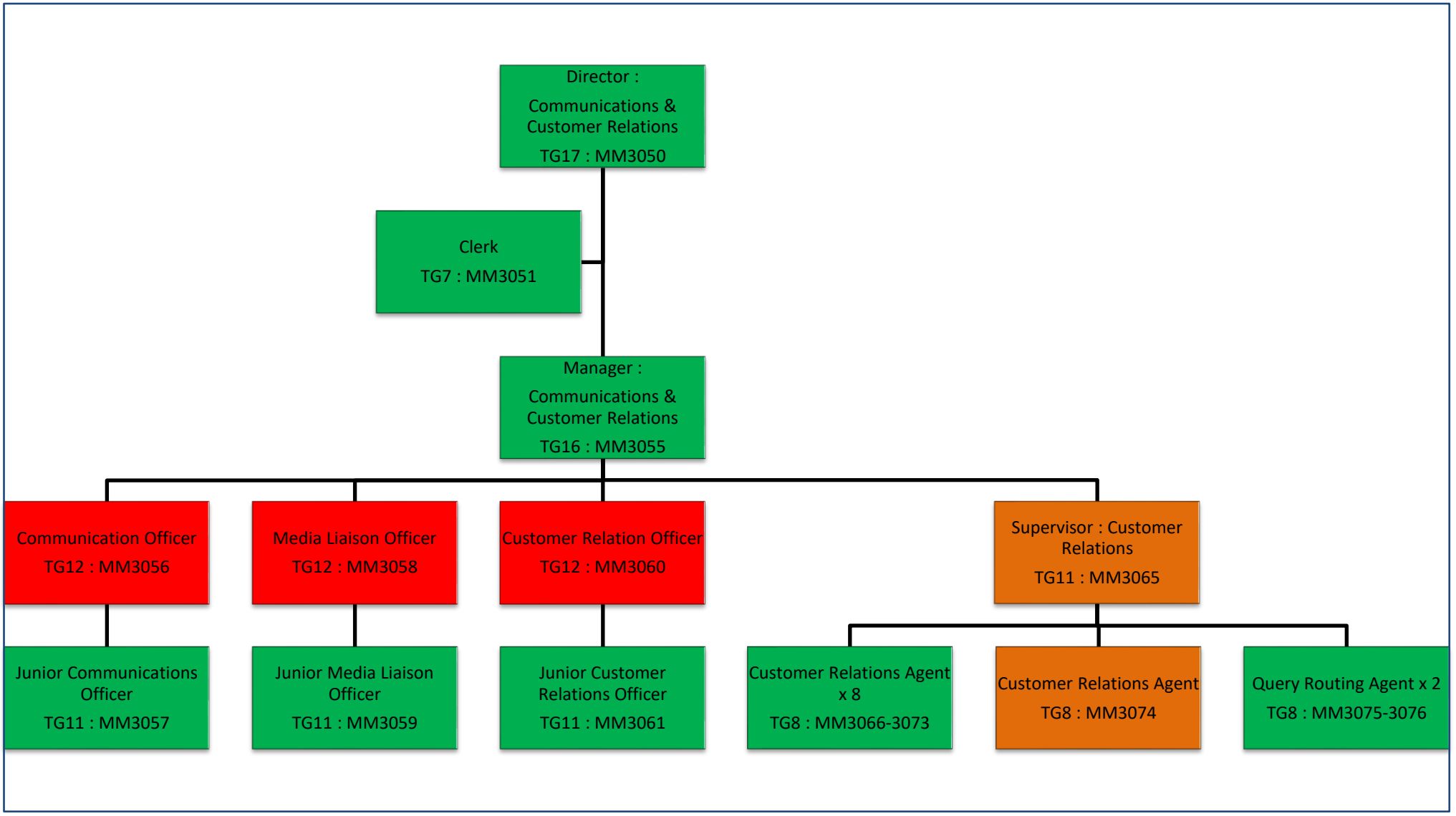
OFFICE OF THE MUNICIPAL MANAGER

GOVERNANCE & SUPPORT SERVICES



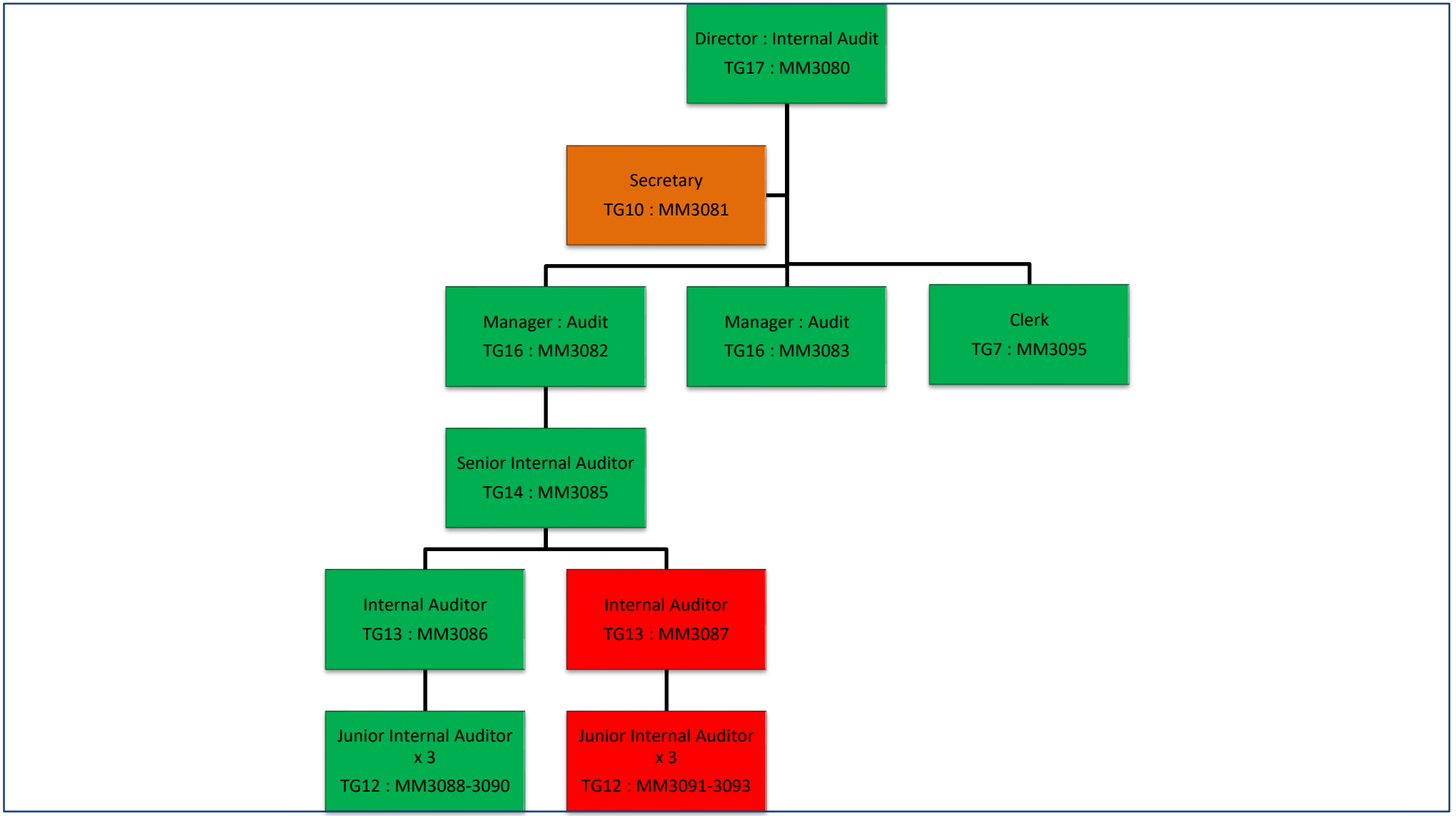
OFFICE OF THE MUNICIPAL MANAGER

COMMUNICATIONS & CUSTOMER CARE



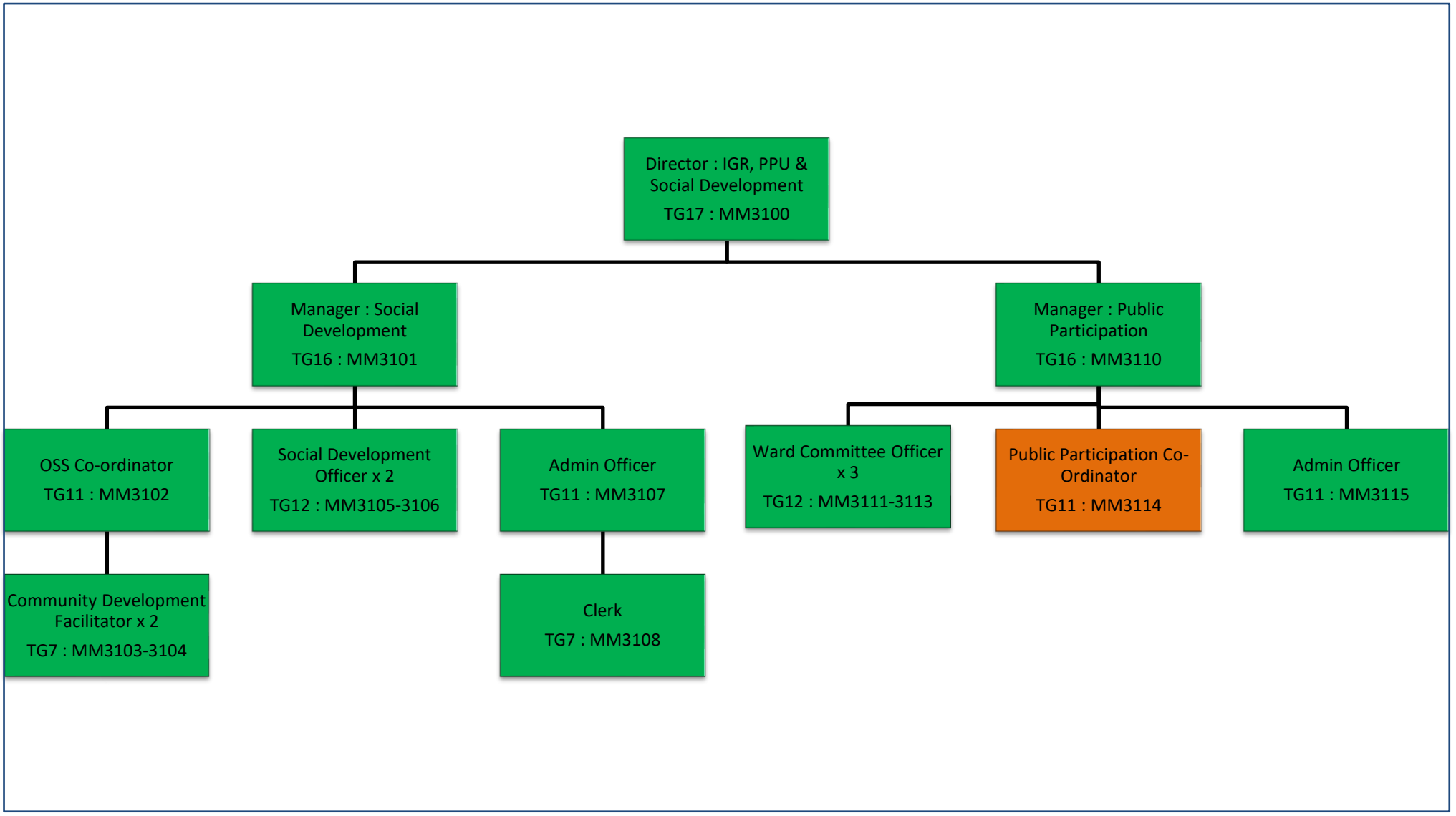
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INTERNAL AUDIT



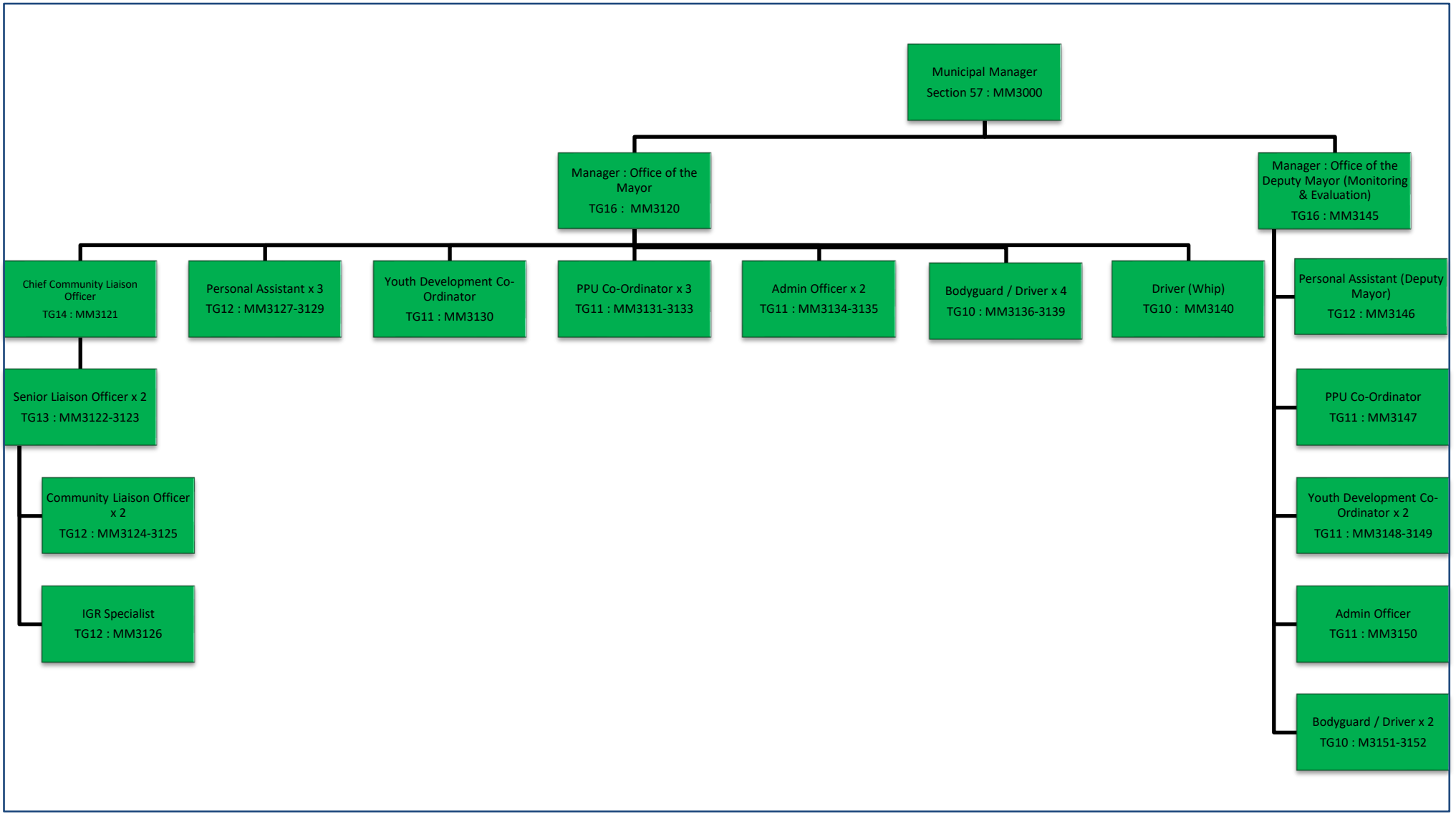
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IGR, PPU & SOCIAL DEVELOPMENT



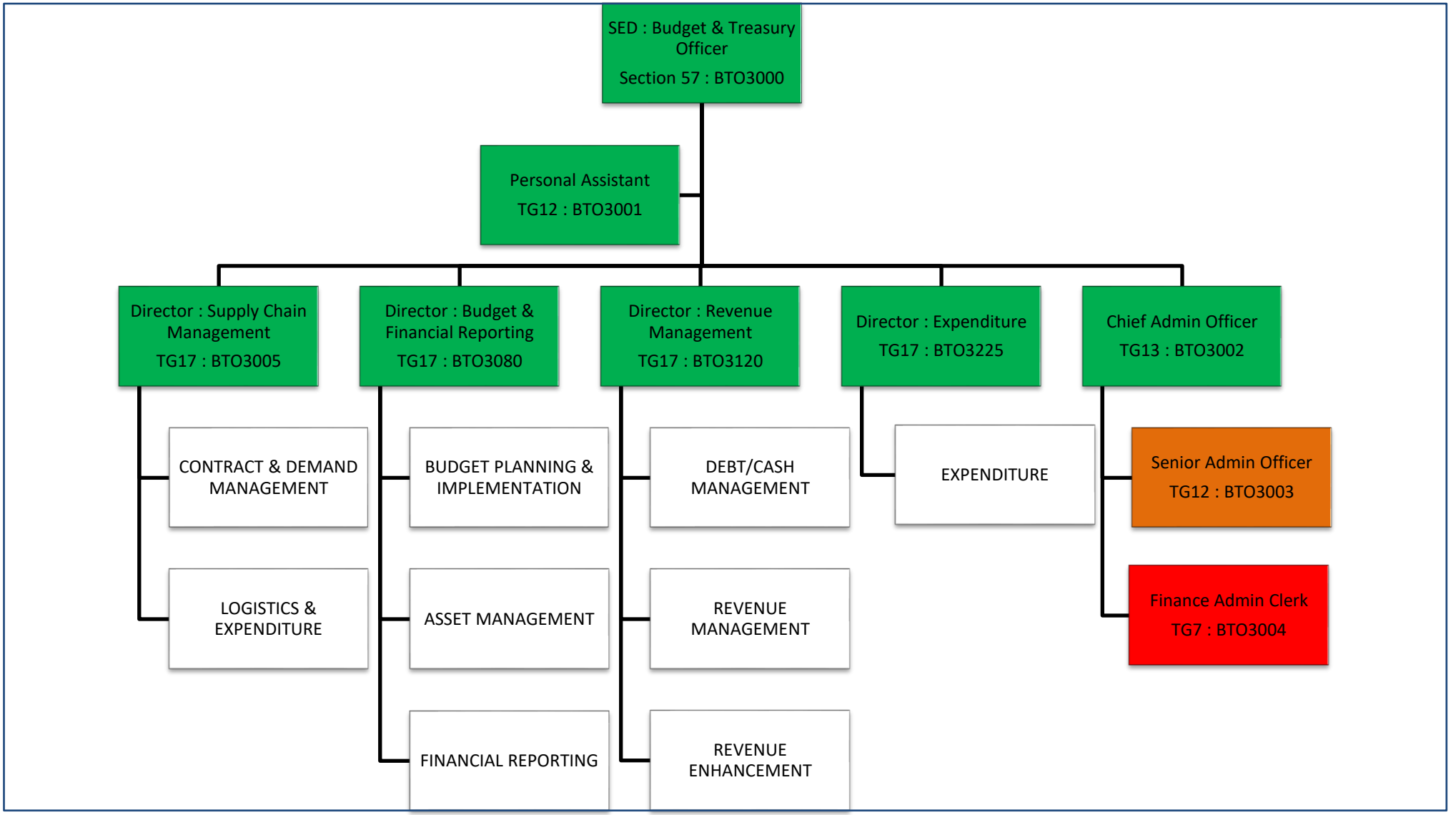
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THE OFFICE OF THE PUBLIC OFFICE BEARERS



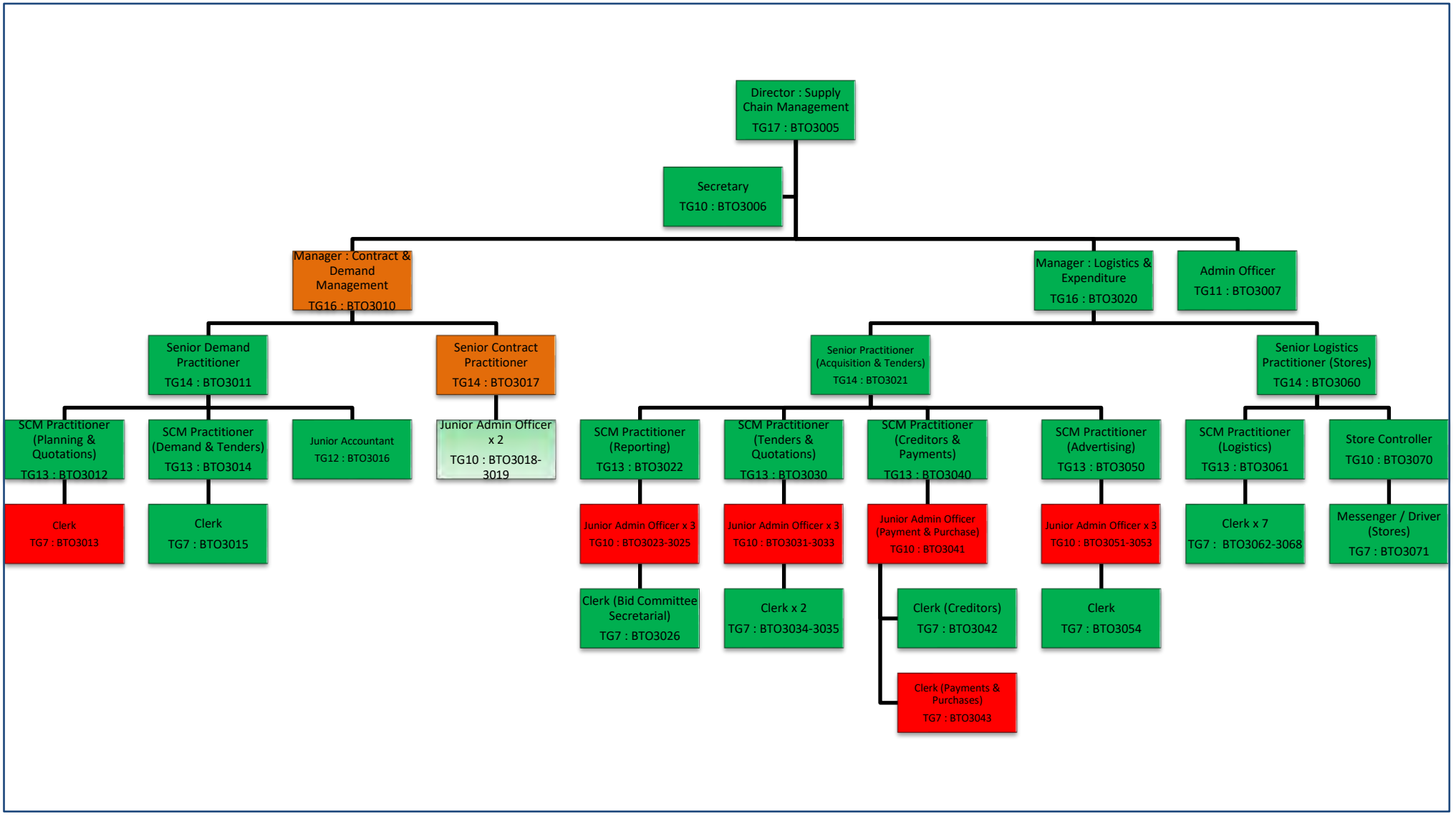
BUDGET & TREASURY OFFICE

TOP STRUCTURE



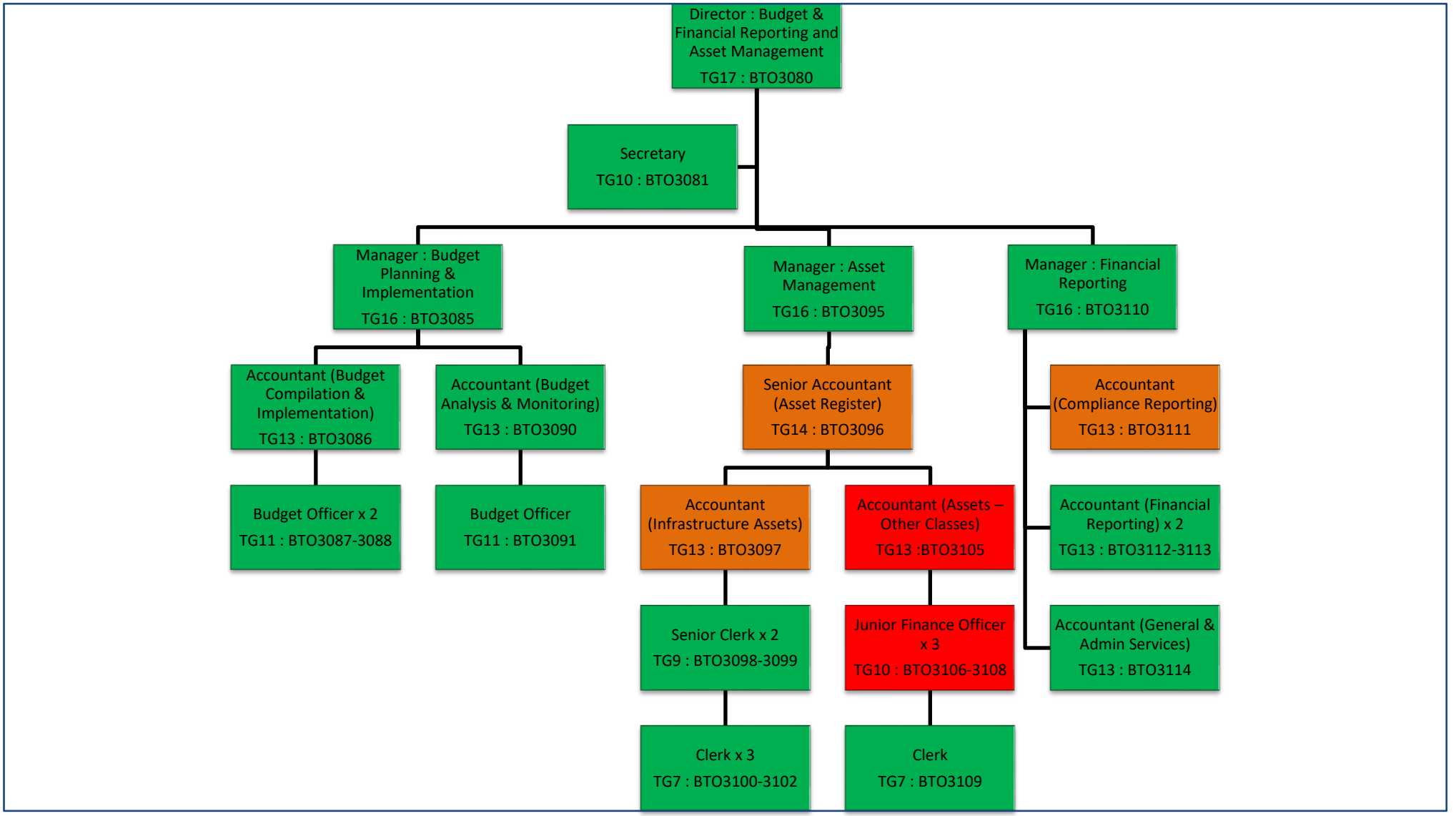
BUDGET & TREASURY OFFICE

SUPPLY CHAIN MANAGEMENT



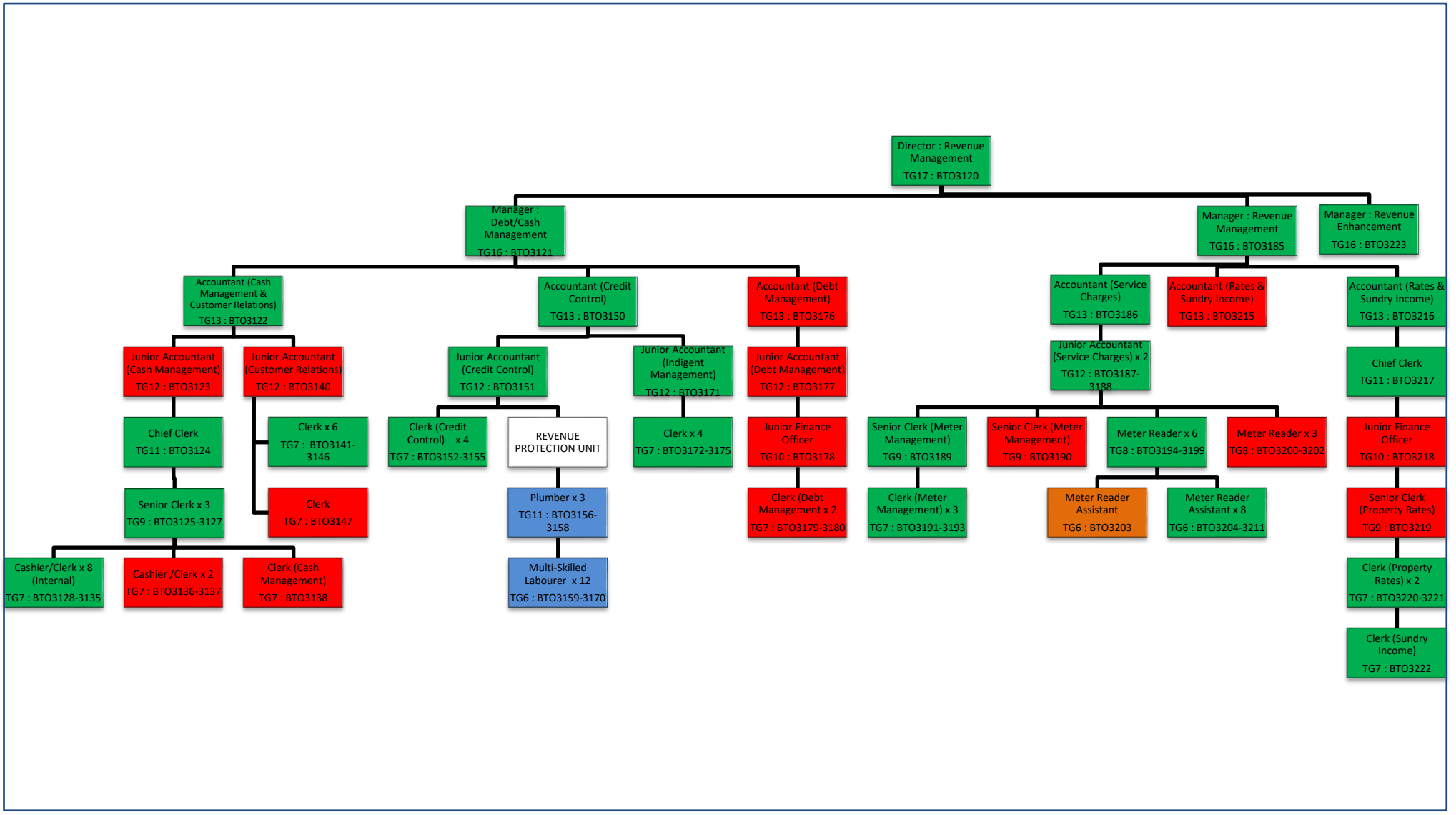
BUDGET & TREASURY OFFICE

BUDGET & FINANCIAL REPORTING AND ASSET MANAGEMENT



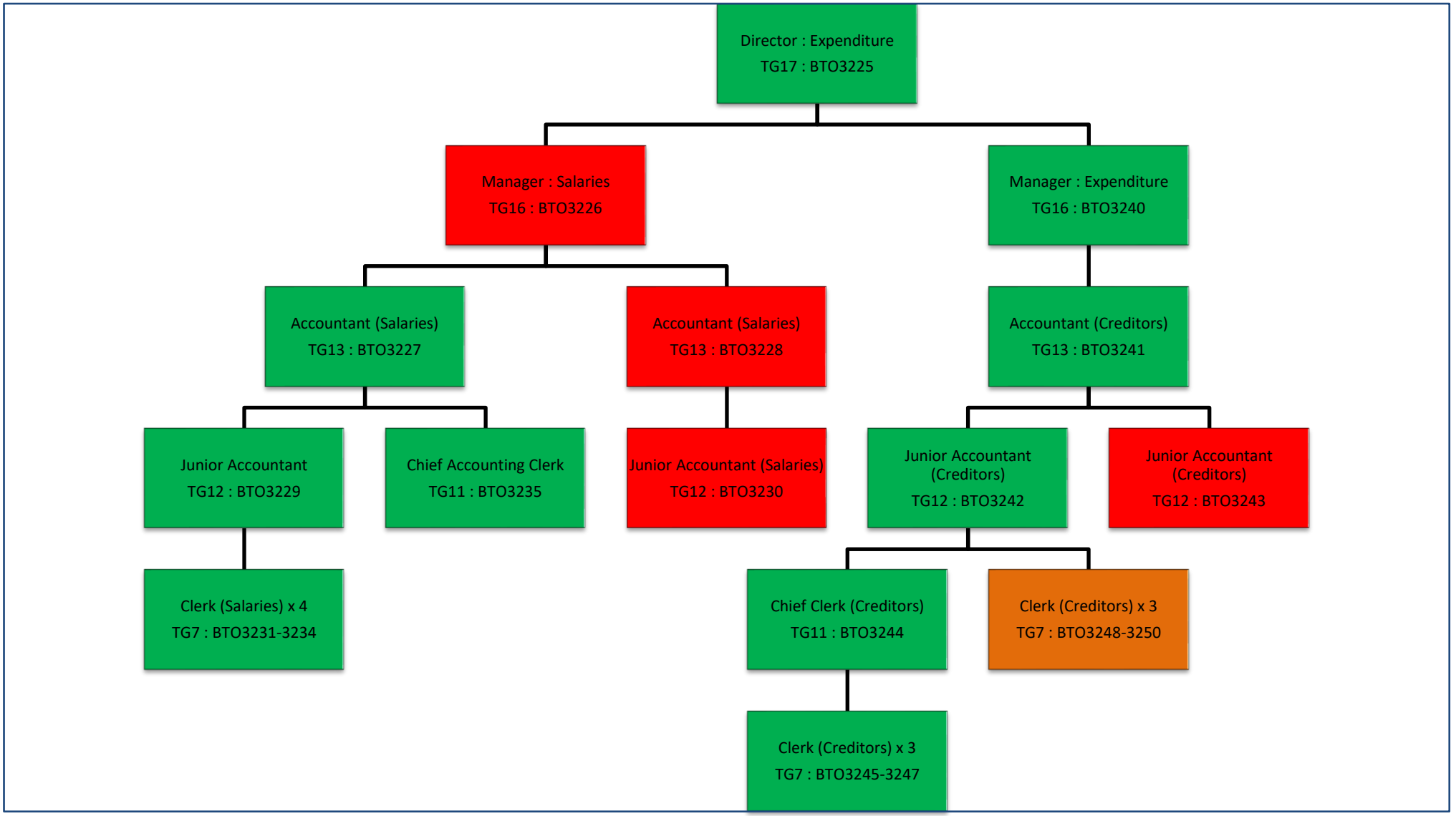
BUDGET & TREASURY OFFICE

REVENUE MANAGEMENT



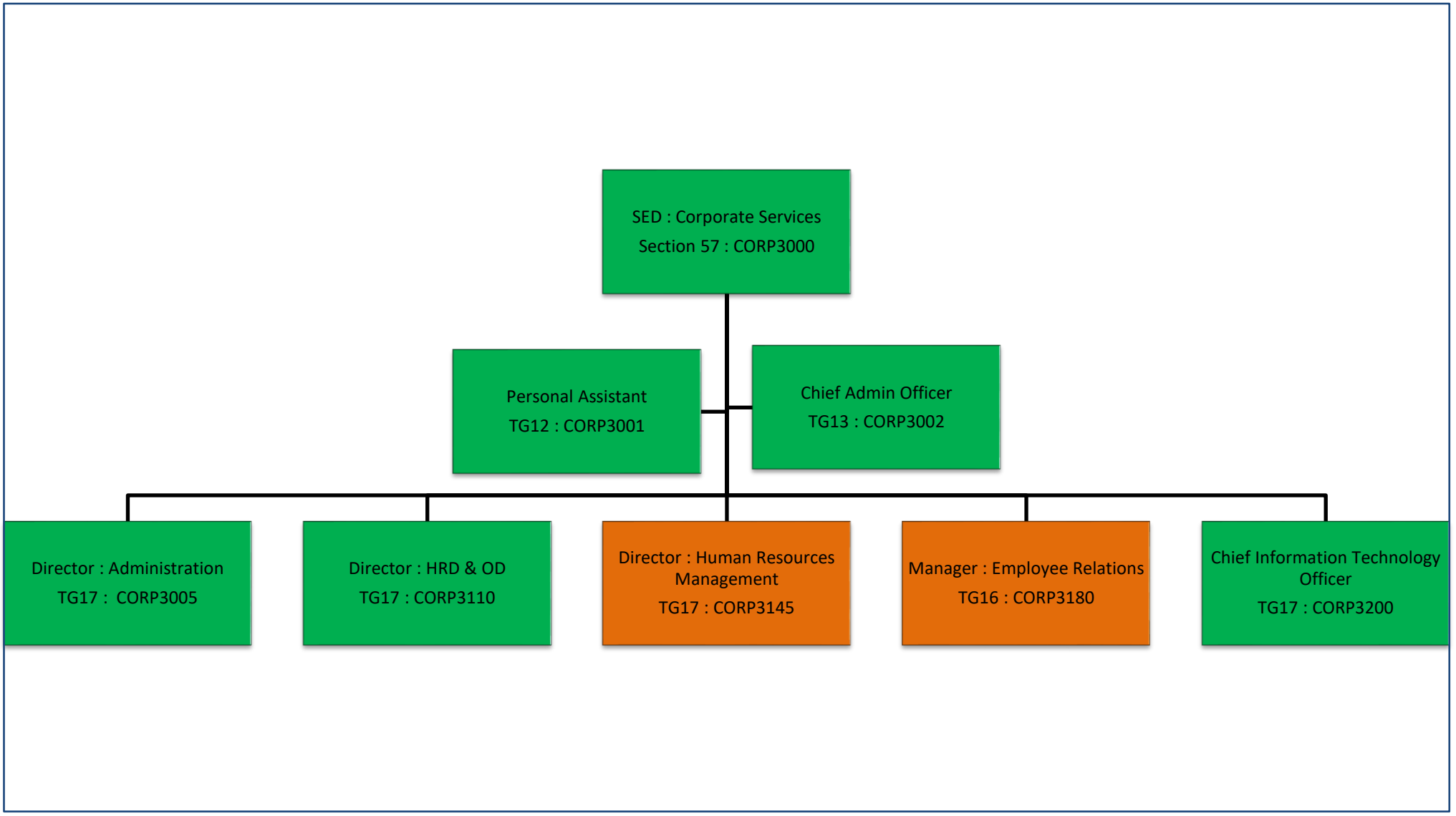
BUDGET & TREASURY OFFICE

EXPENDITURE



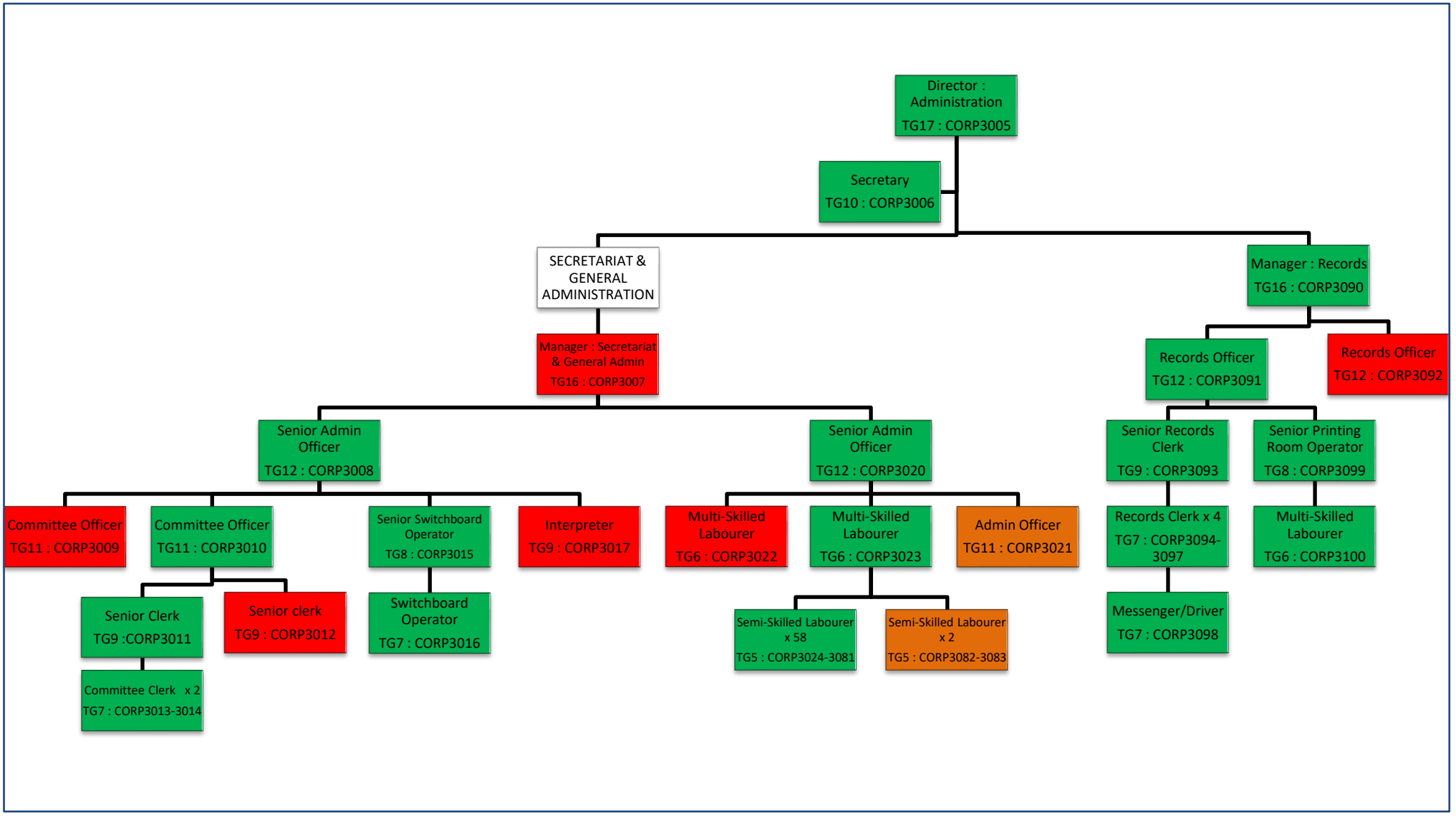
CORPORATE SERVICES

TOP STRUCTURE



CORPORATE SERVICES

ADMINISTRATION



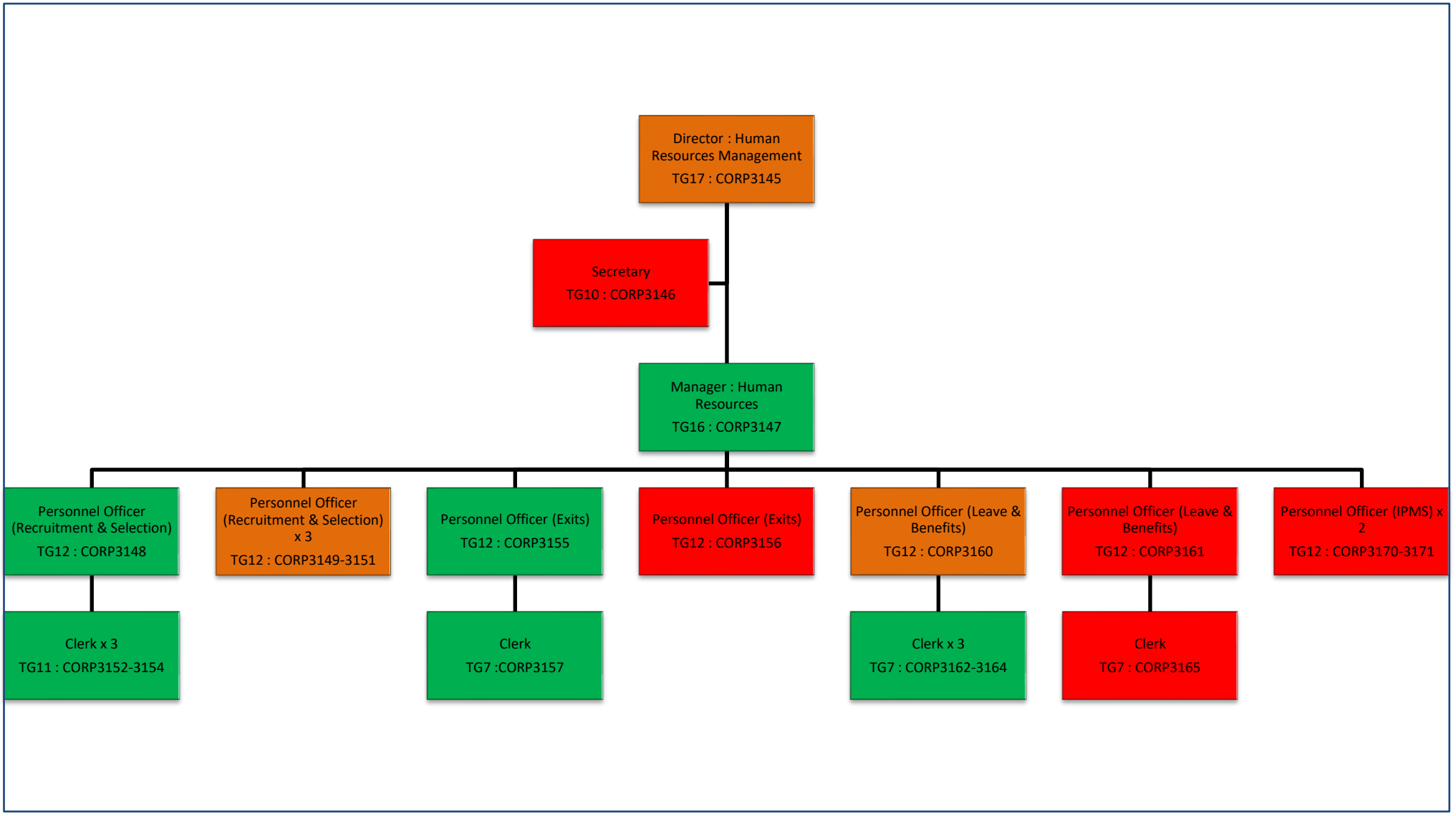
CORPORATE SERVICES

HUMAN RESOURCES DEVELOPMENT & ORGANISATIONAL DEVELOPMENT



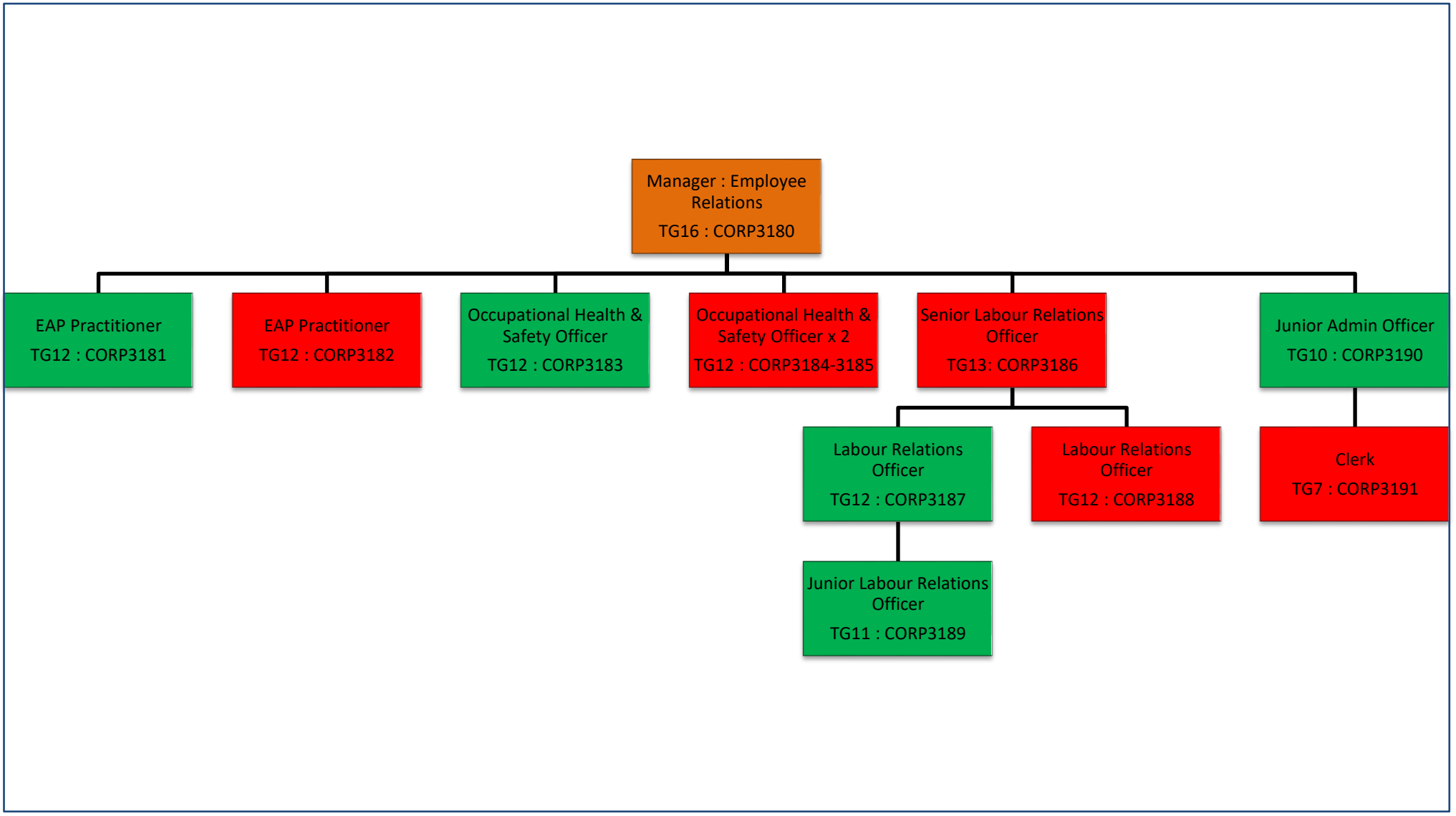
CORPORATE SERVICES

HUMAN RESOURCES MANAGEMENT

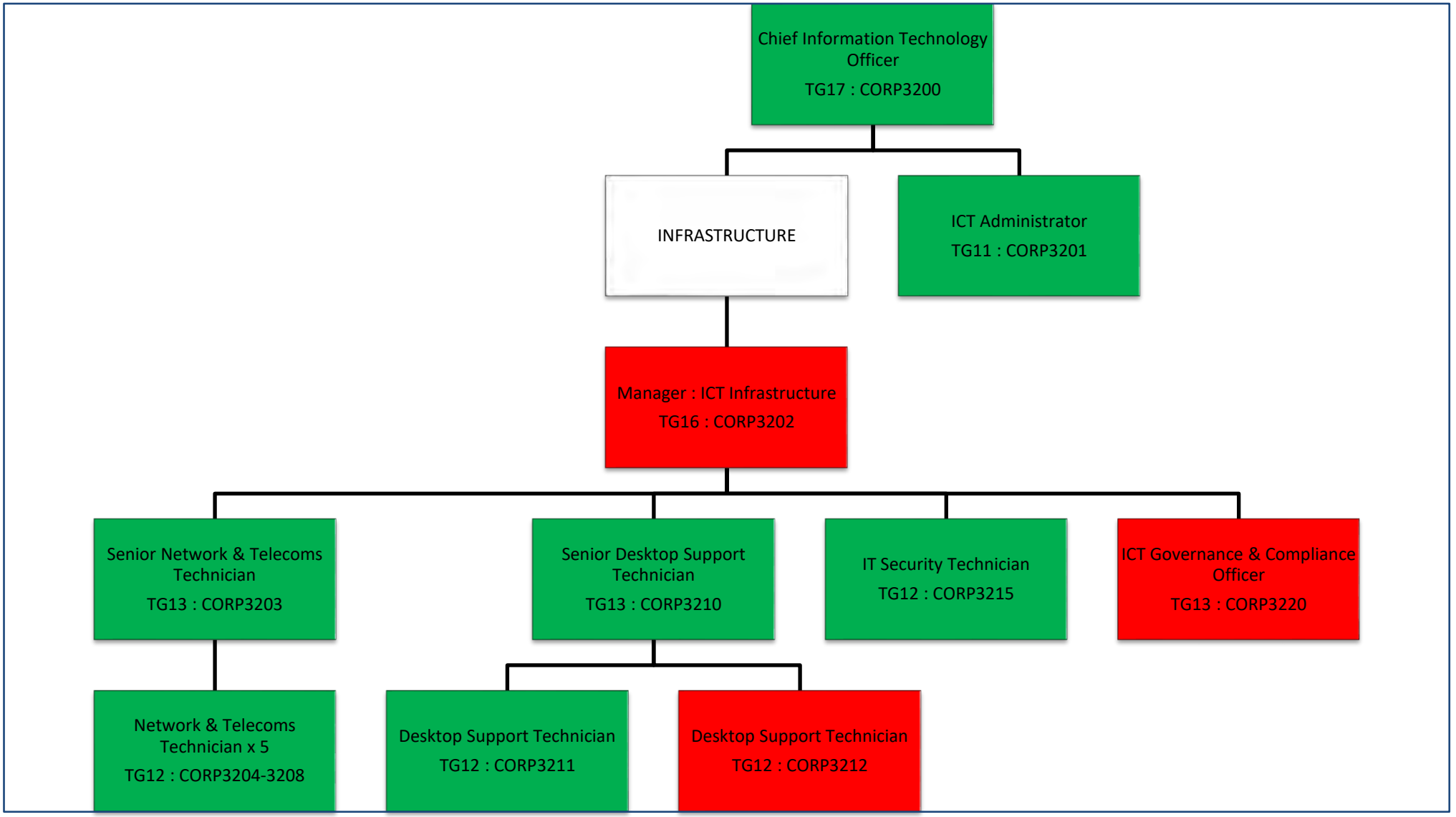


CORPORATE SERVICES

EMPLOYEE RELATIONS

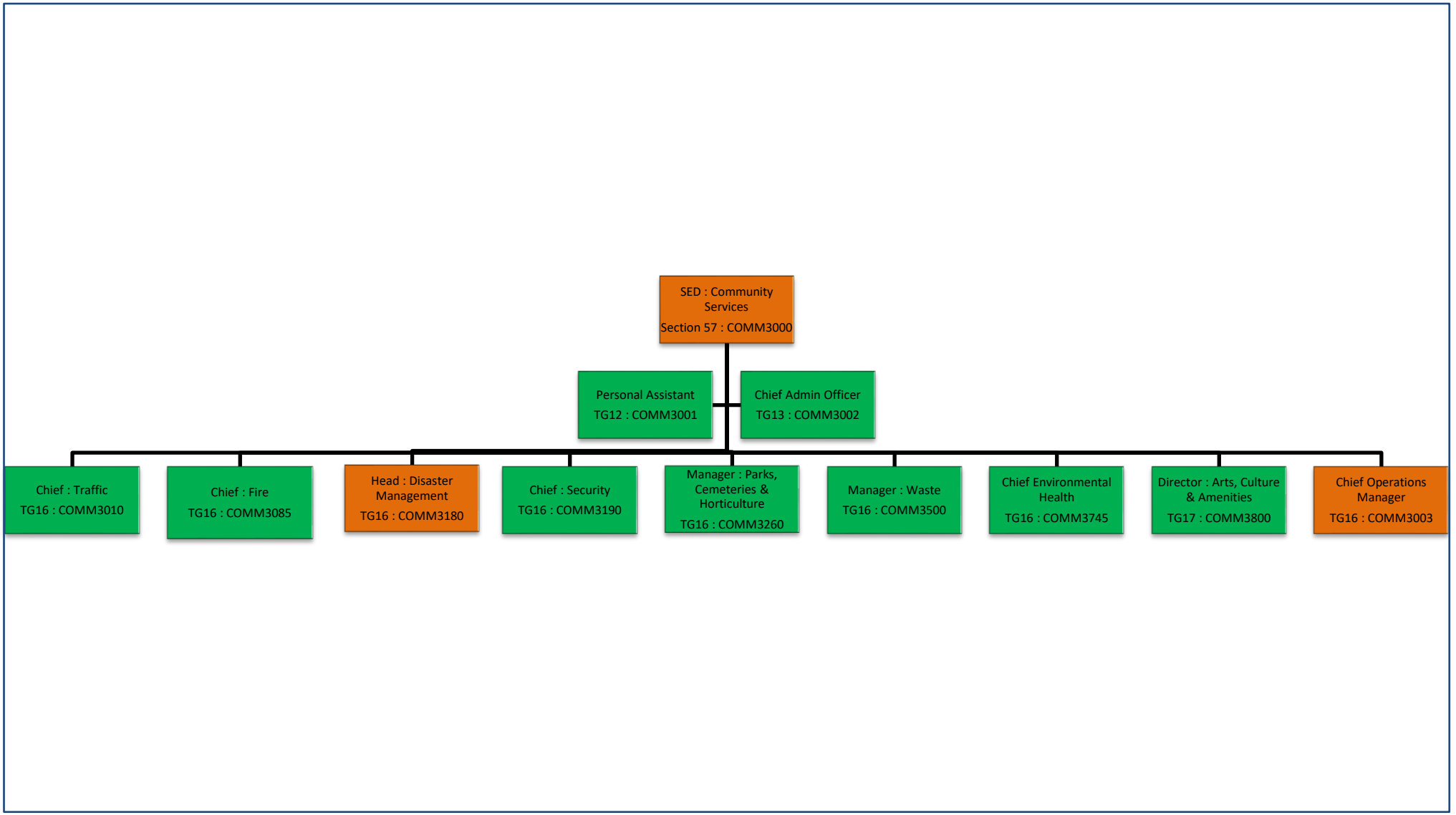


CORPORATE SERVICES
INFORMATION TECHNOLOGY



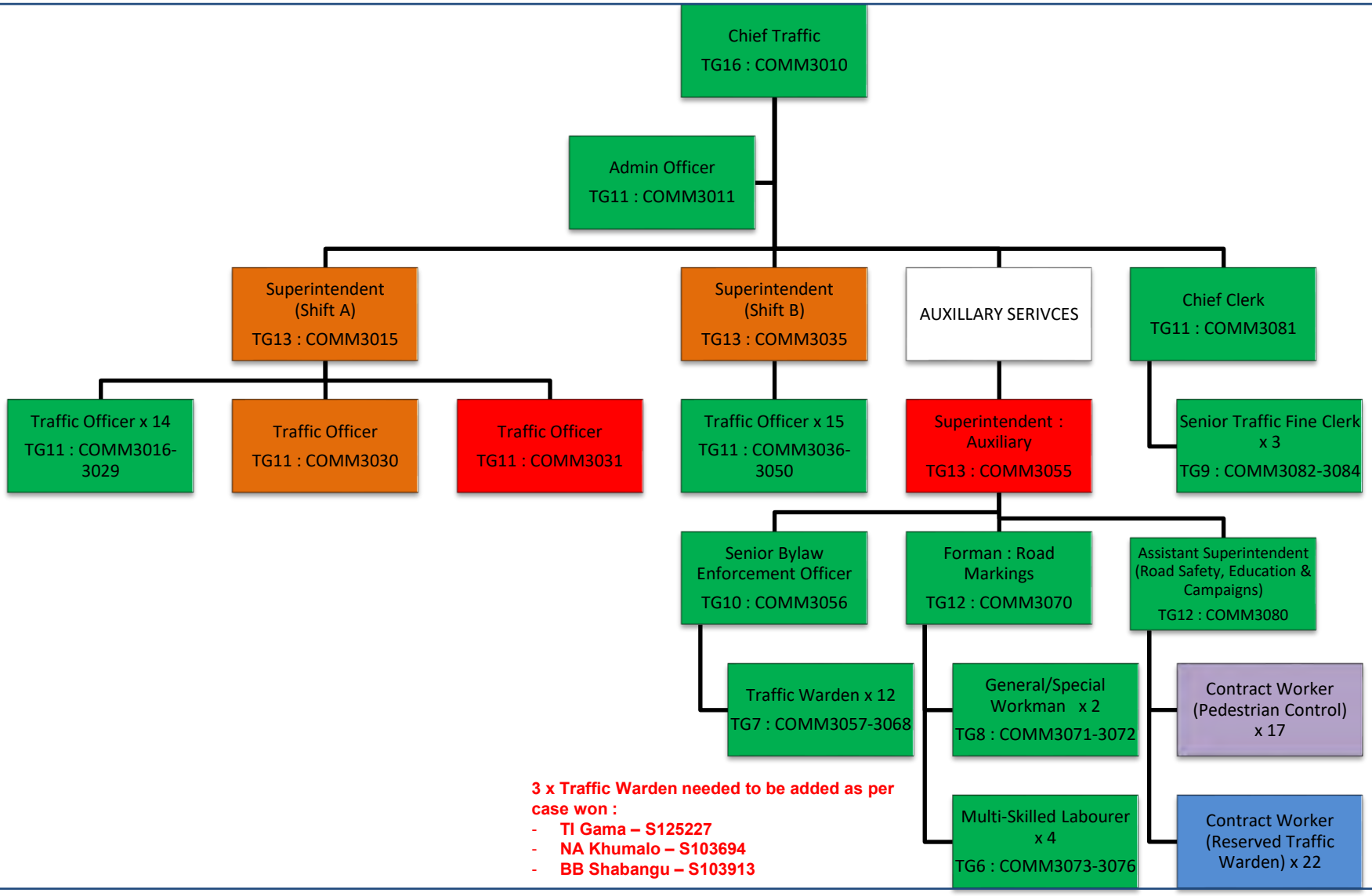
COMMUNITY SERVICES

TOP STRUCTURE



COMMUNITY SERVICES

TRAFFIC & LAW ENFORCEMENT

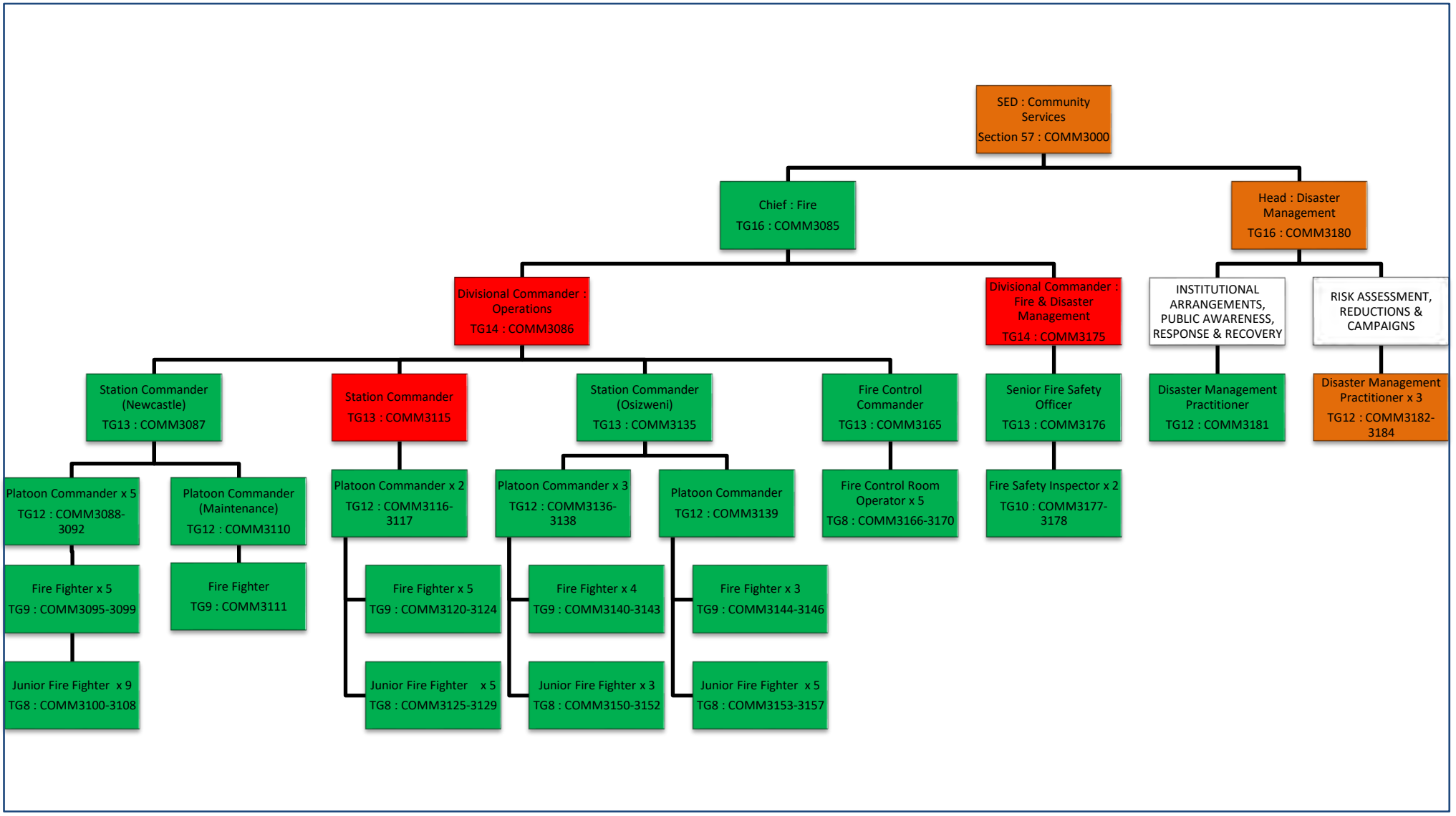


3 x Traffic Warden needed to be added as per case won :

- **TI Gama – S125227**
- **NA Khumalo – S103694**
- **BB Shabangu – S103913**

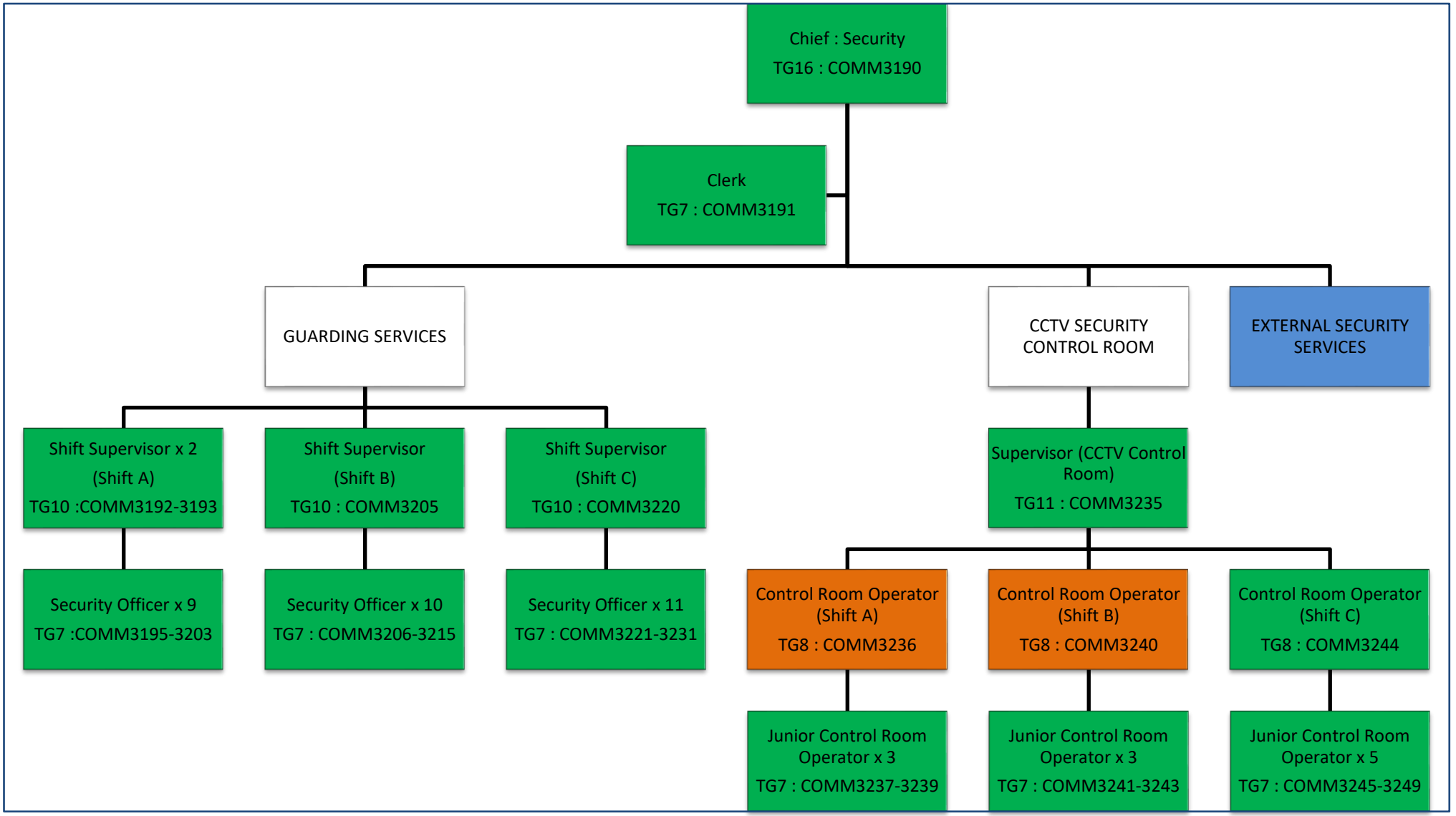
COMMUNITY SERVICES

FIRE



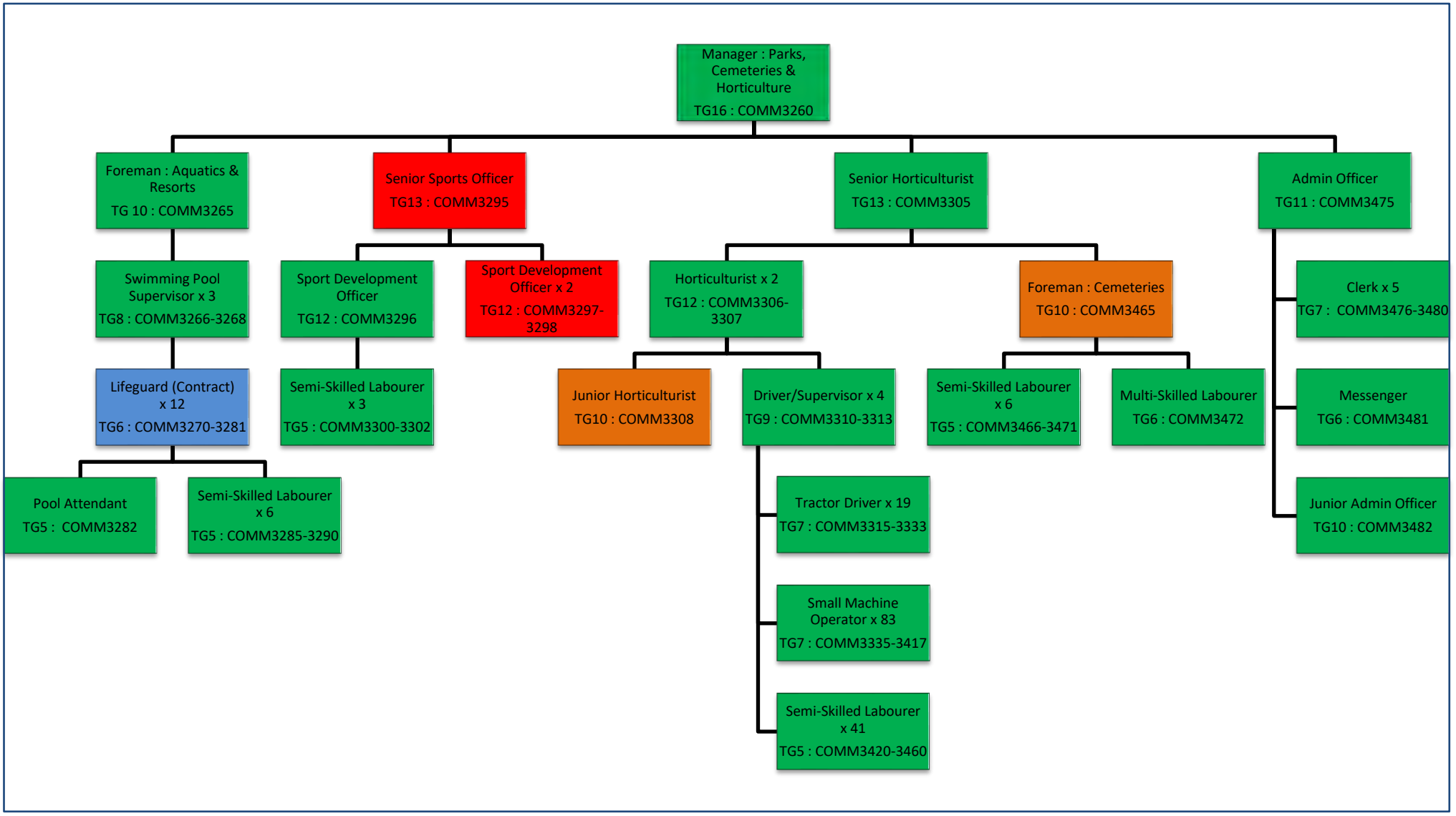
COMMUNITY SERVICES

SECURITY



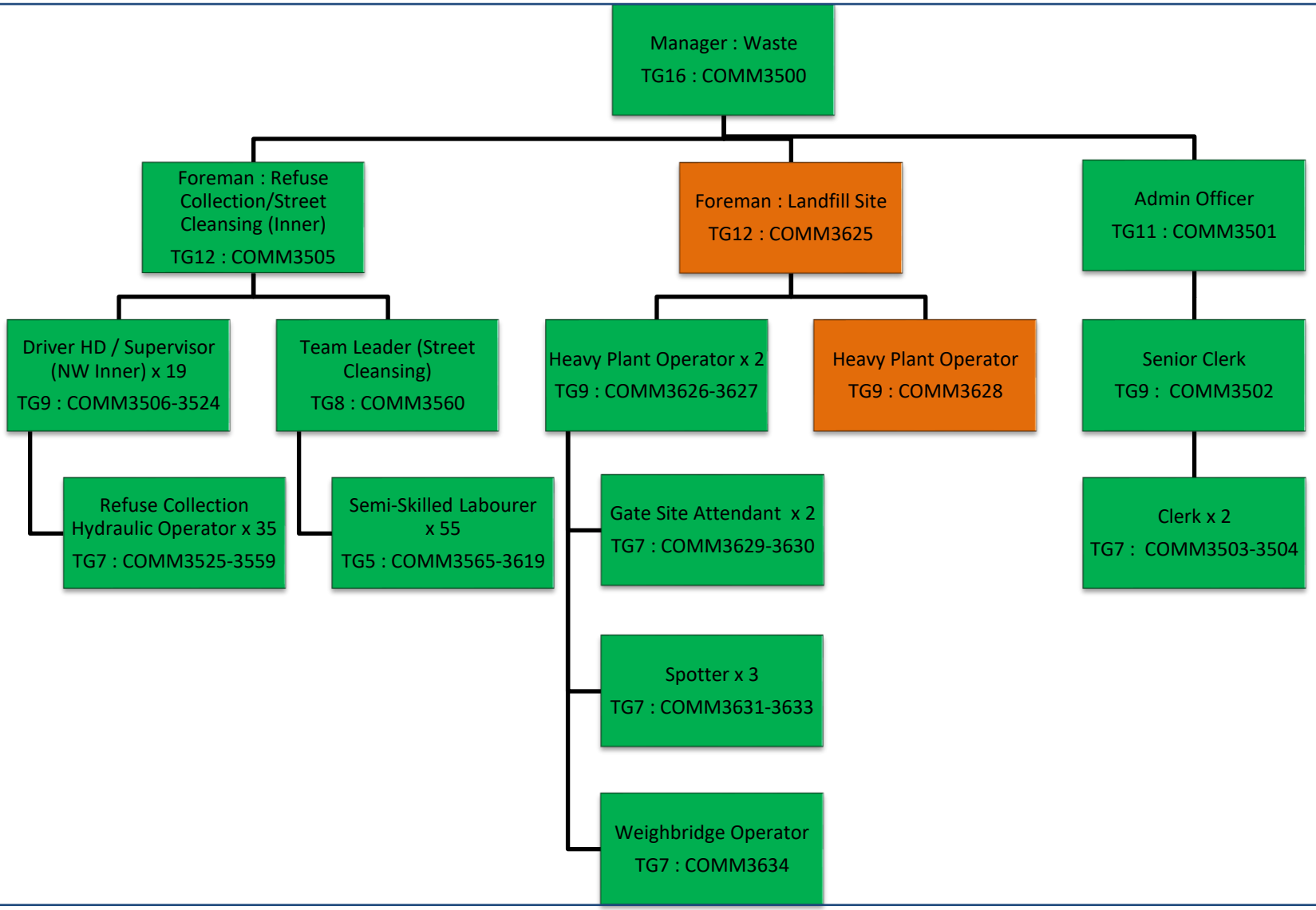
COMMUNITY SERVICES

PARKS, RECREATION & CEMETERIES



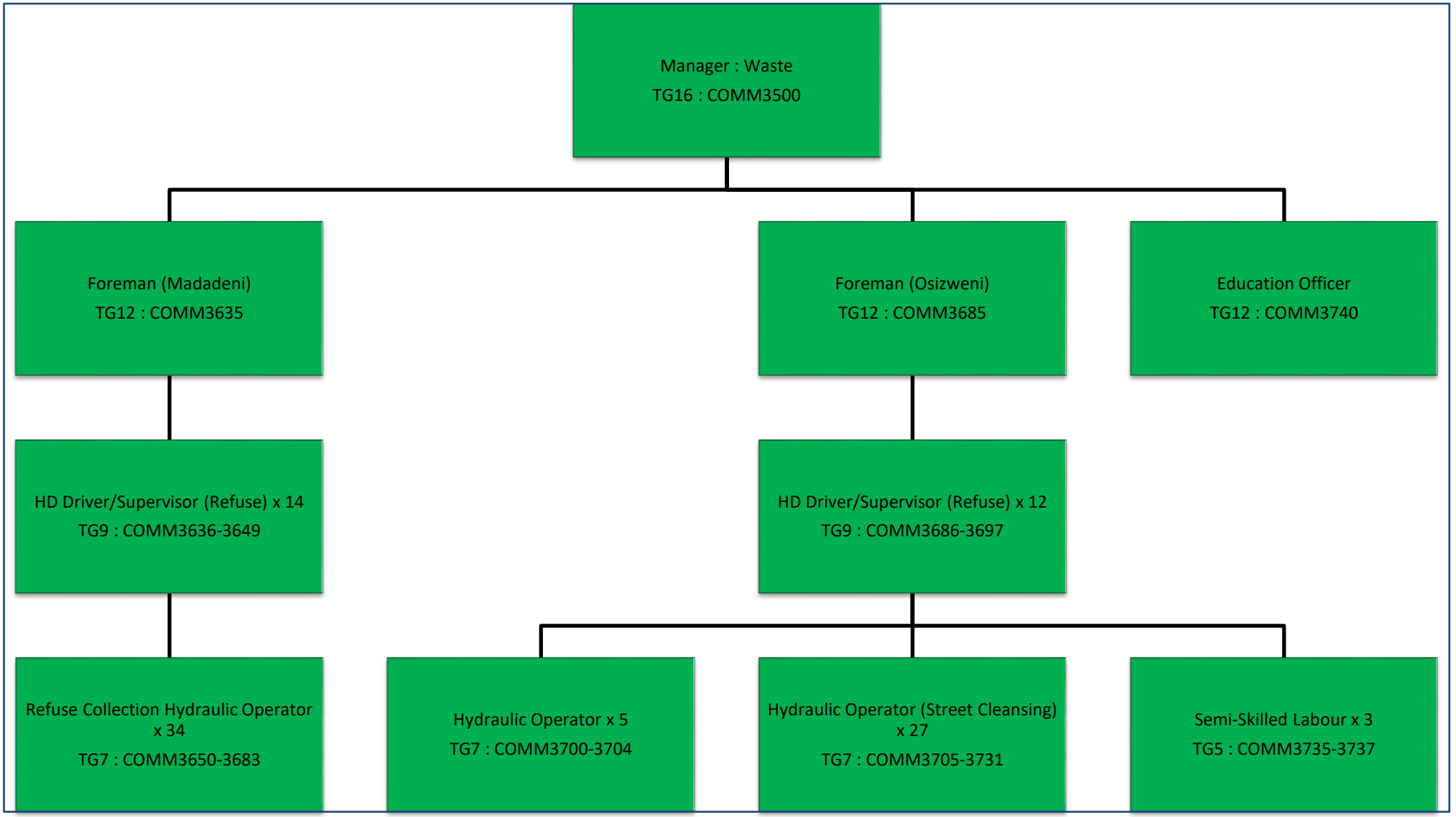
COMMUNITY SERVICES

WASTE : NEWCASTLE INNER

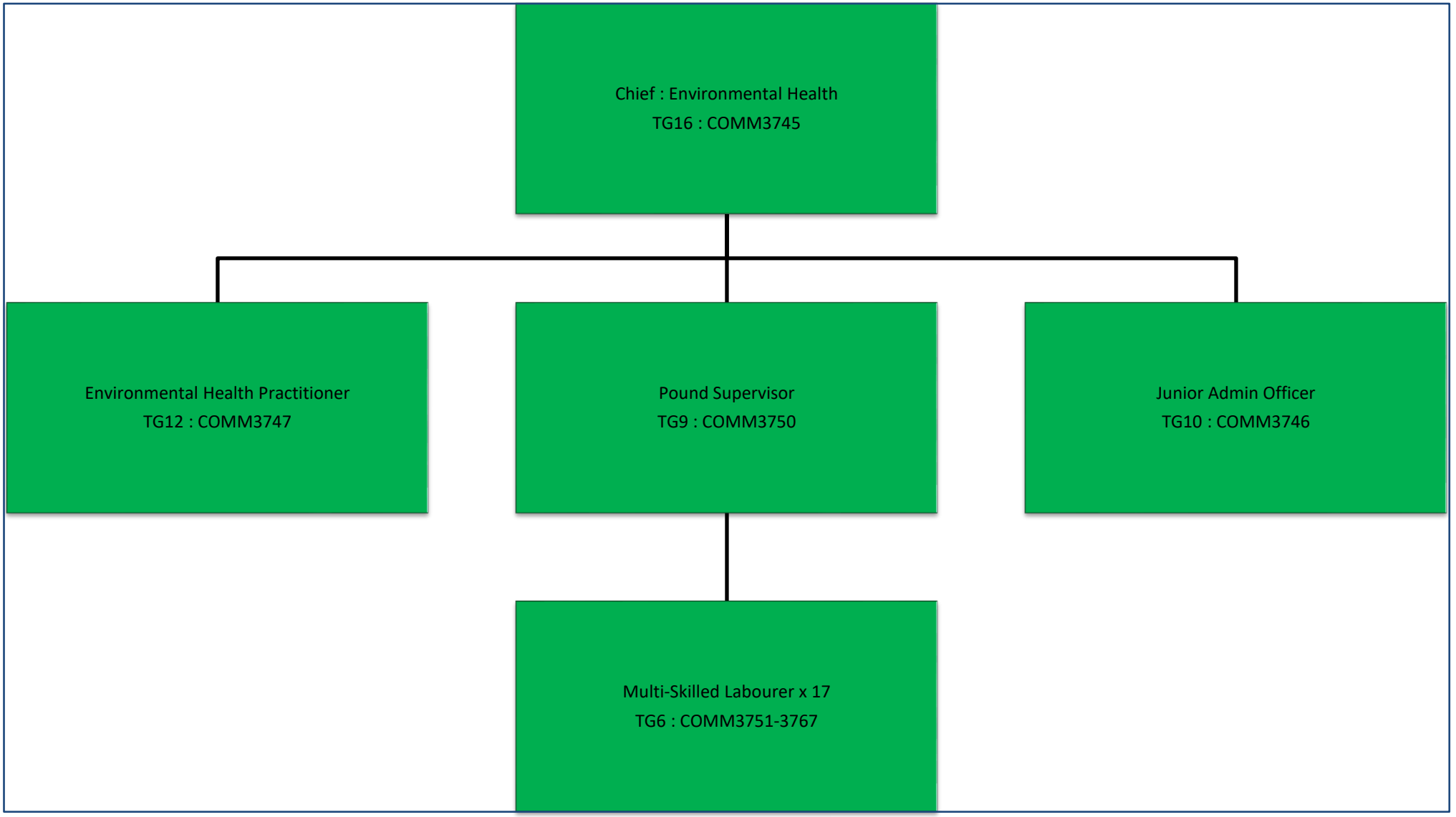


COMMUNITY SERVICES

WASTE : NEWCASTLE OUTER & EDUCATION AWARENESS

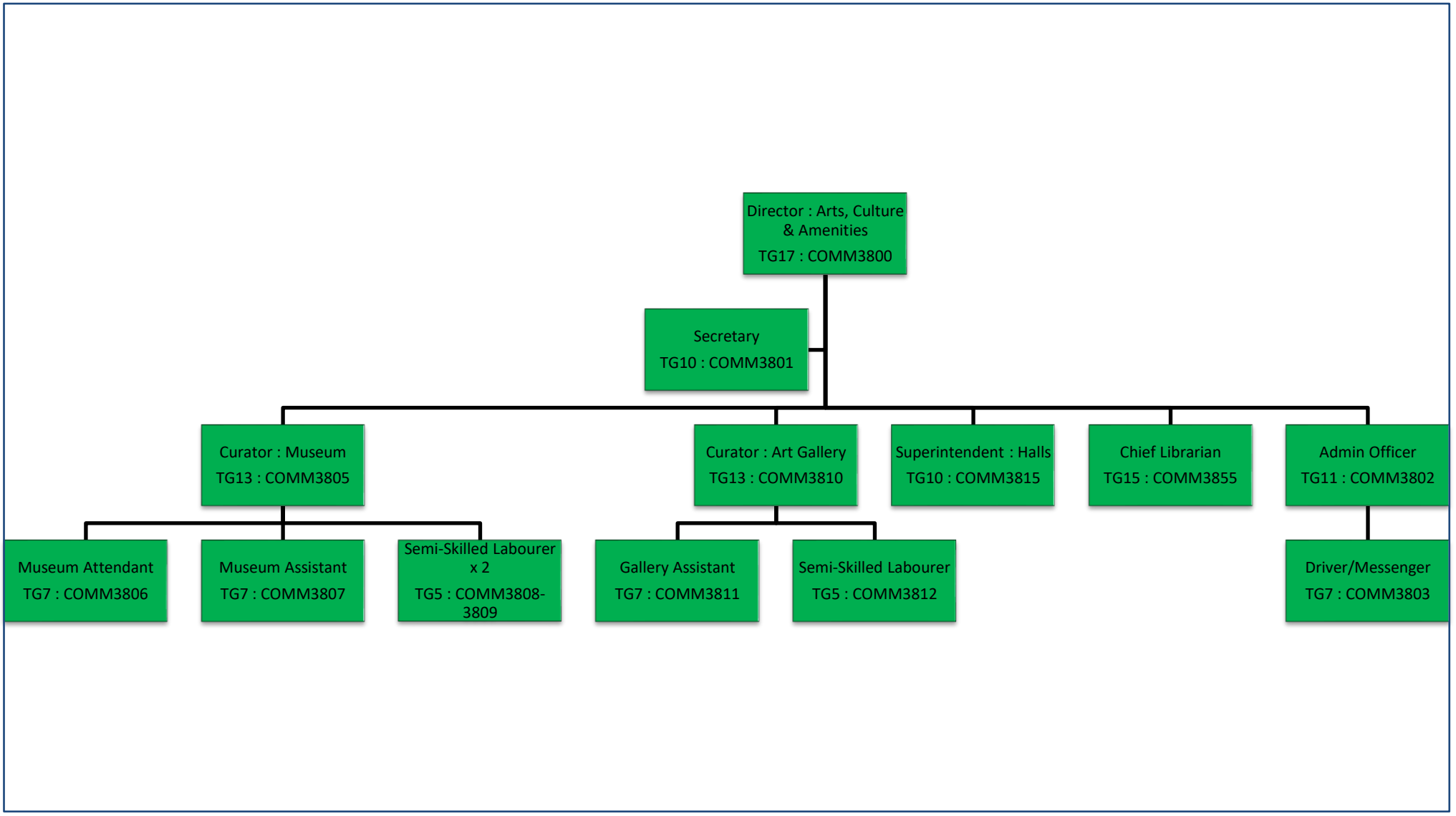


COMMUNITY SERVICES
ENVIRONMENTAL HEALTH



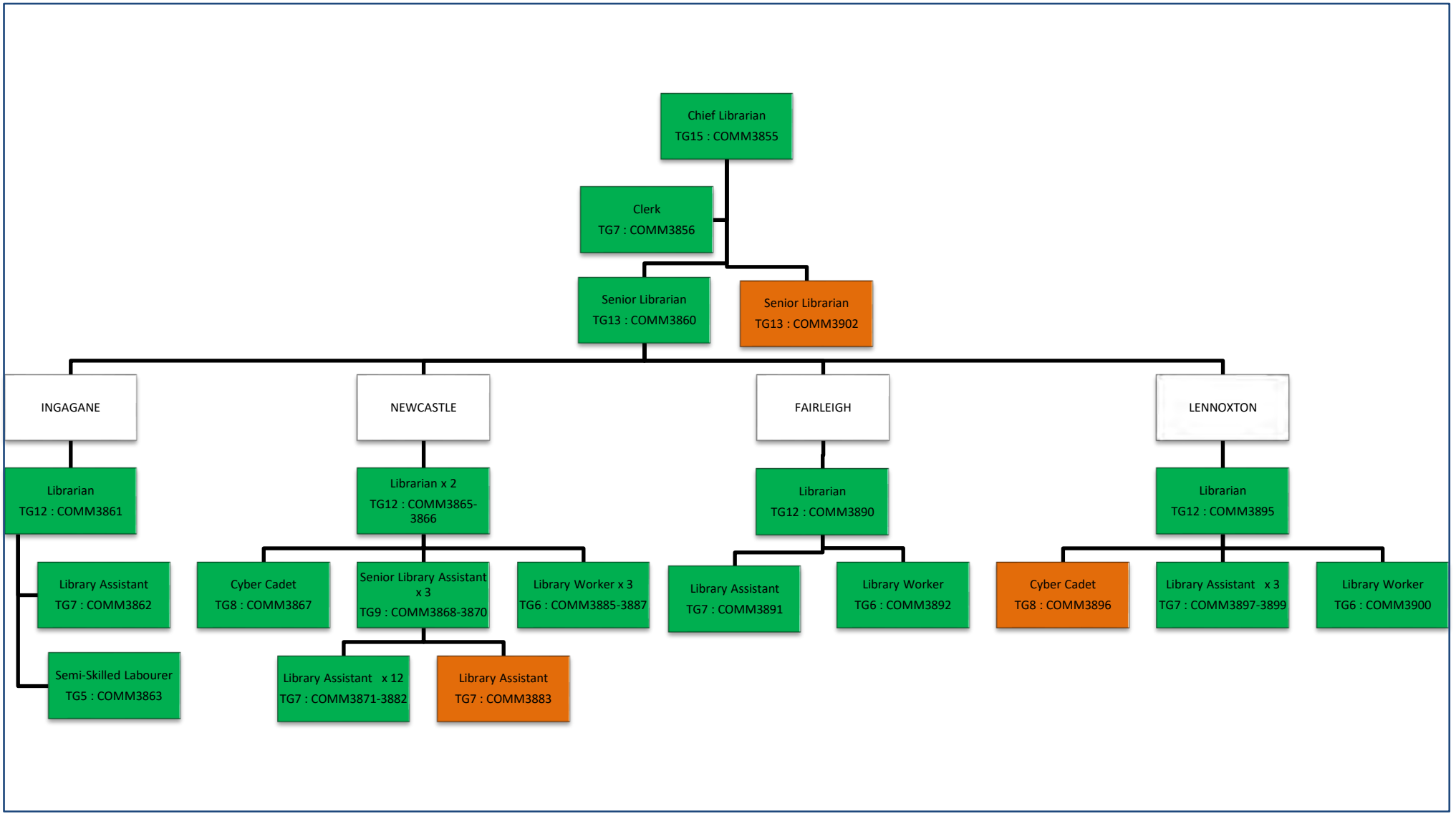
COMMUNITY SERVICES

ARTS, CULTURE & AMENTITIES



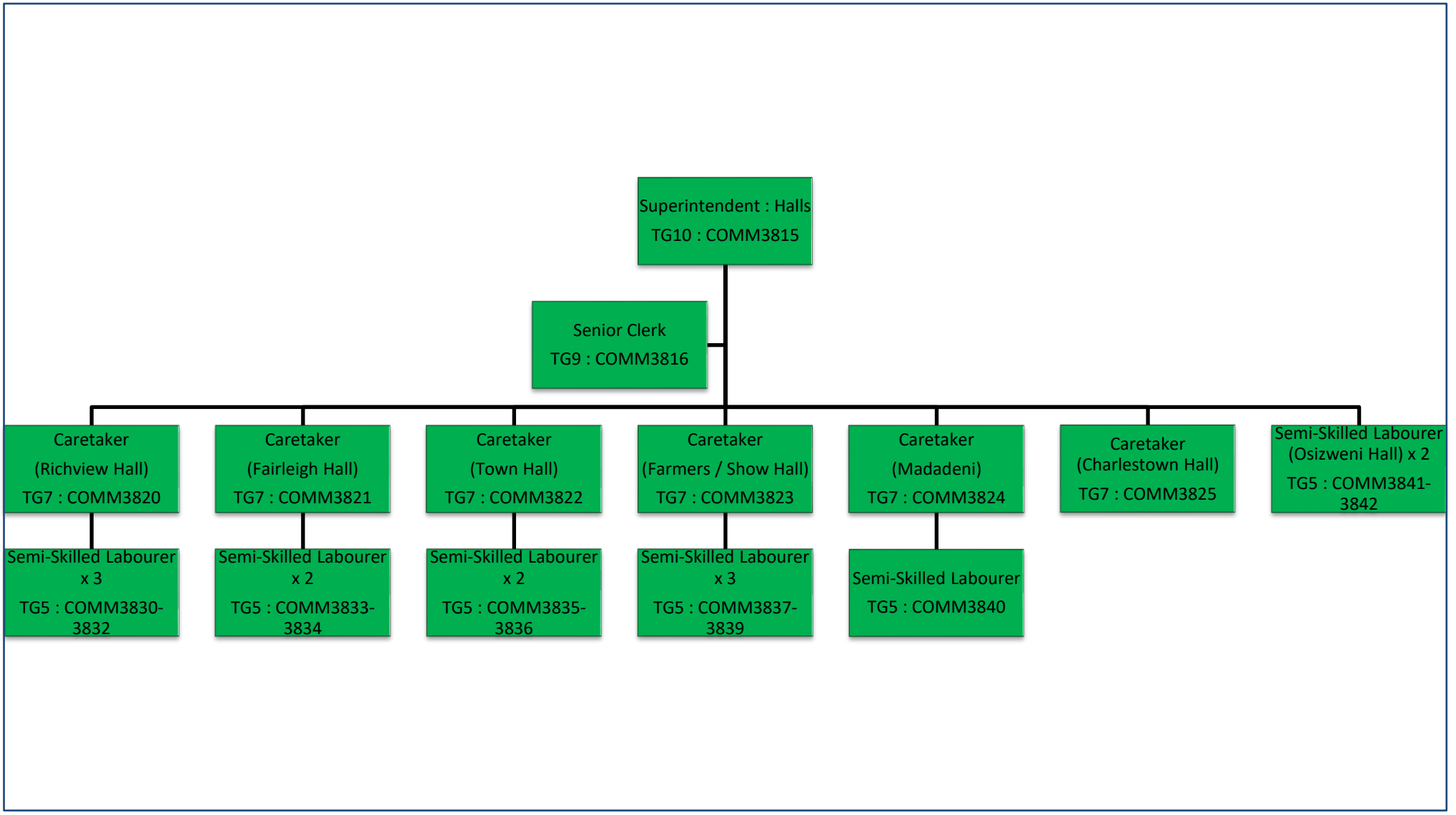
COMMUNITY SERVICES

ARTS, CULTURE & AMENTITIES



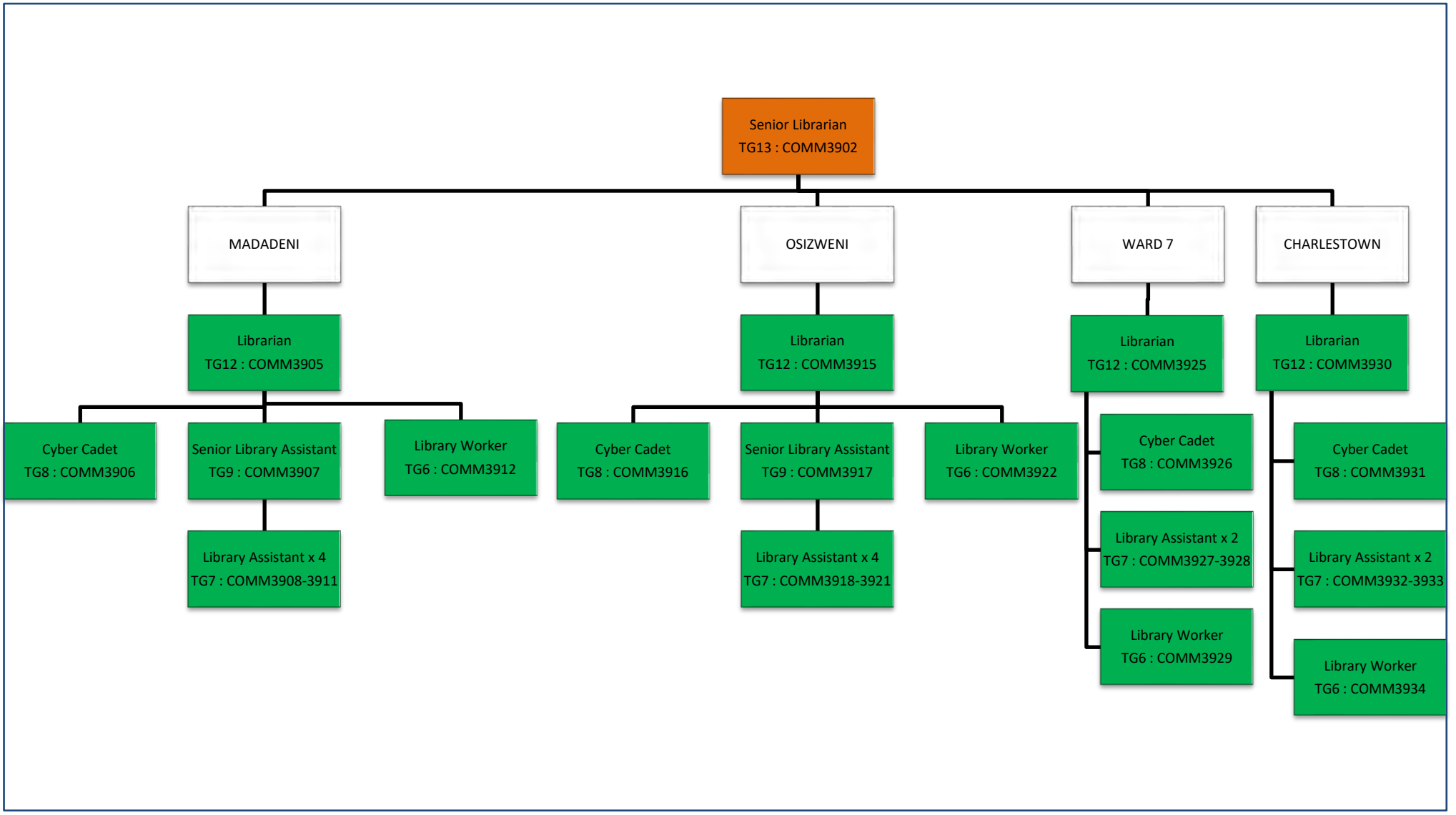
COMMUNITY SERVICES

ARTS, CULTURE & AMENTITIES



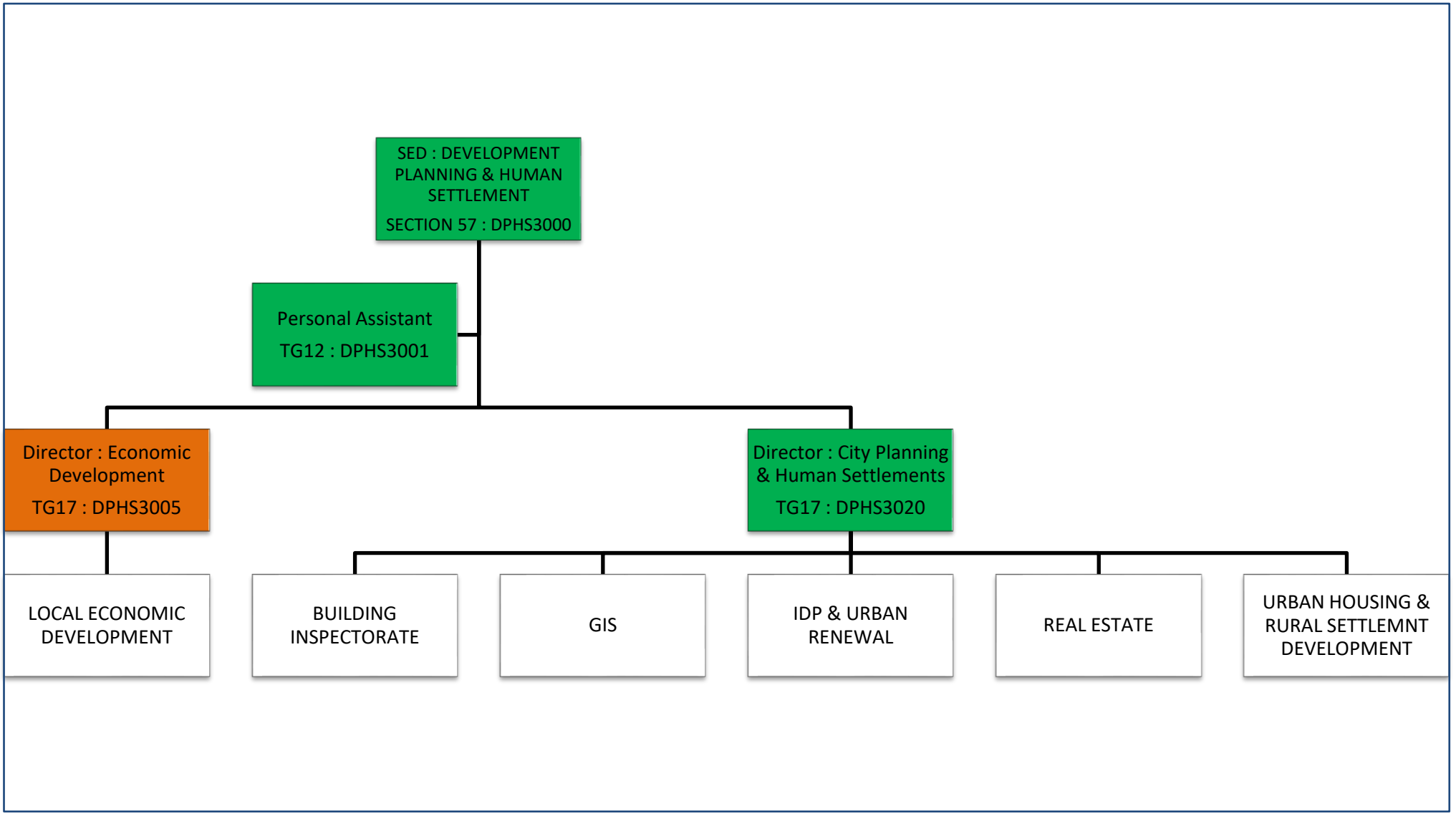
COMMUNITY SERVICES

ARTS, CULTURE & AMENTITIES



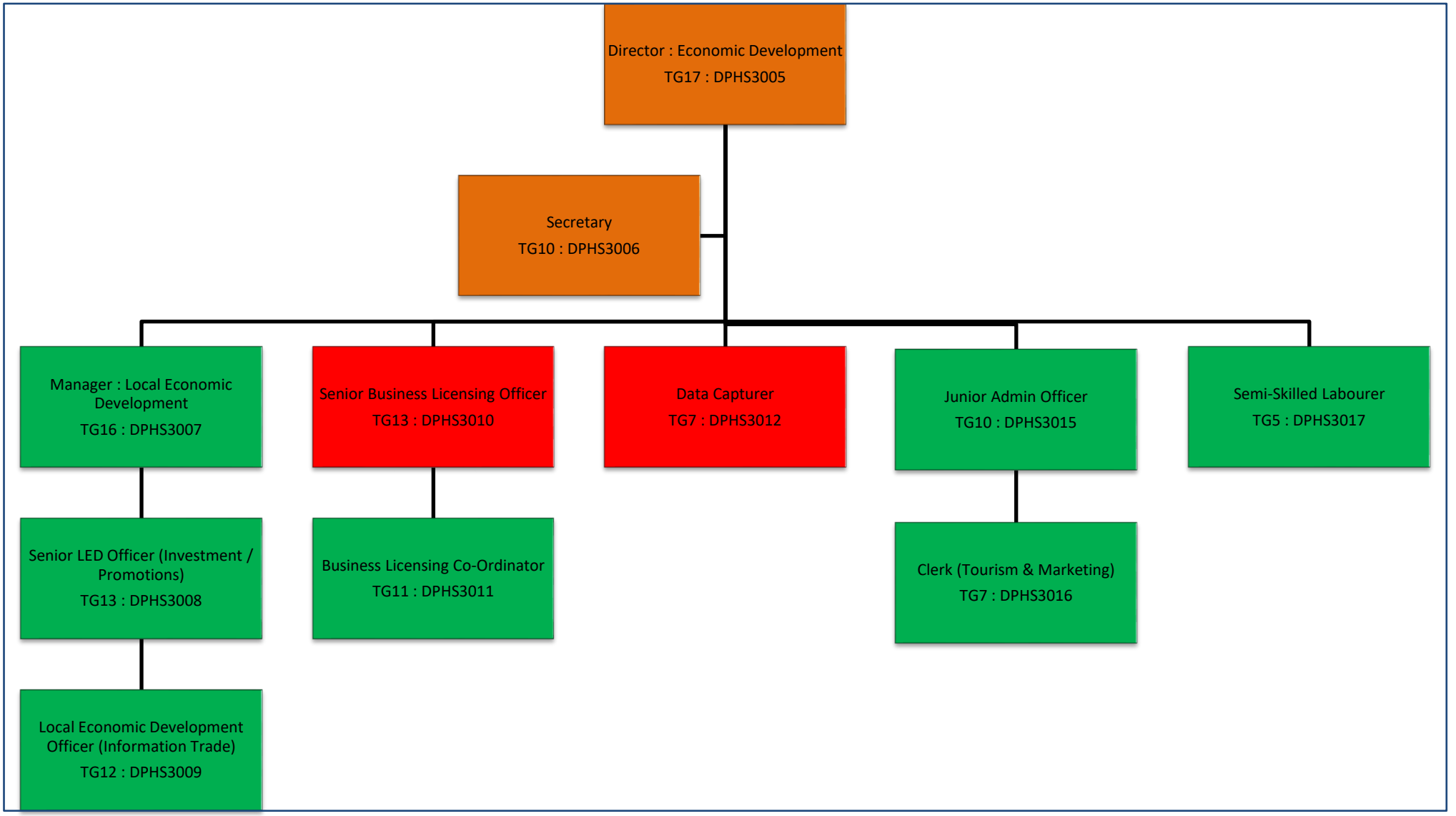
DEVELOPMENT PLANNING & HUMAN SETTLEMENTS

TOP STRUCTURE



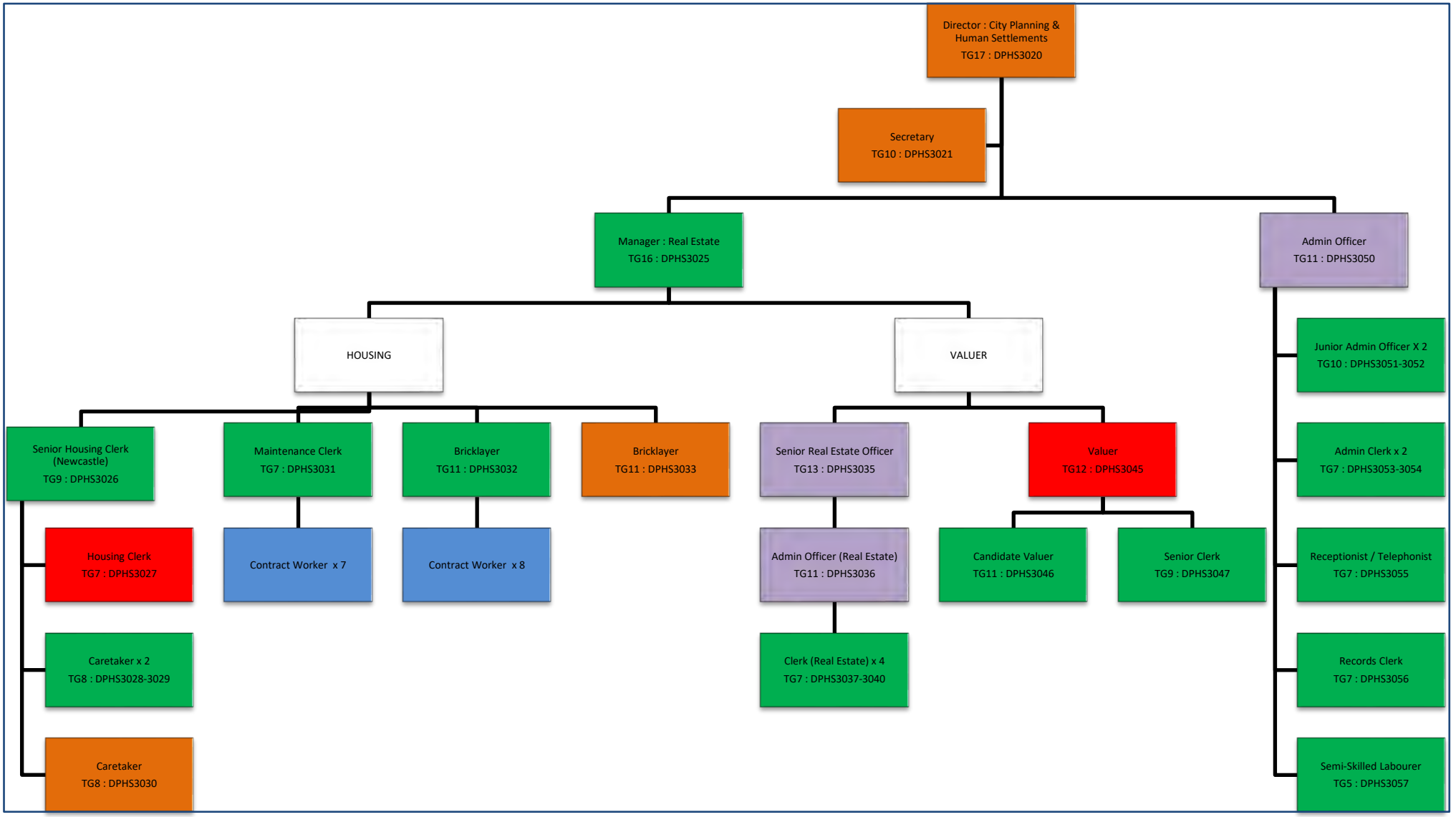
DEVELOPMENT PLANNING & HUMAN SETTLEMENTS

ECONOMIC DEVELOPMENT



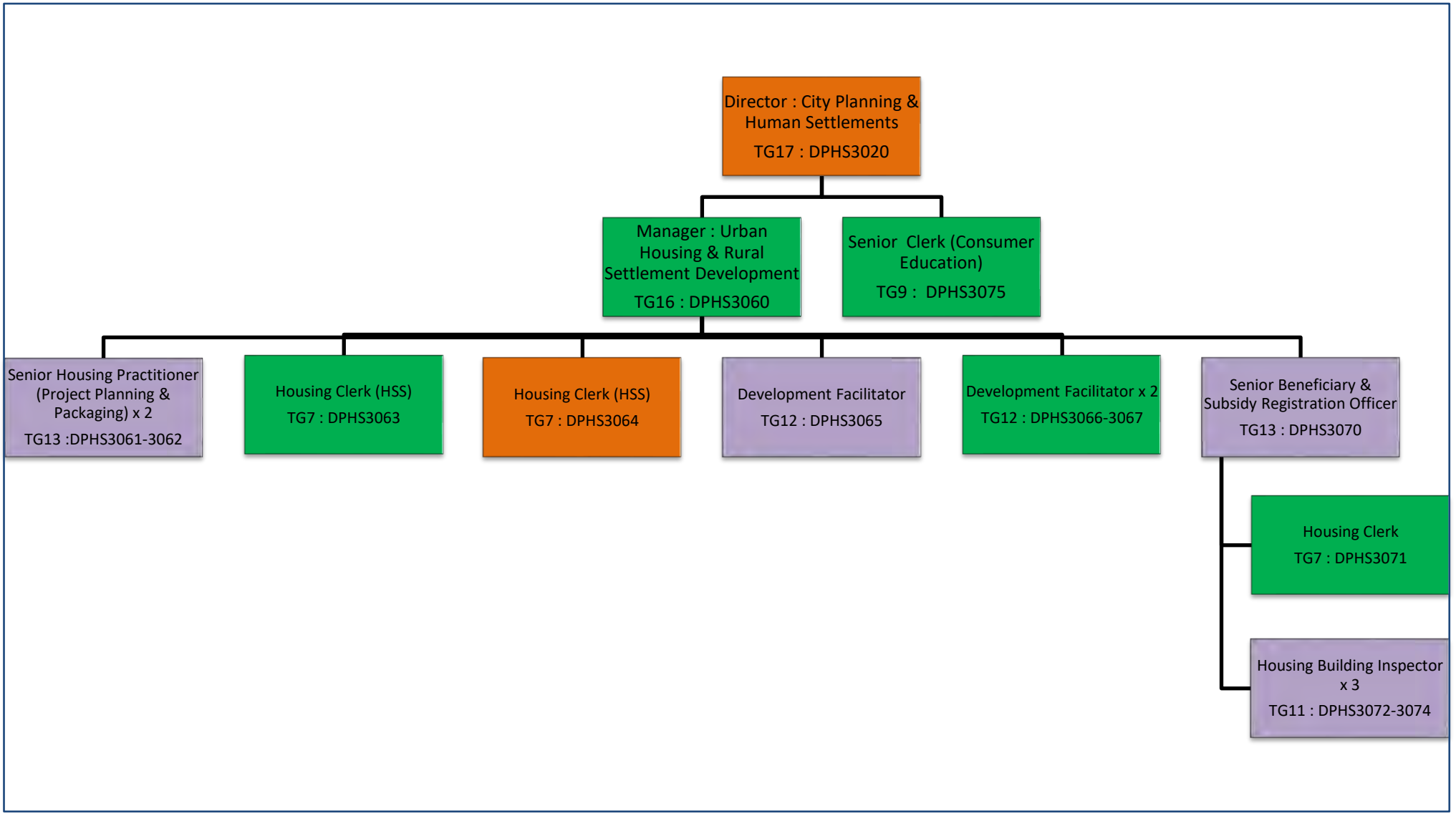
DEVELOPMENT PLANNING & HUMAN SETTLEMENTS

HUMAN SETTLEMENTS



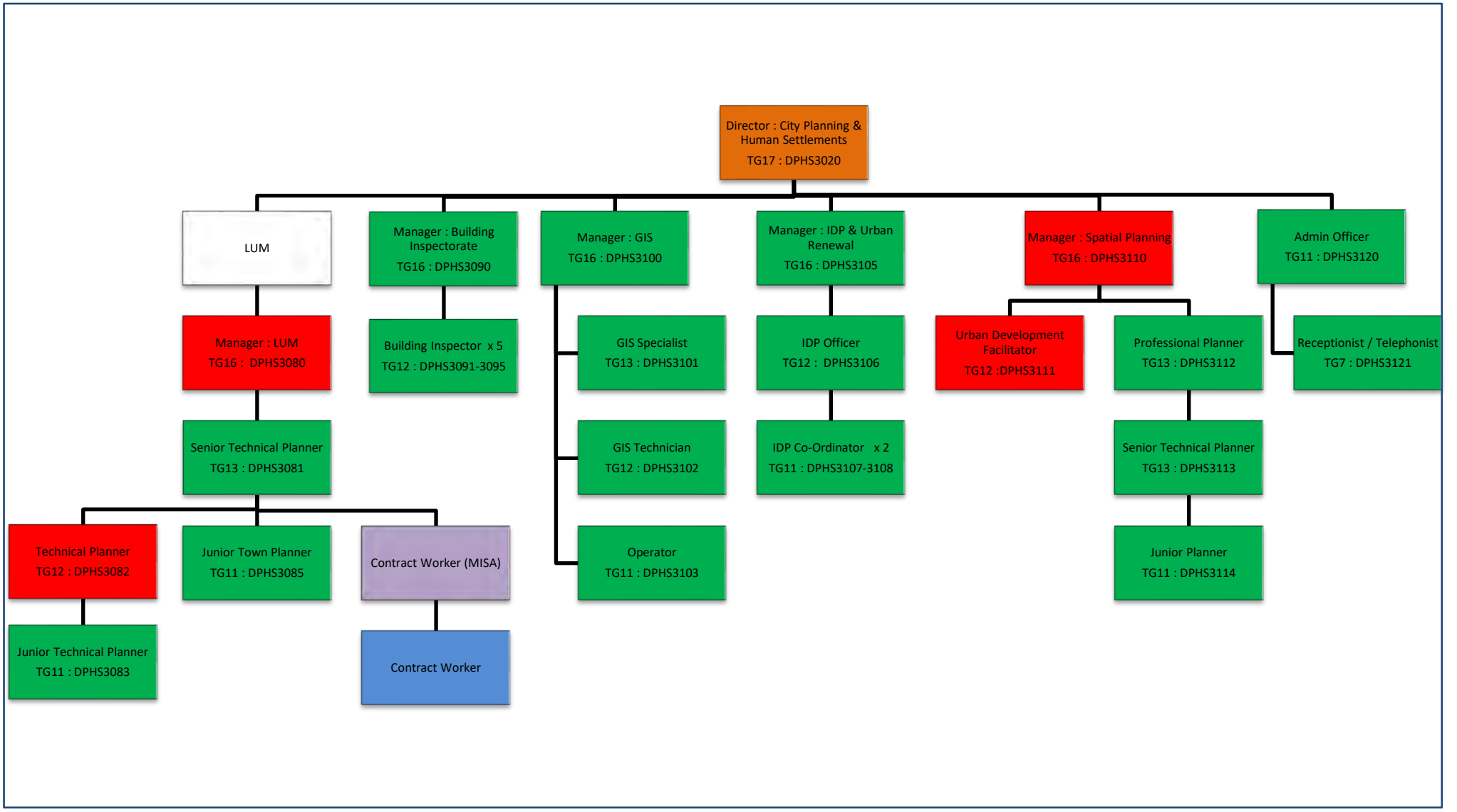
DEVELOPMENT PLANNING & HUMAN SETTLEMENTS

HUMAN SETTLEMENTS



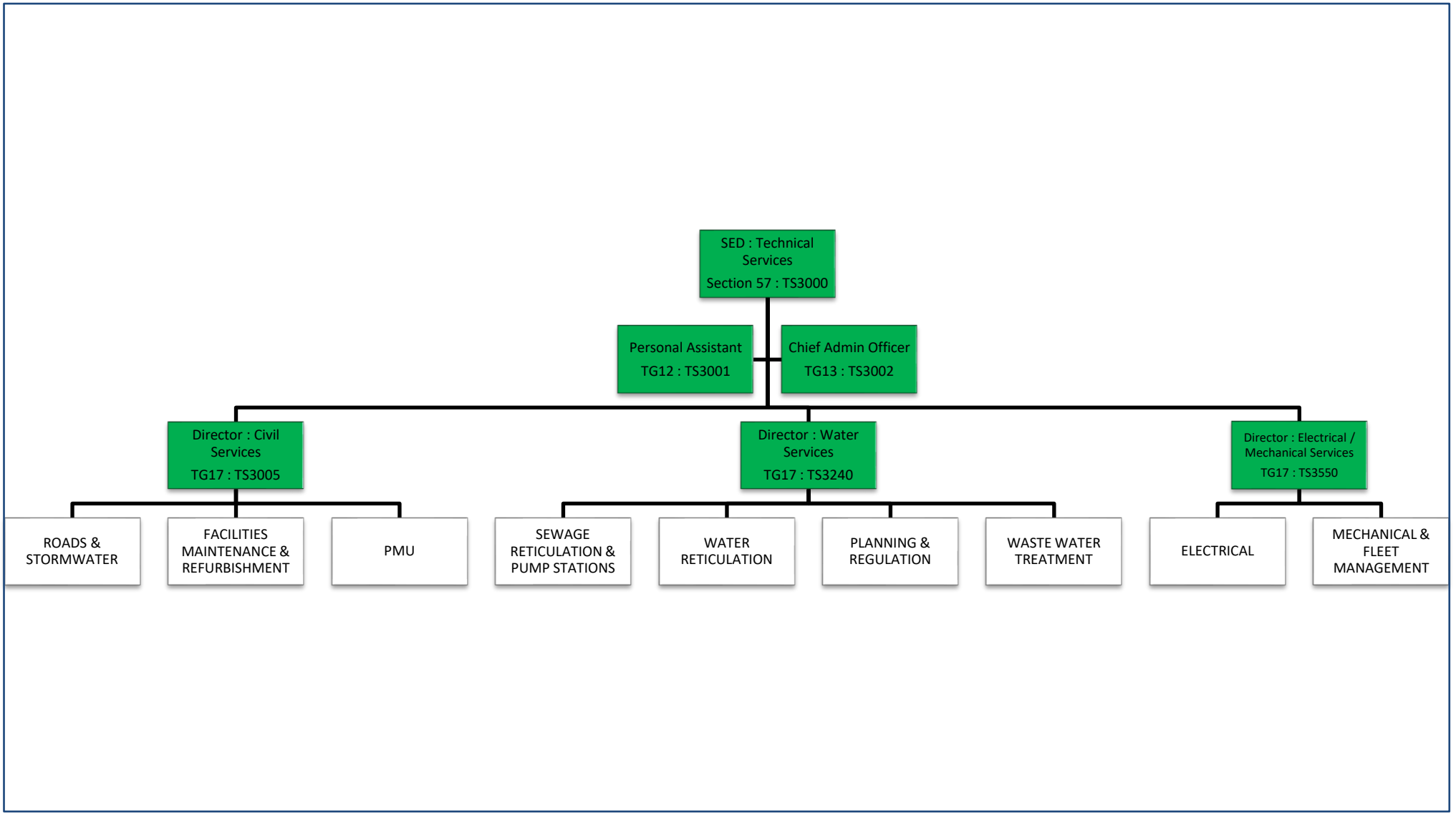
DEVELOPMENT PLANNING & HUMAN SETTLEMENTS

LUM & BUILDING INSPECTORATE



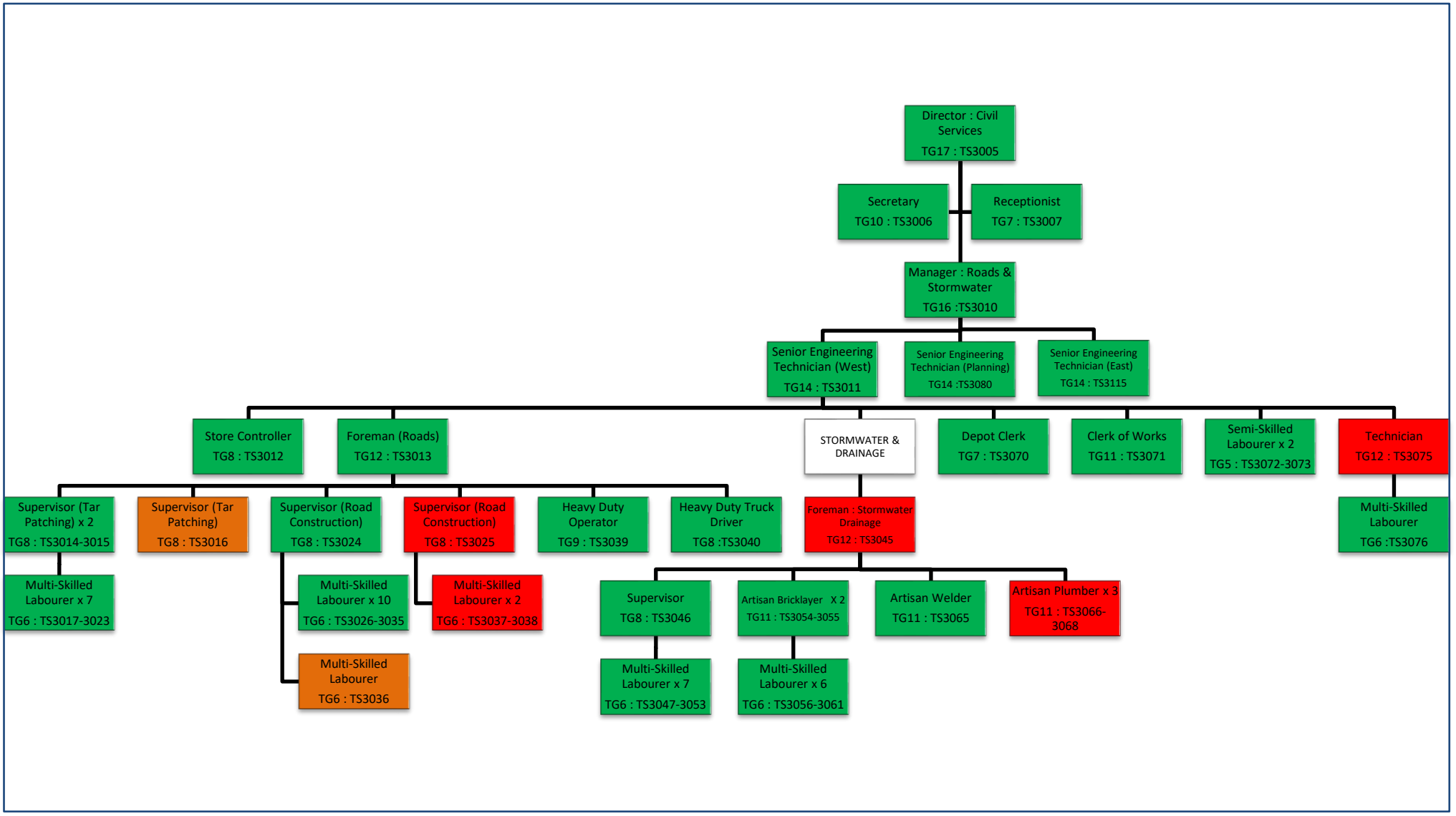
TECHNICAL SERVICES

TOP STRUCTURE



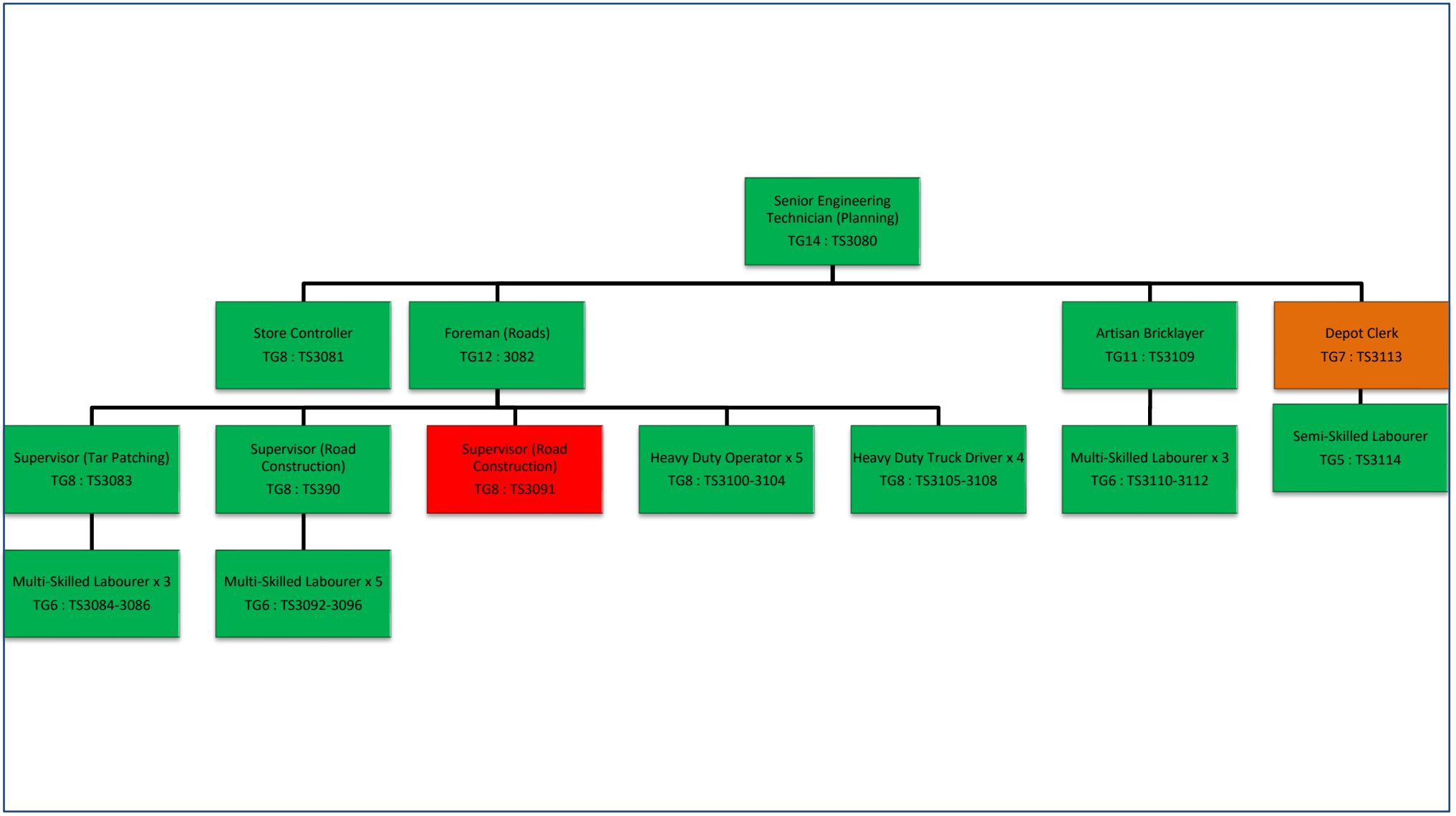
TECHNICAL SERVICES

ROADS & STORMWATER (WEST)

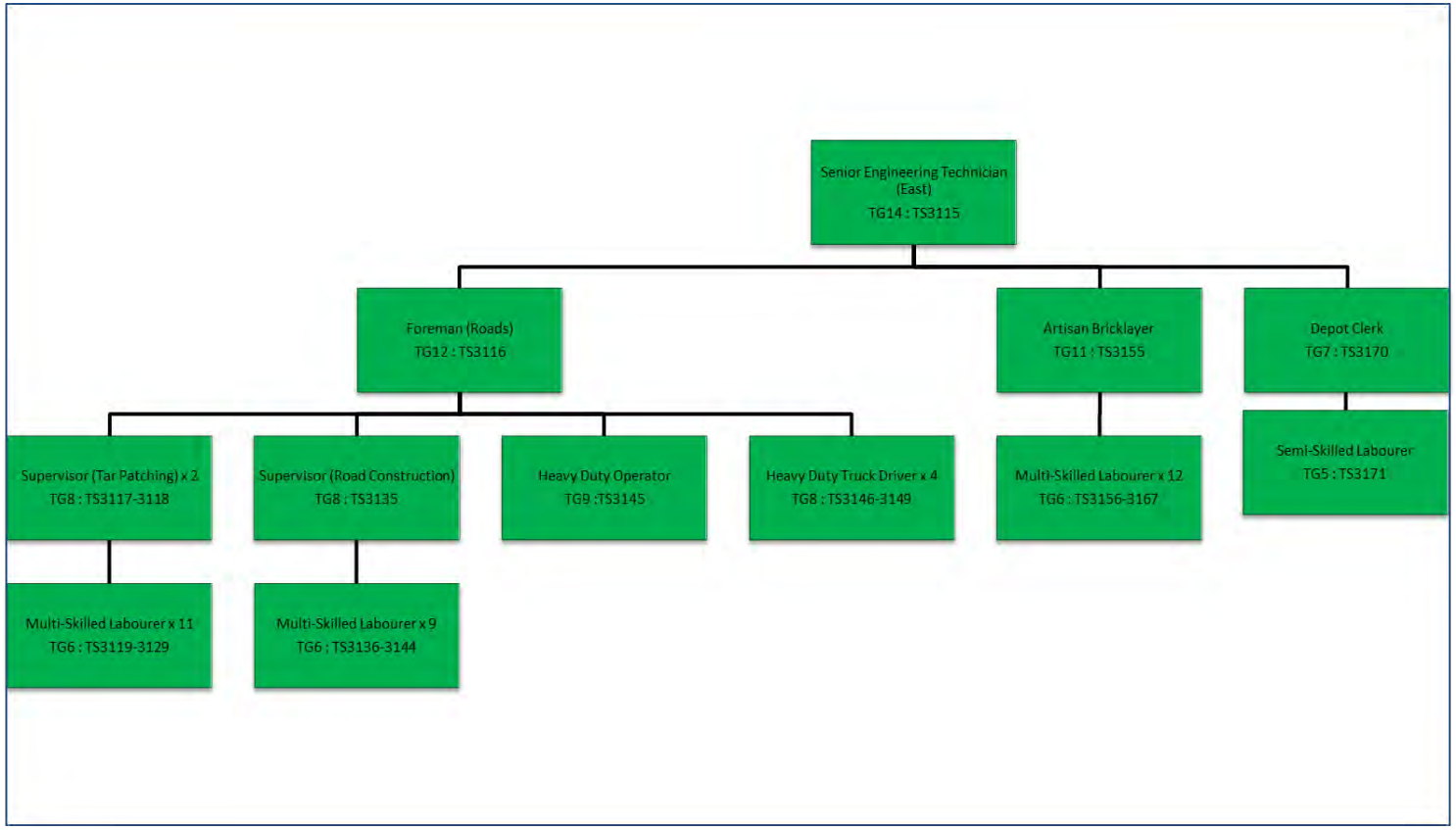


TECHNICAL SERVICES

ROADS & STORMWATER (PLANNING)

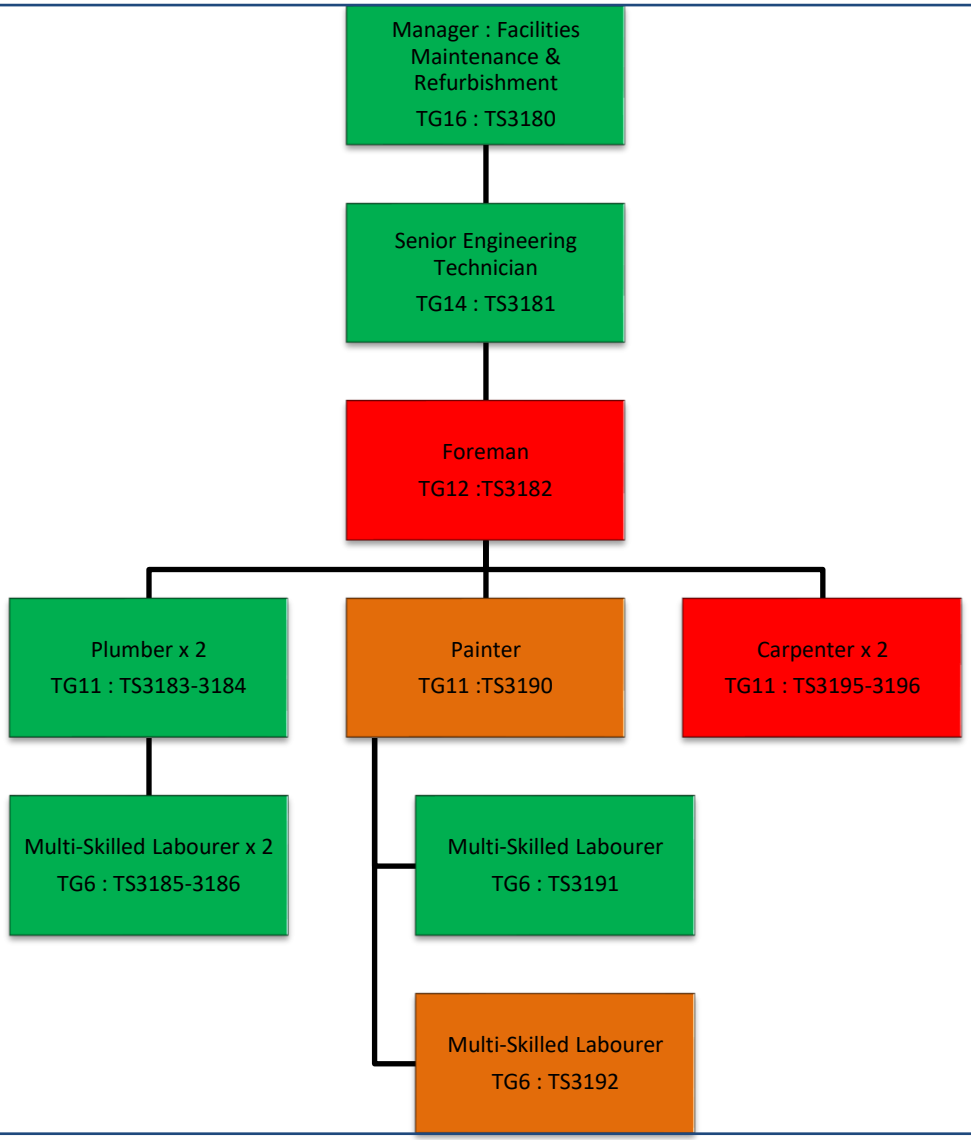


Technical Services: Roads & Stormwater (East)



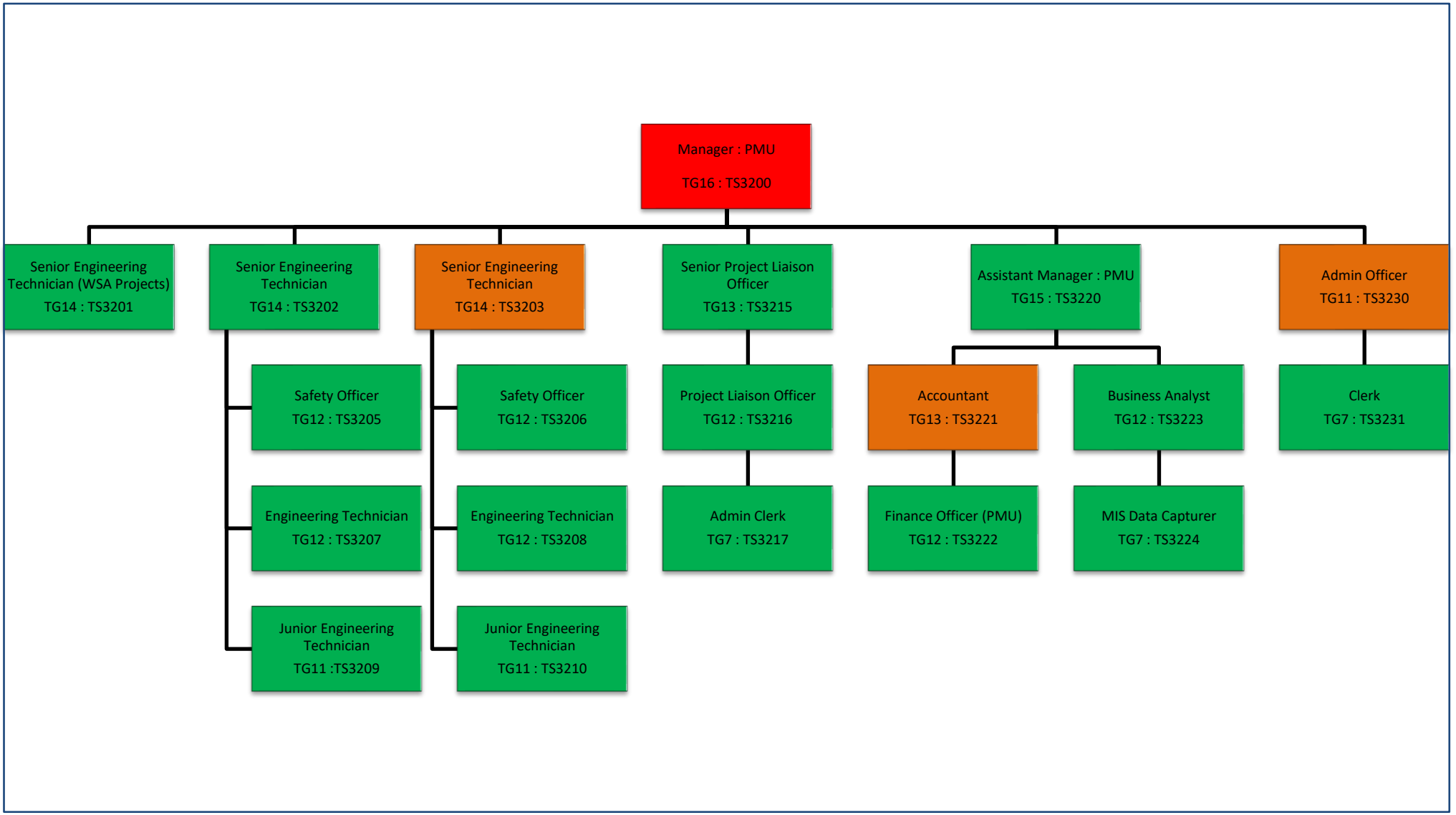
TECHNICAL SERVICES

FACILITIES MAINTENANCE & REFURBISHMENT



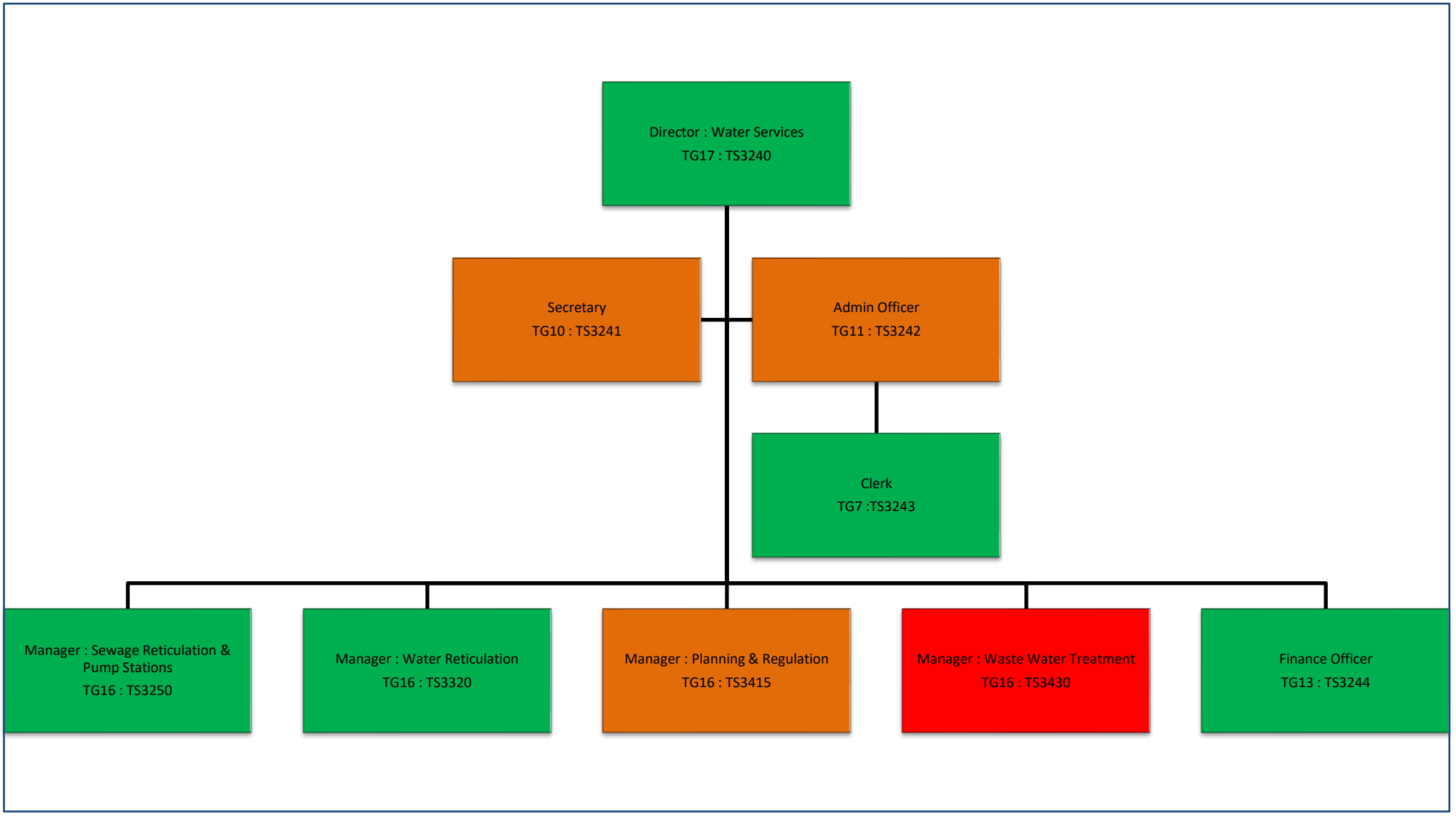
TECHNICAL SERVICES

PROJECT MANAGEMENT UNIT



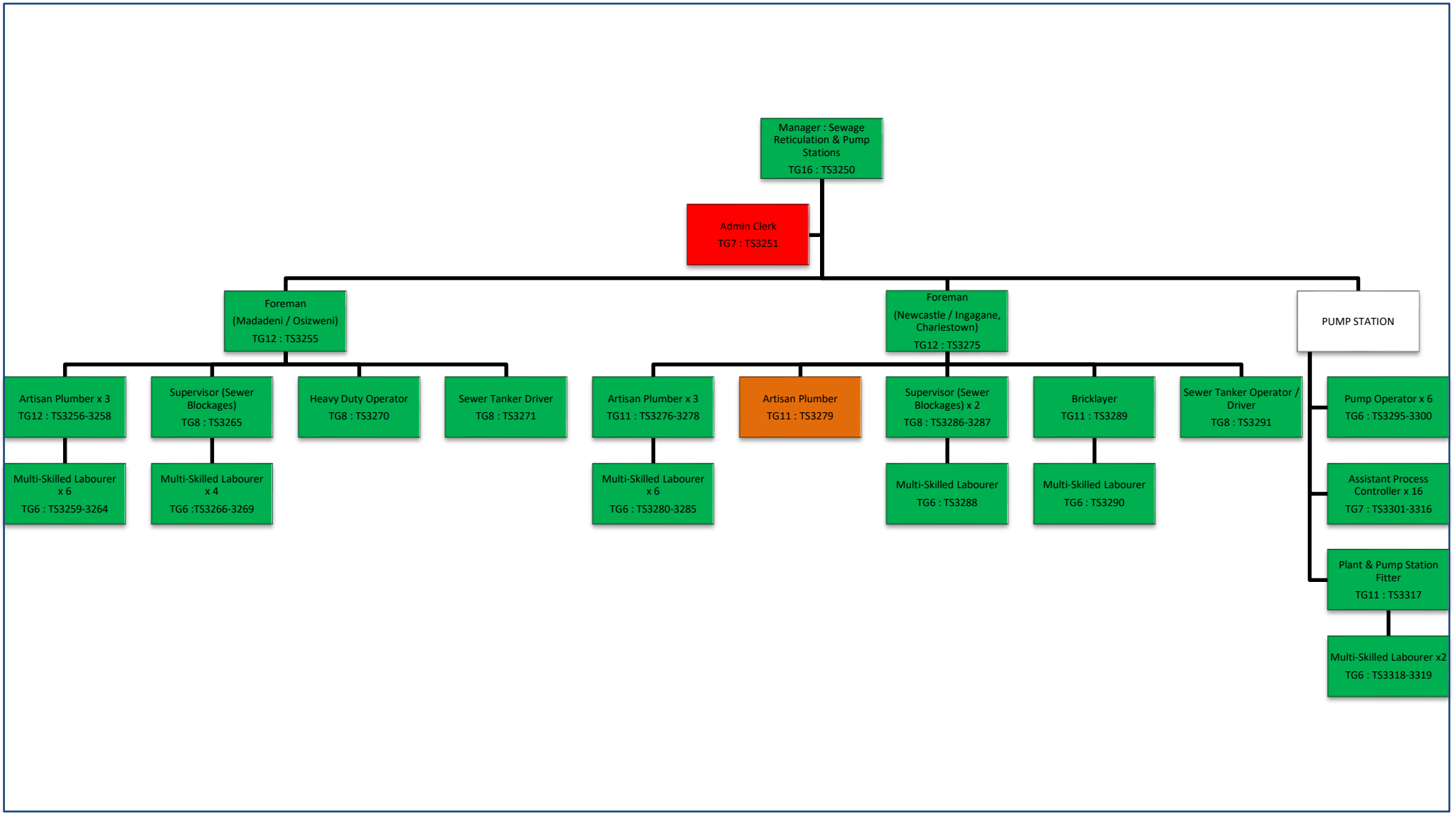
TECHNICAL SERVICES

WATER SERICES (TOP)



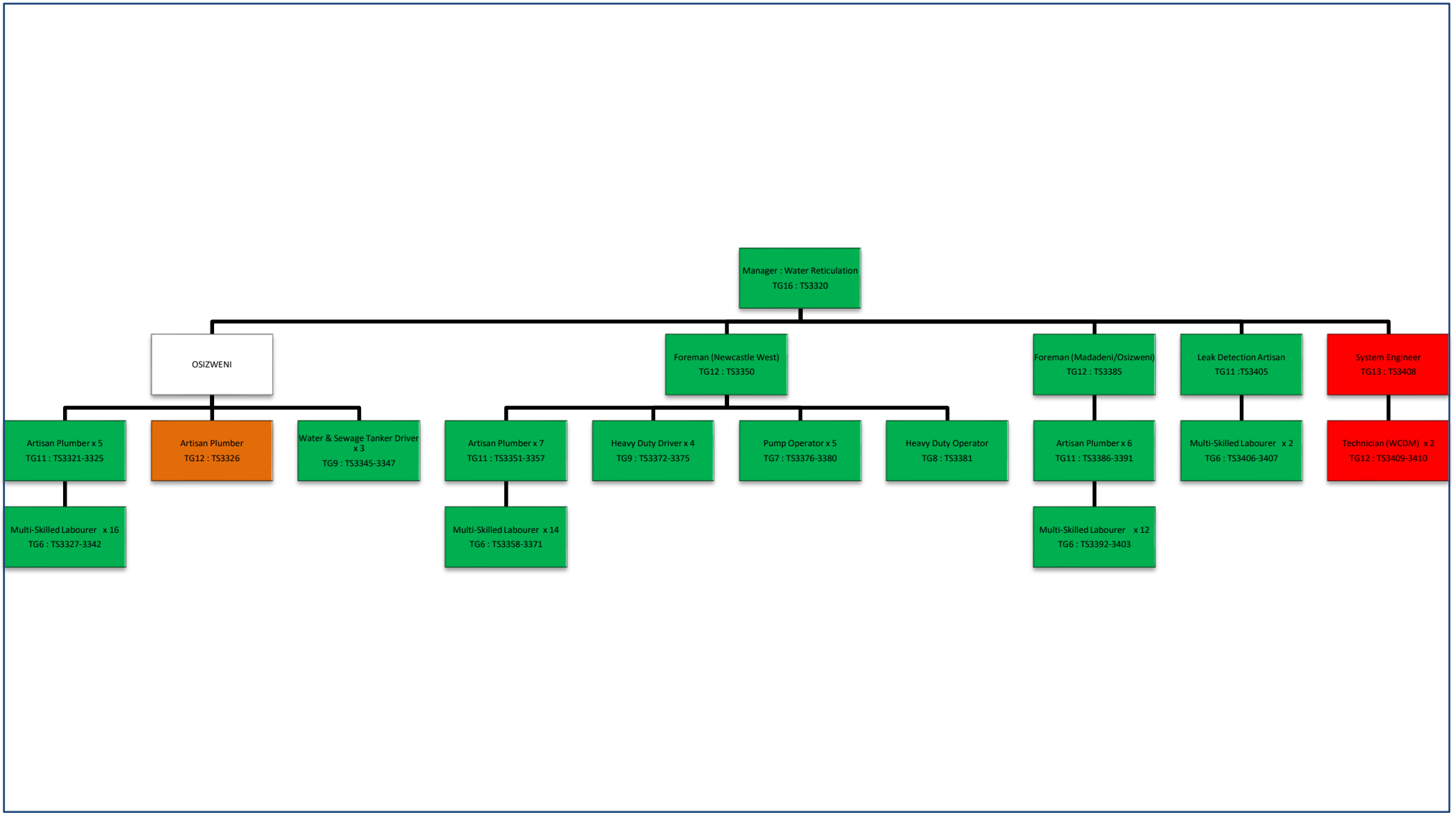
TECHNICAL SERVICES

WATER SERICES (SEWAGE RETICULATION & PUMP STATIONS)



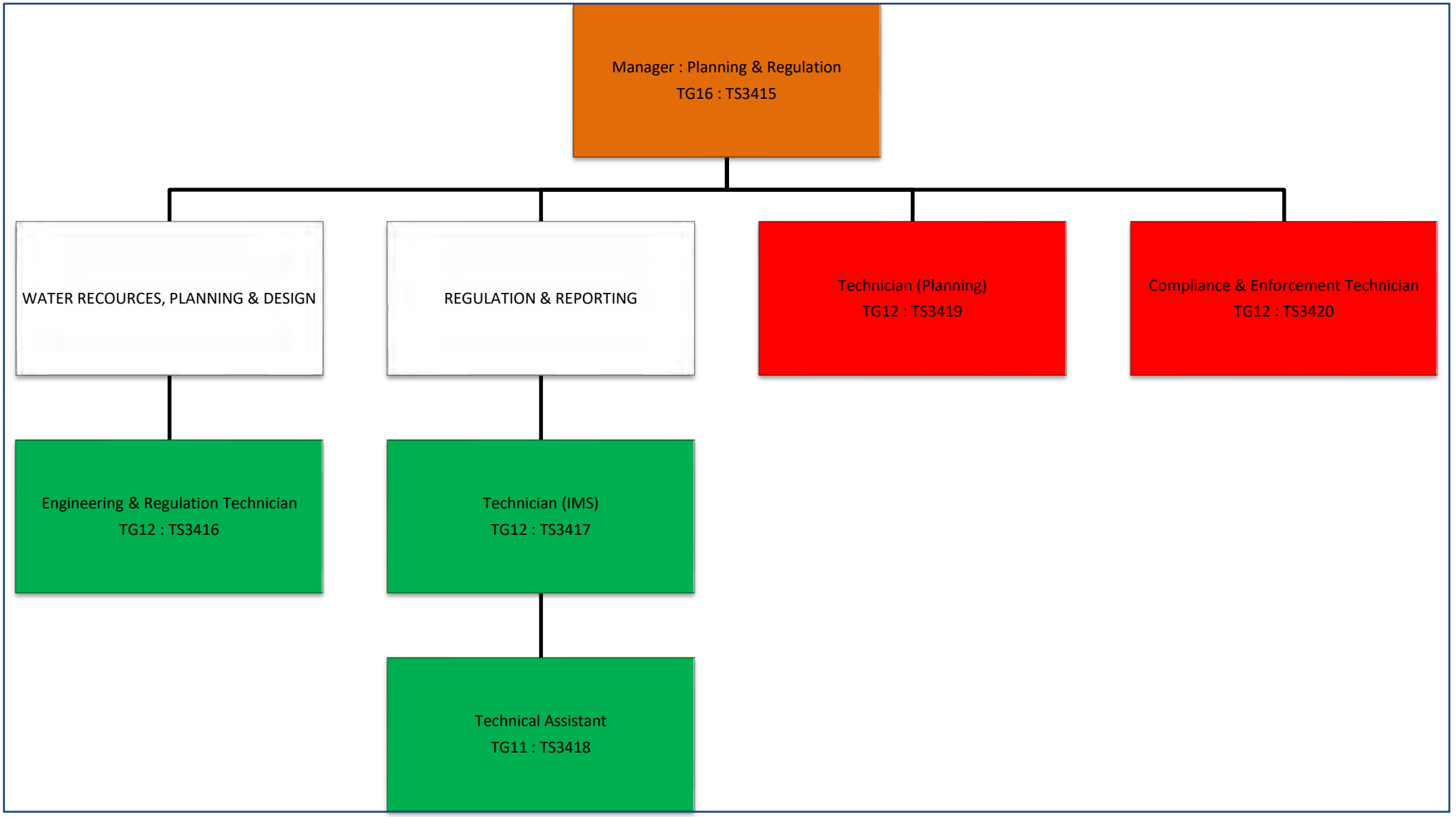
TECHNICAL SERVICES

WATER SERICES (WATER RETICULATION)



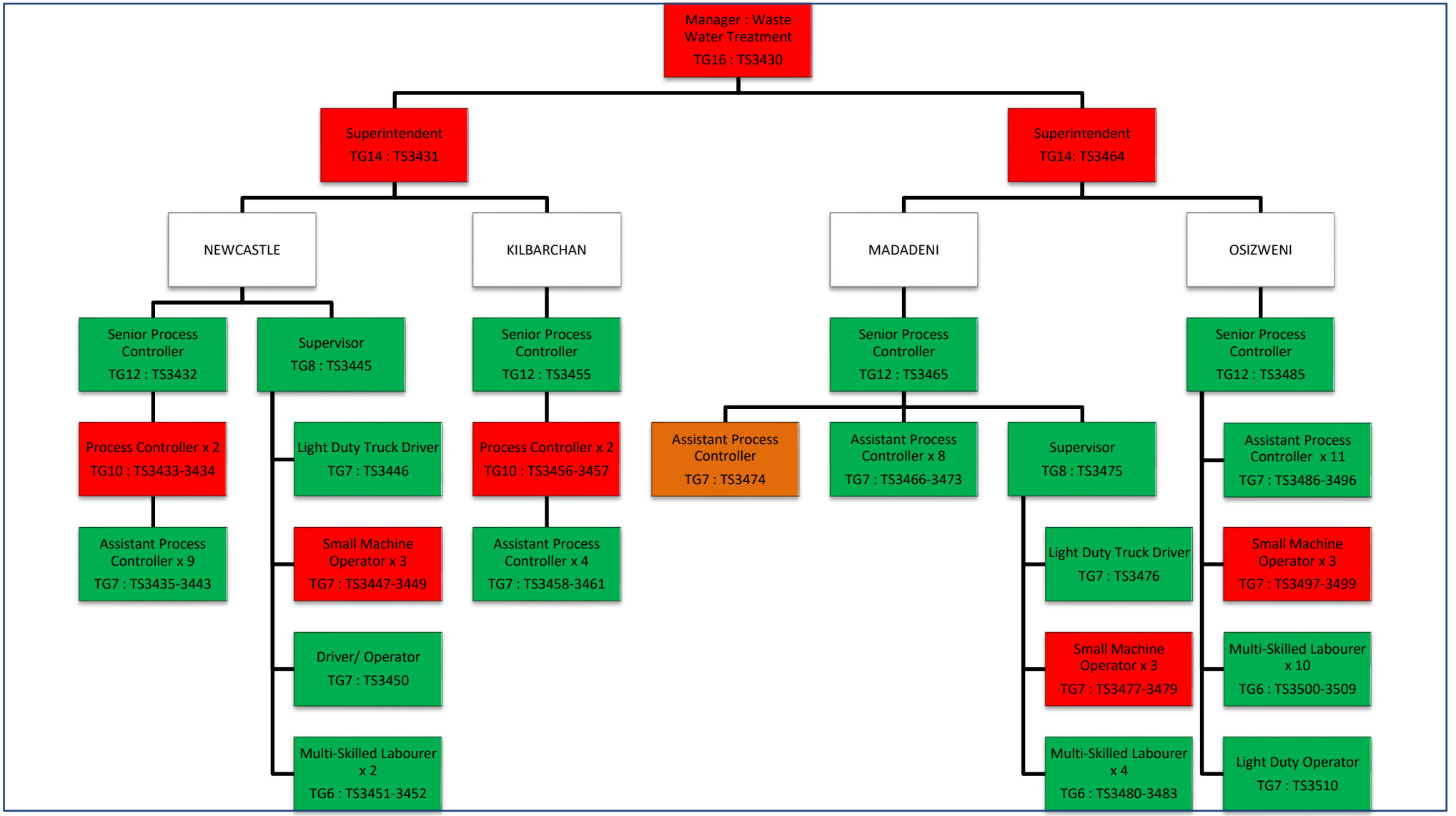
TECHNICAL SERVICES

WATER SERICES (PLANNING & REGULATION)



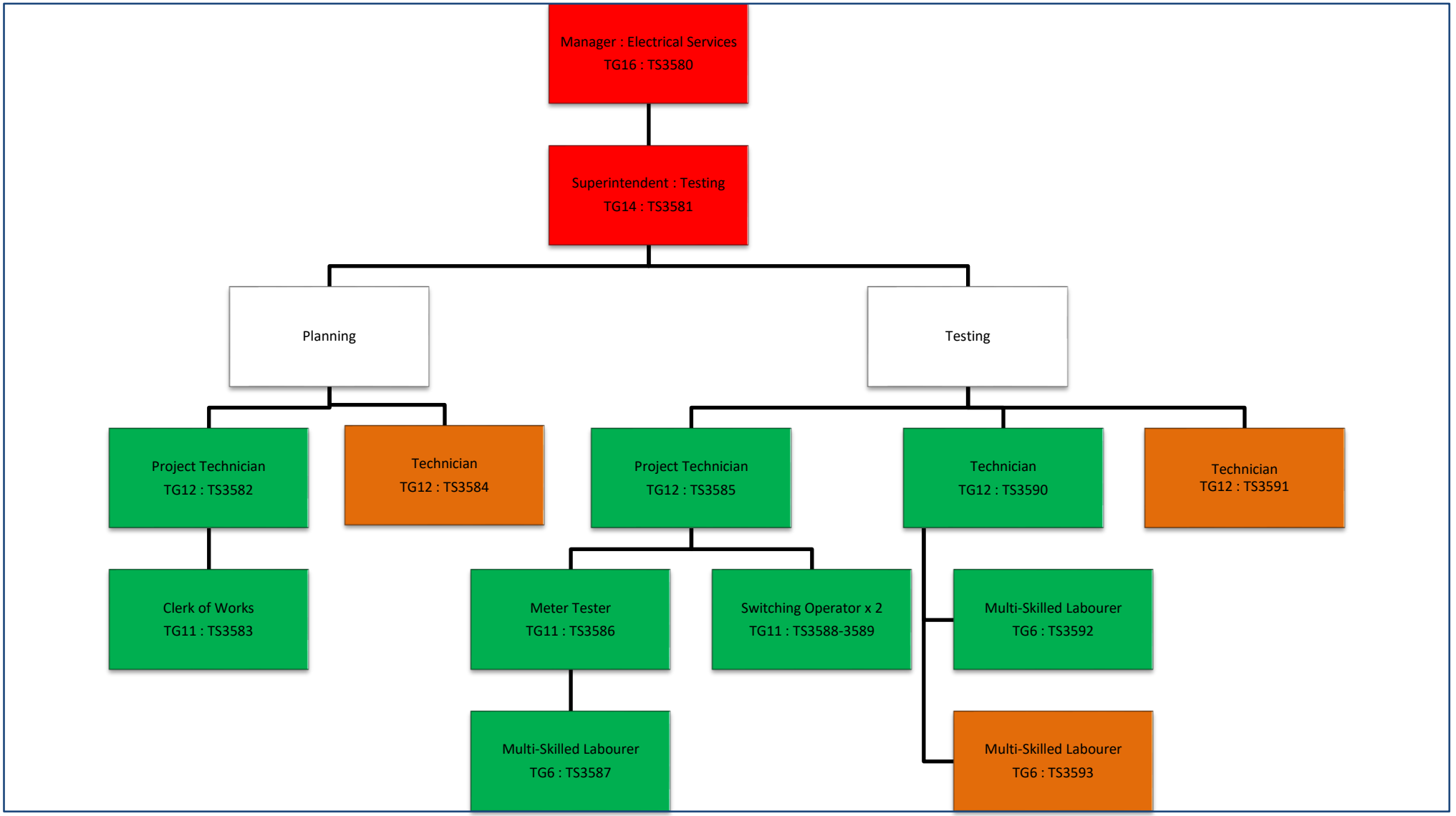
TECHNICAL SERVICES

WATER SERICES (WASTE WATER TREATMENT)



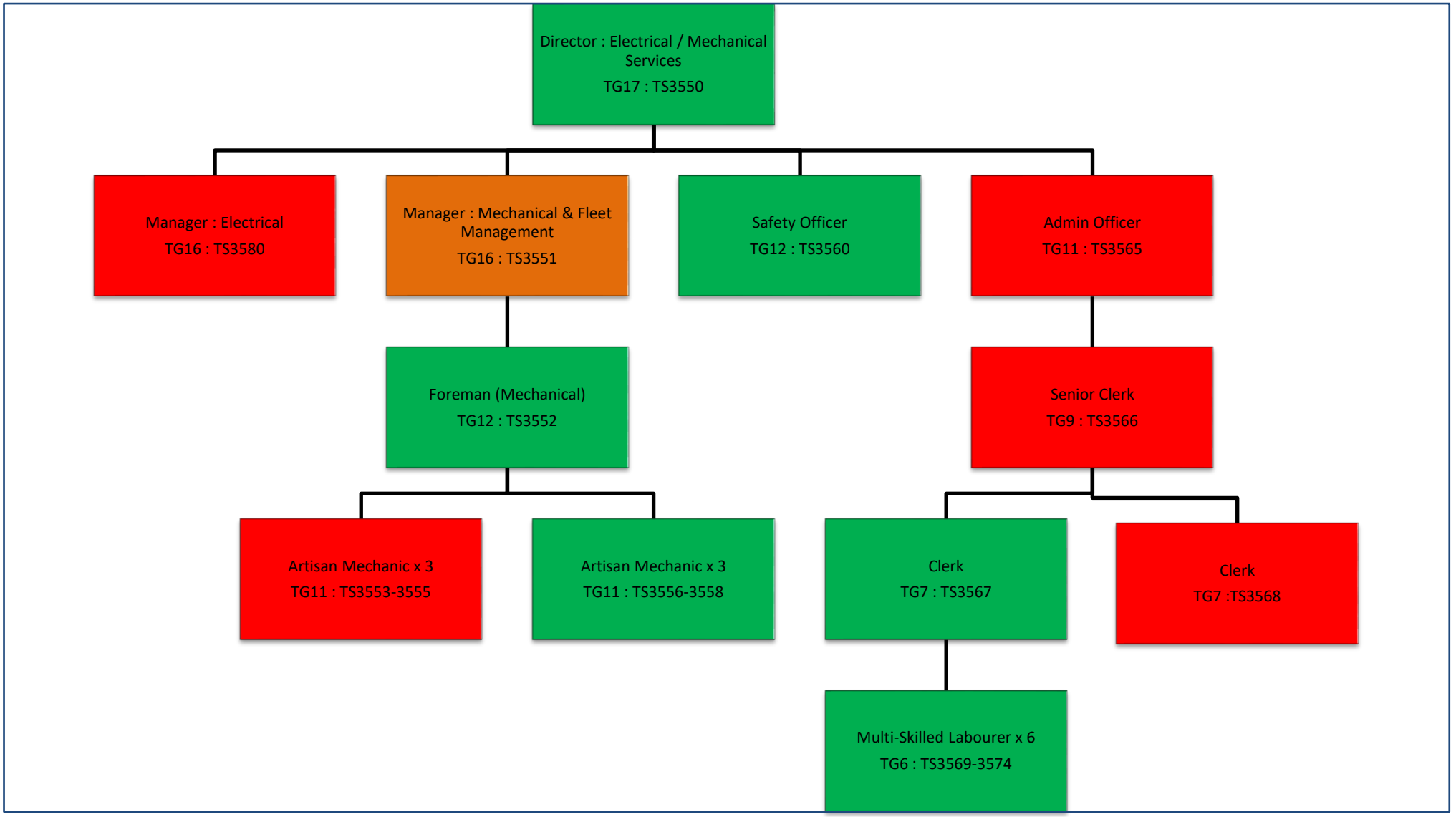
TECHNICAL SERVICES

ELECTRICAL / MECHANICAL SERVICES (TESTING)



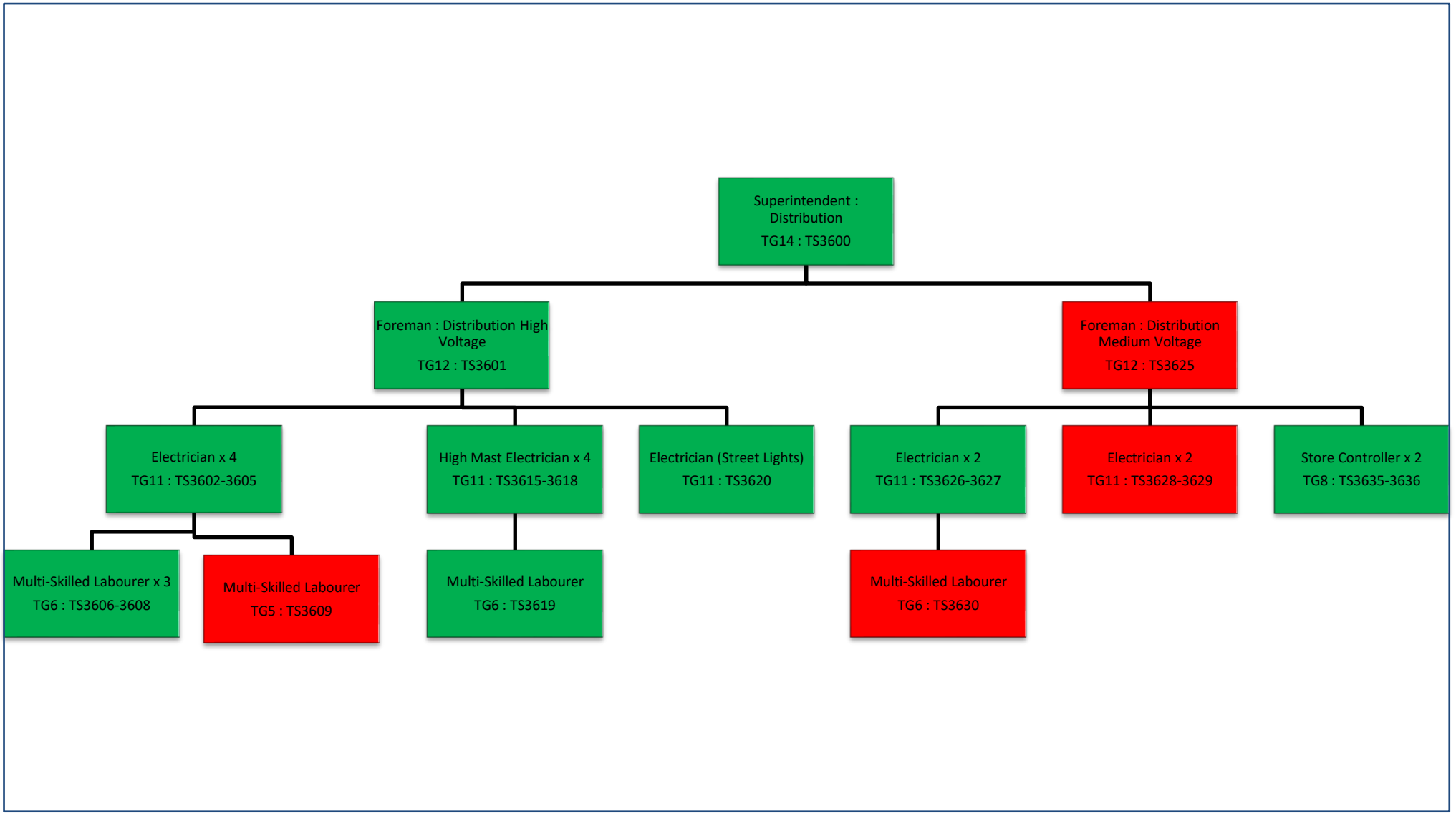
TECHNICAL SERVICES

ELECTRICAL / MECHANICAL SERVICES



TECHNICAL SERVICES

ELECTRICAL / MECHANICAL SERVICES (DISTRIBUTION)



3.10.5. Recruitment and Selection Policy.

Newcastle Municipality recently adopted the Recruitment and Selection Policy. The policy is an overarching policy whose main objective is to ensure that recruitment and selection processes undertaken by the municipality are in accordance with fair labour practices. The policy seeks to ensure fair hiring processes that will secure the appointment of persons who will be able to contribute towards the long-term success of the municipality. The policy addresses all appointments of permanent employees within the Newcastle Local Municipality, excluding Section 54(a) and 56 employees. The NLM Recruitment and Selection Policy also does not apply to appointments arising out of the SCM Procurement Process, acting appointments or rotating portfolios to which staff is elected by popular voting. With the Recruitment and Selection Policy, the Newcastle Municipality strives to ensure that the Employment Equity Plan and targets are achieved. The formulation and implementation of the NLM Recruitment and Selection Policy has been guided by important legislative prescripts (i.e. The Constitution of the Republic of South Africa, Labour Relations Act, Basic Conditions of Employment Act, Employment Equity Act, and the Municipal Systems Act).

3.10.6. Vacancy Rate.

For 2023/2024 financial year the vacancy rate for senior management is currently at 0% all six (6) positions are filled. The following positions are currently filled:

- Municipal Manager
- Strategic Executive Director: Corporate Services
- Strategic Executive Director: Technical Services
- Strategic Executive Director: Development Planning and Human Settlements
- Strategic Executive Director: Budget and Treasury Office
- Strategic Executive Director: Community Services

In the 2023/2024 financial year as at May 2024, the vacancy rate for positions below senior managers was is 25,45%.

3.10.7. Employment Equity.

Newcastle Municipality, as a designated employer, is obligated as per Employment Equity Act 55 of 1998, to develop and implement affirmative action measures and report to the Director General of Labour on annual basis. The imbalances of the past can never be eradicated overnight. It is an ongoing effort by Council to that ensure equity is realized, and to provide an environment that will accommodate the disabled and the aged through proper infrastructure development. To achieve this, Council has adopted a five-year Employment Equity Plan (2023 - 2028), which recognizes the barriers in place including strategies to respond to those barriers. The barriers were identified by complying with section 19.1 of the Employment Equity Act. The objectives of the Employment Equity Plan are specified in the table below:-

Table 15: Newcastle Municipality EE Plan yearly objectives

YEAR	TIMEFRAMES	OBJECTIVES
1	1 September 2023 – 31 August 2024	• Ensure adherence to the set Employment Equity targets. • Ensure that environment is conducive for the attainment of Employment Equity targets. • To train EE forum to monitor the implementation of the EE plan. • To ensure that heads of department take responsibility for the overall attainment of Employment Equity Targets by appointing them as Equity managers.
2	1 September 2024- 31 August 2025	• To ensure that Council comply with Employment Equity Act as amended and targets during recruitment and selection processes. • To source adequate funding to support the Employment Equity Plan and attainment of Employment Equity targets.
3	1 September 2025-31 August 2026	• To ensure that all employment practices are informed by Employment Equity plan and targets. • To review retention policy that is favorable to designated groups. • To ensure that training plan is aligned with Employment Equity plan.
4	1 September 2026- 31 August 2027	• To develop a succession pool that encompasses Employment Equity targets set out on the Employment Equity plan. • To ensure that all municipality buildings and facilities are suitable for the physically challenged and the aged. • To ensure that year one to four objectives are realized by Council.
5	1 September 2027-31 August 2028	• To ensure that the set targets that were not met from year one to four are implemented. • Monitor and evaluate the effectiveness of the EE forum.

❖ **Objectives of the planned analysis.**

An employer must implement affirmative action measures in response to barriers identified in the analysis report (EEA12) in order to ensure that suitably qualified people from the designated groups have equal employment opportunities, and are equitably represented in all occupational levels in the workforce, including:-

(a) Measures to identify and eliminate employment barriers that adversely affect people from designated groups, directly or indirectly.

(b) Measures to further diversity and the management of diversity in the workplace.

(c) Reasonable accommodation for suitably qualified people from designated groups, including for persons with disabilities.
(d) Measures to recruit, promote, retain and develop people from designated groups, including skills development and skills transfer.
(e) Measures that include preferential treatment, numerical goals and measures other than numerical goals.

The analysis is from the inception of the Employment Equity Plan up until to date that is year one (1) even though we have not completed it and is as follows-

Year	Objectives of the planned analysis
Year one: 1 September 2023 – 31 August 2024	Bullet one and two are ongoing process, whilst bullet number three and four are in progress.

3.10.8. Workforce Profile.

The table below indicates the distribution of staff according to gender and occupational level. The workforce profile snapshot reflects the profile as at the end of May 2024.

Table 16: Snapshot of workforce profile for all employees, including people with disabilities.

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (SECT.57)	4	0	0	0	2	0	0	0	0	0	6
Senior management (TG.17-15)	25	0	2	2	16	0	3	4	0	0	52
Professionally qualified and experienced specialists and mid-management (TG.14-12)	75	0	7	5	87	1	6	4	1	1	187
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (TG.11-9)	127	1	12	6	60	2	10	5	1	0	224
Semi-skilled and discretionary decision making (TG.8-7)	308	2	11	8	155	1	7	6	0	0	498
Unskilled and defined decision making (TG.6-5)	164	0	0	0	152	0	0	0	0	0	316
TOTAL PERMANENT	**703**	**3**	**32**	**21**	**472**	**4**	**26**	**19**	**2**	**1**	**1283**
Temporary employees	**66**	**0**	**4**	**2**	**74**	**2**	**2**	**3**	**0**	**0**	**147**
GRAND TOTAL	**763**	**3**	**36**	**23**	**546**	**6**	**28**	**22**	**2**	**1**	**1430**

Table 17: Snapshot for workforce profile for people with disabilities ONLY.

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (SECT.57)	0	0	0	0	0	0	0	0	0	0	0
Senior management (TG.17-15)	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management (TG.14-12)	1	0	0	0	0	0	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (TG.11-9)	3	0	0	0	1	0	0	0	0	0	4
Semi-skilled and discretionary decision making (TG.8-7)	17	0	1	1	5	0	0	1	0	0	25
Unskilled and defined decision making (TG.6-5)	4	0	0	0	1	0	0	0	0	0	5
TOTAL PERMANENT	25	0	1	1	7	0	0	1	0	0	35
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	25	0	1	1	7	0	0	1	0	0	35

3.10.9. Numerical Goals.

The numerical goals and targets for the Employment Equity Plan (2023 – 2028) in the tables below reflects on the targets for the entire workforce, including people with disabilities, and the latter only covers people with disabilities.

Table 18 Numerical goals for all employees, including people with disabilities

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0			0
Senior management	0	0	6	0	7	0	4	0			17
Professionally qualified and experienced specialists and mid-management	10	20	7	5	10	20	15	0			87
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	10	20	20	10	15	0	14	4			93
Semi-skilled and discretionary decision making	10	0	25	5	10	0	40	6			96
Unskilled and defined decision making	6	15	35	25	6	5	29	6			127
TOTAL PERMANENT	35	55	95	45	45	25	105	15			420
Temporary employees											
EPWP											
GRAND TOTAL	**36**	**55**	**93**	**45**	**48**	**25**	**102**	**16**			**420**

Table 19 Numerical goals for people with disabilities ONLY

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0			
Senior management	0	0	0	0	1	0	0	0			1

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Professionally qualified and experienced specialists and mid-management	1	0	0	0	1	1	0	0			3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	1	0	1	0	0	1	0			3
Semi-skilled and discretionary decision making	4	0	1	1	4	0	2	1			13
Unskilled and defined decision making	0	0	1	1	1	1	0	1			5
TOTAL PERMANENT	**5**	**1**	**2**	**3**	**7**	**2**	**3**	**2**			**25**
Temporary employees											
GRAND TOTAL	**5**	**1**	**2**	**3**	**7**	**2**	**3**	**2**			25

3.10.10. Policies and Bylaws.

Council has undertaken a process of promulgating and gazetting the new Municipal Bylaws. The Bylaws have been approved by Council on the 28th of March 2024 and have been to the public for comments. The following entails a list of the Bylaws which have been approved by Council of the Newcastle Local Municipality:-

DEPARTMENT	POLICIES AND BYLAWS	DATE OF APPROVAL/ADOPTION
Community Services.	Cemetery Crematorium By-law	7 June 2018 (Gazetted)
	Caravan Parks By-law	7 June 2018 (Gazetted)
	Fire Brigade By-law	7 June 2018 (Gazetted)
	Museum By-law	5 April 2018 (CS20)
	Library By-law	5 April 2018 (CS19)
	Disaster Management Plan	2 August 2017
	Prevention and Suppression of Health Nuisance	7 June 2018
	Metered Parking By-law	31 May 2018 Gazetted
	Refuse By-law	Promulgated and published in the Provincial Gazette 3 May 2018
	Pound By-law	21 May 2018
	Noise Control By-law	7 June 2018
	Fare-bearing Passenger, Motor Vehicle By-law	31 May 2018 Gazetted
	Security Policy	6 December 2017
	Regulation of scholar transport vehicles	
Development Planning and Human Settlements.	SPLUMA Bylaws	02 Sept 2015/09 October 2015 Gazetted
	Building Bylaws and Promotion of Green Buildings	May 2023
	Newcastle Home Based Business Policy and By-Laws	August 2014 A50
	Newcastle Outdoor Advertising Policy and By-law	January 2015
	Placement of Shipping containers on areas under the jurisdiction of Newcastle Municipality	August 2014 A49
	Newcastle Place Naming Policy	May 2015
	Review of the Urban Open Space Policy	March 2016
	Policy on Establishment of Communal Housing (Residential Communes)	March 2016
	Informal Trading Policy and Bylaw	2014
	Municipal Land Disposal Policy	
Technical Services.	Draft Water By-law	November 2020
Office of the Municipal Manager.	Rules of Order	
	Delegation of Powers	
	Anti-Fraud and Corruption (Version 3)	January 2021
	Anti-Corruption Strategy and Fraud Prevention	January 2021
	Risk Management	January 2021
	Business Continuity Management.	
	Batho Pele Policy	October 2023
	Service Delivery Charter	March 2024
Corporate Services.	**Organisational Development**	
	Critical Vacancy	Council : 2017-12-06
	Placement Policy	Council : 2018-05-30
	Job Evaluation Policy	Council : 2015-10-08
	Transport Allowance Policy	CSM : 2017-11-28
	Skills Programmes Policy	
	Study Assistance Policy	
	Bursary Policy	

DEPARTMENT	POLICIES AND BYLAWS	DATE OF APPROVAL/ADOPTION
	Education Policy	
	Internship Policy	
	Learnership Policy	
	Induction Policy	
	PETS Policy	
	Human Resource Management	
	Employment Practice: Temporary	Council : 2017-12-06
	Employment Practice: Permanent	Council : 2017-12-06
	Overtime Policy	Council : 2017-12-06
	Acting Policy	Council : 2017-12-06
	Leave Policy	Council : 2017-12-06
	Individual Performance Management Policy (IPMS)	Council : 2017-09-06
	Remuneration Policy	
	Home Owners Allowance Guidelines	2016
	EAP	
	Occupational Health and Safety	Council : 2017-12-06
	EAP Policy	Council : 2006
	HIV/ AIDS Workplace Policy	Council : 2007
	Protection of employees during pregnancy & after birth of child	Council : 2009
	Sexual Harassment Policy	Council : 2005
	Employee Wellness Policy	
	Strike Management Policy	
	OHS Policy	
	Smoking Policy	Council : 2005
	Exits	
	Group Life Assurance Policy	Council : 2007
	Labour Relations	
	Strike Management Policy	Council : 2007
	Human Resource Development	
	Skills Programme Policy	Council : 2012-03-26
	Practical Experiential Training System Policy	Council : 2004-08-25
	Bursary and Study Assistance Policy	Council : 2011-01-27
	Education Policy	Council : 2014-11-26
	Induction Policy	Council : 2011-11-02
	Internship Policy	Council : 2012-03-26
	Learnership Policy	Council : 2012-03-26
	Administration	
	Standing rules and orders for the Council meetings and its committees	
	Records Management policy	

3.10.11. Workplace Skills Plan.

The Newcastle Local Municipality seeks to empower its staff by enhancing their skills so that the services they render may be effective, efficient and sustainable. To achieve this, the Municipality's annual Workplace Skills Plan (WSP) is developed as per the LGSETA guidelines wherein the Human Resources Development unit (HRD) has been successful in the rolling out of Education, Training and Development programmes. The NLM Workplace Skills Plan for the 2021/2022 financial year has thus been submitted to LGSETA on the 30th of April 2021. It aims to ensure that employees from all departments within the municipality have been sent to different capacity development interventions which are geared at addressing the skills gaps identified by their respective departments, and to capacitate employees to perform their functions effectively, efficiently and economically.

The following represents some of the education, training and development programmes that have been rolled out by the Human Resources Development Unit in an effort to support

capacity building initiatives, and in its execution of the Workplace Skills Plan (WSP):-

EDUCATION, TRAINING AND DEVELOPMENT PROGRAMMES	
1.	Bachelor of Business Administration
2.	Honours Bachelor of Business Administration
3.	Bachelor of Town & Regional Planning
4.	Bachelor of Public Administration
5.	Master of Public Administration
6.	Master of Business Administration
7.	Master of Commerce : Leadership Studies
8.	DPhil – Public Management
9.	BA : Law
10.	B. Information Science
11.	BA : Community Development
12.	BA : Environmental Management
13.	B Tech – HRM
14.	Postgraduate Diploma : Management Sciences
15.	Postgraduate Diploma : Business Administration
16.	Postgraduate Diploma : Taxation
17.	Postgraduate Diploma ; Disaster Management
18.	Postgraduate Diploma : Public Management
19.	Postgraduate Diploma : Internal Auditing
20.	Postgraduate Diploma : Occupational Health
21.	Bachelor of Business Administration
22.	Honours Bachelor of Business Administration
23	Bachelor of Town & Regional Planning
24.	B.Com : Law
25.	B.Com : Management Accounting
26.	Advanced Certificate : Operations Management
27.	Business Studies : Public Management N4-N6; Management Assistant N6
28.	Traffic Diploma
29.	Risk Management
30.	Artisan Development Programme
31.	Financial Auditing for Internal Auditors – Public Sector
32.	Ethics at work and in the auditing profession
33.	Customer care
34.	Induction
35.	Health & Safety Representative training and other statutory training

These capacity building programmes were aimed at skilling and multi-skilling municipal employees to enable them to be competent and efficient in executing their duties in relation to service delivery.

The Education, Training and Development programmes are executed through the following mechanisms:-

- Determination of Training Needs;
- Study Assistance;
- Bursary/Study Assistance Scheme for Municipal Employees; and
- Mayoral Bursary Scheme and learnerships for the unemployed youth.

Education, Training and Development Initiatives are funded through internal funding and external funding which includes grants from different SETAS, but in particular LGSETA. This training forms the bulk of all the training that gets arranged. The Education, training and development programmes are not limited to employees, but is also open to Councillors, Ward Committee members, including the community at large. Through our in-house Internship and In-Service Training Programmes, HRD assists the youth of Newcastle to acquire experiential learning relevant to acquire their qualifications as graduates.

HRD has applied, through LGSETA, for a discretionary grant, to offer the unemployed youth learnership opportunities in the form of Landscaping Learnership.

The following table entails a summary of the training conducted during the financial year 2021/2022:-

Occupation Category	Training intervention	Number of people trained
Legislator (Councillors)	• 3rd Annual Labour Law • Conditions of Service • IPMS • ICIP Phase 2 Online Training	43
Managers	• 3rd Annual Labour Law • Conditions of Service • IPMS • Reviewing Financial Statements for Public Sector • Combined Assurance • Ethics at work and in the Internal Audit Profession • Fraud Investigations • Internal Audits guide to strategic thinking • King IV on Ethics • Evaluating your ethical environment Part 3 • Risk Management • PhD in Public Management & Governance • Postgraduate Diploma in Business Administration • Certified Fraud Examiner • Postgraduate Diploma in Business Administration	23
Professional	• Masters Public Administration • 3rd Annual Labour Law • Conditions of Services • IPMS • Business Studies : Public Management N6 • Bachelor of Business Administration • Bachelor of Law • Bachelor of Information Science • Master of Business Administration • Postgraduate Diploma in Tax • B.Compt : Management Accounting • B.Tech : Town & Regional Planning • B.Compt : Financial Accounting • Postgraduate Diploma in Management Programme • Postgraduate Diploma in Internal Auditing • Postgraduate Diploma in Occupational Health	20
Technicians	• Peer Learning & Knowledge • Trade Test : Electrician • Masters of Business Administration	8
	• Public Procurement Management • Bachelor of Commerce in Public Procurement Management • Higher Certificate in Operations Management • Postgraduate Diploma in Public Management • BA : Environmental Management	
Clerical	• IPMS • Peer Learning & Knowledge • Business Studies : Public Management N6 • Management Assistant N4-N6 • Bachelor of Public Administration • B-Tech Human Resource Management • Postgraduate Diploma in Management • B.Com Law • BA Honours in Public Administration • Bachelor of Administration • Masters in Commerce in Leadership Studies • Masters in Commerce in Leadership Studies	13
Services / sales	• Basic Traffic Officer Course • Bachelor of Arts (Community Development) • LLB Degree • Diploma in Management (Disaster Risk Management)	10
General Workers and Plant machines	Induction	11
Interns		61
Students		37

The Workplace Skills Plan is implemented annually, of course based on the availability of funds, and thus the inclusion of more beneficiaries necessitates more funding allocation. For the 2021/22 financial year, below is the planned training budget:-

PLANNED TRAINING BUDGET FOR 1 MAY 2020-30 APRIL 2021				
Funding Source	**Planned Budget-Employed**	**Planned Budget-Unemployed**	**Committed Budget-Employed**	**Committed Budget-Unemployed**
Mandatory Grant Funds	**500 000**		500 000	
Outstanding Mandatory Grant Funds from previous year				

PLANNED TRAINING BUDGET FOR 1 MAY 2020-30 APRIL 2021				
Funding Source	**Planned Budget-Employed**	**Planned Budget-Unemployed**	**Committed Budget-Employed**	**Committed Budget-Unemployed**
Discretionary Grants Funds				
Additional funding (Municipality, donor funds, other government funds etc.)	**1 372 218**	**3 100 000**	**1 372 218**	**3 100 000**
Totals	**1 872 218**	**3 100 000**	**1 372 218**	**3 100 000**

The following table entails the Total Planned Training Beneficiaries for the period 1 May 2021 – 30 April 2022:-

TOTAL PLANNED TRAINING BENEFICIARIES								
LGSETA strategic Focus Area	**Municipal Key Performance Area**	**Main IDP Priority Linked to Key Performance Area**	**Female-Employed**	**Male-Employed**	**Total**	**Female-Unemployed**	**Male-Unemployed**	**Total**
Enhancing Good Governance, Leadership and management Capabilities	Good Governance and the linking of democracy	To ensure good governance through openness, transparency and accountability in the organisation	94	115	209	2	2	4
Note Traditional Leadership and Development falls under Enhancing Good Governance, Leadership and management Capabilities		To ensure good governance through openness, transparency and accountability in the organisation	0	0	0	0	0	0
Promoting Sound Financial management & Financial Viability	Municipal Financial Viability and Management	To ensure sound financial and fiscal management and good governance	33	18	51	10	3	13
Enhancing Infrastructure and Service delivery	Basic Service Delivery and Infrastructure Development	Improve access to basic services	65	197	262	50	44	94
Enhancing Municipal Planning	Municipal Transformation and Institutional Development	To ensure institutional structure to render effective and efficient services aligned with the IDP	39	28	67	15	6	21
Promoting Spatial Transformation and Inclusion	Sustainable Local Economic Development	To facilitate economic development that will result in sustainable job creation	3	5	8	8	6	14
Totals			**234**	**363**	**597**	**85**	**61**	**146**

3.10.12. Human Resources Strategy.

The Human Resources Strategy acts as an instrument which provides the foundation for the achievement of organizational goals through comprehensive planning of human resources. The Human Resource Strategy was formulated and approved in the 2018 together with a Human Resource Plan. This strategy is applicable for five years from 2018 to 2022. The action plans that were set were for short-term and long-term goals. The aim of the strategy was to highlight the current strategies the municipality has in place in as far as the Human Resource Management policies and practises, and what needs to be done by the department to achieve the overall organisational goals. Taking into cognisance the municipality's Vision 2035 and the Mission, the Corporate Services Department was able to develop action plans in order to ensure that the department is able to position the municipal human capital towards the attainment and realisation of vision 2035.

Below is table that is drawn from the Human Resource Strategy, and this highlights the milestones that were put in place at the inception of the strategy. The table also provides the progress made and action plans for targets that are still not met or finalised in order to be able to transition Newcastle municipality towards Vision 2035.

ACTIVITIES	TIME FRAME	RESPONSIBLE UNIT	PROGRESS	ACTION PLAN IF TARGET NOT ACHIEVED
Develop Policies				
Updating of HIV/AIDS policy	December 2018	EAP	Policy in a review stage	Policy to be submitted for approval before the end of the 2020/2021 financial year.
Updating of Sexual Harassment Policy	December 2018	EAP	In a review stage, was work-shopped to Council on the 18 of December 2020, what is outstanding is to submit for approval	Policy to be submitted for approval before the end of the 2020/2021 financial year.
Updating of Individual Performance Policy	June 2018	Personnel	Done policy has been reviewed	Policy to be submitted for approval before the end of the 2020/2021 financial year.
EAP Policy	December 2018	EAP	Policy was reviewed and approved on the 28th of October 2020	Policy to be work shopped and be made available to all employees before the end of the 2020/2021 financial year.
HIV/AIDS Policy	December 2018	EAP	Policy in a review stage	Policy to be submitted for approval before the end of the 2020/2021 financial year.
Protection of Employee during pregnancy and after birth of a child policy	December 2018	EAP	Policy in a review stage	Policy to be submitted for consultation before the end of the 2020/2021 financial year.
Strike Management policy	December 2018	Labour Relations	Policy in a draft stage	Policy to be submitted for consultation before the end of the 2020/2021 financial year.
S & T Policy	December 2018	Personnel	Policy was developed and work-shopped to Council on the 18th of December	Policy to be submitted for approval before the end of the 2020/2021 financial year.
Bursary and Study Assistance Policy	December 2018	HRD	Policy Amendment approved at Council meeting held on 26/06/2019	Policy to be work shopped and be made available to all employees before the end of the 2020/2021 financial year.
Pets Policy	June 2018	HRD	PETS Policy amended and submitted for consultation but not yet approved	Policy to be submitted for approval before the end of the 2020/2021 financial year.
Dress Code Policy	June 2018	Personnel	Policy in existence	Still to be reviewed to suit current environment. It will be finalised before 2021/2022 financial year.
Change Management Policy	June 2018	OD	Source information to Draft Change Management Policy	Research to be finalized before the end of 2020/2021 financial year
Service Charter				
Development of the Service Charter	May 2018	Director: HR	Function of Customer Relations.	Corporate Service (HR) to take full responsibility of Service Charters by end of 2020/2021 financial year.
Development of HRM				
Monthly departmental meetings	March 2018	Director: HR	Done monthly at MANCO level	Weekly meetings at directorate level be implemented.
Compilation of a training plan for HR employees	April 2018	HRD	Comprehensive training plan with various in-house training programmes compiled, distributed and implemented where needs	Continuous training plans be compiled and implemented for HR employees

ACTIVITIES	TIME FRAME	RESPONSIBLE UNIT	PROGRESS	ACTION PLAN IF TARGET NOT ACHIEVED
			were identified in 2018/2019. Training provided included inter alia • Development of Policies • Report Writing • OHS • HRD Policy Presentations • Induction • WSP Info Sessions. Annually, the following takes place ito policies and procedures. • Induction • WSP Information Session • Overtime Presentations (2020). • Training Programmes identified and included in WSP, but never executed due to financial constraints: o HRD Governance Training 2019. o Business Process Manager 2018. • VIP Training for HR staff took place in 2019	
Team Building	November 2018	OD	On hold due to Covid-19 regulations	To be confirmed when lockdown level returns to zero
Light Duty				
Light Duty Guide-lines	May 2018	OD in conjunction with EAP	Light Duty Guidelines were developed in a draft stage awaiting consultation with all departments	To be submitted for consultation before the end of the 2020/2021 financial year.
IPMS				
Review IPMS Policy	30 June 2018	Personnel	Review done. Comments have been sourced from all departments. Next phase consolidation of comments from all departments into a final document Draft IPMS Policy.	A reviewed policy with comments will be presented to Local Labour Forum as from 18 February 2021 as part of formal consultation. In future personnel work together with Organisational Development and Human Resource Development.
Consultation on IPM policy	31 May 2018	Personnel	Done on regular basis	Continuation of consultations with all relevant stakeholders
Training on IPM policy	31 May 2018	Personnel	Not yet done	To be done before the end of quarter 3 of 2020/2021 financial year. Personnel to work together with Human Resource Development
Cascade Phase 1: Task Grade 17 – 15	1 July 2018	Personnel	Not done, still busy with the establishment of the IPM committee	To review date to be 1 July 2021.

ACTIVITIES	TIME FRAME	RESPONSIBLE UNIT	PROGRESS	ACTION PLAN IF TARGET NOT ACHIEVED
SOP's				
Standard Operating Procedures	30 June 2018	All Section Heads	Done all sections have SOP's	To be presented to MANCO
Workshopping				
Development of training plan for departments regarding policies and procedures	December 2018	HRD	The Workplace Skills Plan is submitted annually which constitutes a detailed training plan for the Newcastle Municipality. Comprehensive training plan with various in-house training programmes compiled, distributed and implemented where needs were identified in 2018/2019. Training provided included inter alia • Development of Policies • Report Writing • OHS • HRD Policy Presentations • Induction • WSP Info Sessions. Annually, the following takes place ito policies and procedures. • Induction • WSP Information Session • Overtime Presentations (2020)	Department to continue implementing and monitoring training plan on policies and procedures.
Corporate Services Work Study				
Conduct Corporate Services Work Study investigation	31 May 2018	OD	Done in 2018	To another work study to manage change given the COVID 19 regulations to determine how best the department can manage change within and outside Corporate services.
Appointment of Work Study Interns	30 March 2018	HRD	Appointment of Work study Interns *wef* 1 May 2018 and in 2020	To continue assisting with interns for OD to be functional up until such time vacant positions in OD are filled.
Employee Absenteeism				
Draw sample of sick leave consisting of 10% of sick leave taken	Monthly	Leave Section	Done, on monthly basis leave reports are produced for Portfolio Committee	To continue with the reports to ensure relevance.
Contact Doctors of samples sick leave confirming of authenticity of Doctor' note	Monthly	Leave Section	Done, as per need identification by Labour Relations.	To appoint a panel of Doctors for referral and confirmation of before the end of 2021/22 financial year.
Counselling session with all employees as per sampled sick leave	Monthly	Leave Section	Done by the EAP section as per departmental submission an requests	To continue in consultation with the panel of Doctors.

ACTIVITIES	TIME FRAME	RESPONSIBLE UNIT	PROGRESS	ACTION PLAN IF TARGET NOT ACHIEVED
Consolidation of attendance register with leave records	Monthly	Leave Section	Done, on monthly basis leave reports are produced for Portfolio Committee	To continue with the consolidation to identify gaps and for best practices alignment.
Generating ESS reports for departments to monitor sick leave	Monthly	Leave Section	Done, on monthly basis leave reports are produced for Portfolio Committee	To continue with the function and system training on annual basis to ensure that all employees working with leave are able to generate reports and advise departments accordingly.
Conduct investigations of irregularities where patterns of abuse of leave have been identified	Monthly	Leave Section	Done, on monthly basis leave reports are produced for Portfolio Committee, Audit Committee and MANCO	Department to scrutinise such reports for gaps identification.
Determine average staff turnover in SA companies	Annually wef 1 July 2018	Exits	Not done	To review SOP's before the end of 2020/2021 financial year
Determine the reasons for staff turnover	Monthly	Exits	Not done	To review SOP's to ensure that exit interviews and reports are done and reported, this be done before the end of 2020/2021 financial year
Develop a plan in terms of those 2 investigations	December 2018	Exits	Not done	To review action plan before the end of 2020/2021 financial year
Work-shopping departments on policies and procedures	With effect from January 2019	HRD	Policies and procedures developed, reviewed through consultation and trainings done. Comprehensive training plan with various in-house training programmes compiled, distributed and implemented where needs were identified in 2018/2019. Training provided included inter alia • Development of Policies • Report Writing • OHS • HRD Policy Presentations Annually, the following takes place ito policies and procedures. • Induction • WSP Information Session • Overtime Presentations (2020)	Continue work shopping as per schedule on policies and procedures for relevance.
Consultation with LG Seta to determine process for the establishment of a training academy	30 June 2018	HRD	LG Seta programmes are implemented and supported by the municipality on annual basis.	Continue consulting and supporting LG Seta programmes on annual basis.
Conduct Work study investigation on business processes	1 July 2019	OD	Done	Annual work study investigations be conducted for relevance.

ACTIVITIES	TIME FRAME	RESPONSIBLE UNIT	PROGRESS	ACTION PLAN IF TARGET NOT ACHIEVED
Re-engineer business processes for Technical Services	2020	OD	Done	
Re-engineer business processes for Community Services	2021	OD	Done	To continue providing support to all departments given the COVID 19 regulations, to ensure service delivery is not affected. Ensure that findings are attended too.
Re-engineer business processes for Water Services and Electrical Services	2022	OD	The study will commence in June 2021	Be done as soon as possible to ensure that operations are not affected given the lockdown regulations, before June 2021
Investigate best practice in terms of payroll management by HR	2020	OD	The study will commence in June 2021	Research be done on how best the two functions can be done given the COVID 19 regulations. Process to be kick started before June 2021

3.10.13. Integrated Human Resource Management.

To meet the organizational strategic goals for Municipal Transformation and Organizational Development, the municipality has developed a vision and mission for an Integrated Human Resource Management (IHRM).

The vision for IHRM that will be used to align the HR Strategy with the organizational strategy is as follows:-

"Positioning Newcastle Local Municipality for the attainment of Vision 2035 by attracting, developing, retaining and motivating the best talent."

The mission that has been set out for IHRM is as follows:-

"We commit to provide high quality Human Resource services that attract, develop and retain a diverse workforce driven to a high level of commitment and discipline as well as encouraging an Organizational culture that stimulates professional excellence and personal leadership."

3.10.14. Administration.

The Administration Directorate is one of the most important components of the municipality located under the Department of Corporate Services, and it works as a business partner to enable all departments within the municipality to render services to the community. The directorate has two sections, Records Management and Registry, as well as General Administration and Secretariat. It develops, manages and maintains sound governance systems, processes and procedures, provides it to the following departments:-

- Council and its committees;
- the Mayor;
- the Executive Committee;
- the Speaker;
- MPAC (Municipal Public Account Committee); and
- The organisation as a whole.

The legislation guiding the department are the following:-

No.	Pieces of legislation guiding the department
1.	Municipal Finance management Act
2.	Municipal System Act
3.	Municipal Structures Act
4.	The Constitution of RSA
5.	National Archives Act and Records Service of South Africa Act No. 43 of 1996 as amended
6.	KZN Provincial Archives Act
7.	The Promotion of Access to Information Act
8.	The Promotion of Administrative Justice Act
9.	Electronic Communications & Transactions Act

(a)General Administration and Secretariat.

The above legal prescripts that guide administration, are the same that ensure that the Standing Rules and Orders for the Newcastle Municipal Council meetings, including its committees as well as Records Management Policy and Systems are also in place. The directorate guides the Councillors as to their duties and responsibilities, and makes them aware of the relevant legislation and regulations in order to ensure proper

orientation and induction of Councillors. The directorate ensures that Councillors have access to information and statutory and regulatory compliance in that it provides the following professional and effective administrative support to all Newcastle Municipality Council structures in order to enhance optimal functioning:-

	Support offered to NLM Council structures
1.	The formulation and adoption of essential outstanding policies related to the directorate and by-laws
2.	Ensuring the provision of a sustainable administrative services to Council, its committees and staff complement in order to maximise performance output within the means of the municipality and in support of the IDP
3.	To oversee logistical arrangements for all Council meetings and manage travel logistics for Councillors
4.	Provides the secretariat support to council and its committees thereby implementing its activities in line with meeting schedule
5.	To manage procurement of tools of trade in line with the provisions of Supply Chain Management
6.	Provide Council support functions and meetings management (minutes taking, timely agenda distribution, implementation of council resolutions)
7.	Responsible for auxiliary services (office cleaning and provision of hygienic services in all municipal buildings)
8.	Overseeing the delivery of administration functions to the various components of the municipality
9.	Ensuring that the values and principles set out in Section 195 of the Constitution of the Republic of South Africa are promoted throughout the Municipal Administration
10.	Provision of printing, switchboard, Records Management and Registry service support to the entire municipality

(b)Records Management.

Records Management is a competency of the Provincial Archives Services within the department of Arts and Culture as per Section 13 of the Archives Act. KZN Archives is responsible for giving guidance and support to all municipalities and governmental institution by conducting records management trainings, inspections for compliance and appraisals. Their responsibility is to ensure sound records management in the entire province by enforcing all pieces of legislation regarding records management issues. The following are the functions of Records Management Unit:-

	Functions
1.	To link records management to Council's strategy and strategic plans
2.	To ensure that relevant information is available regarding the record keeping and records management practices of the Council
3.	To ensure that information contained in records is managed effectively throughout the Council
4.	To ensure that the records management staff understand their responsibilities and acquire the necessary skills to manage records effectively through trainings
5.	To ensure that information can be identified and retrieved when required
6.	To ensure that all records are kept in safe custody
7.	To ensure that there is a systematic disposal programme in place to create space
8.	To ensure that all electronic records are managed according to the requirements of the Provincial Archives and Records Service and Good Governance

In ensuring the above records management functions, the municipality has recently embarked on the implementation of

the Electronic Document Records Management System project to ensure that the objectives of the unit are attained. It has been realized that proper management of documents and records of the entire municipality remains a challenge, hence the procurement of the system. This system is called D2 and has vast benefits which addresses improved service delivery, accountability as well as good governance of all activities within the institution. These benefits are listed below:-

- The system will track the performance of every business process and monitor users who participate in the approval process;
- D2 reduces the human factor related mistakes to a minimum;
- It helps to avoid the risks of delaying and slowing down of any business process by enabling approvals from anywhere provided the required digital signatures are implemented;
- The system improves governance within the institution;
- It provides documents to validate and support performance management; and
- D2 will provide supporting documents for all projects at a click of the button.

3.10.15. ICT

To ensure effective and efficient management of ICT resources and processes, NLM has recently developed a Municipal Corporate Governance of Information and Communication Technology Policy. This will aid the municipality in achieving the municipal goals and objectives. The main purpose of the policy is to align ICT functions to the organizational goals, minimise the risk ICT introduces, and ensure that there is value in the investments made in ICT.

The view of the Newcastle Municipality is that ICT should be governed and managed at all levels within an organizational structure and this is also supported by internationally accepted good practices and standards. With regards to municipal operations, the policy places a very specific responsibility on the Council and Management within NLM in order to ensure that the decision making process for ICT remains transparent. Such measures enable the municipality to align the delivery of ICT services in line with the municipality's strategic goals as contained within the Integrated Development Plan.

ICT Governance is implemented in two different layers namely:-

- **Corporate Governance of ICT** – The governance of ICT through structures, policies and processes. In terms of Corporate Governance of ICT, the current and future use of ICT is directed and controlled.
- **Governance of ICT** –are the individual processes and procedures which are meant to ensure the compliance of the ICT environment based on a pre-agreed set of principles. The main purpose of the Municipal Corporate Governance ICT Policy is to institutionalize the Corporate Governance of ICT as an integral part of corporate governance within the Newcastle Municipality. This Municipal Corporate Governance ICT Policy provides the Municipal Council and Management with a set of principles and practices that must be complied with, together with an implementation approach to be utilized for implementation of ICT Governance.

Objectives of the Corporate Governance of ICT Policy for Newcastle Municipality
• Institutionalize a Corporate Governance of ICT Policy that is consistent with the Corporate Governance Frameworks of the Municipality
• Aligning the ICT strategic goals and objectives with the municipality's strategic goals and objectives
• Ensuring that optimum municipal value is realized from ICT related investments, services and assets
• Ensuring that municipal and ICT related risks do not exceed the municipality's risk appetite and risk tolerance
• Ensuring that ICT related resource needs are met in an optimal manner by proving the organizational structure, capacity and capability
• Ensuring that the communication with stakeholders is transparent, relevant and timely
• Ensuring transparency of performance and conformance and driving the achievement of strategic goals through monitoring and evaluation

The following practices outlined in the table below have been assigned to specific designated municipal structures and officials in order to achieve the objectives and principles contained in this Municipal Corporate Governance of ICT Policy:-

Practices Description
The Municipal Council must: • Provide political leadership and strategic direction through: • Determining policy and providing oversight; • Take an interest in the Corporate Governance of ICT to the extent necessary to ensure that a properly established and functioning Corporate Governance of ICT system is in place in the municipality to leverage ICT as an enabler the municipal IDP;
• Assist the Municipal Manager to deal with intergovernmental, political and other ICT-related Municipal issues beyond their direct control and influence; and • Ensure that the municipality's organizational structure makes provision for the Corporate Governance of ICT.
The Municipal Manager must: • Provide strategic leadership and management of ICT; • Ensure alignment of the ICT strategic plan with the municipal IDP; • Ensure that the Corporate Governance of ICT is placed on the municipality's strategic agenda; • Ensure that the Corporate Governance of ICT Policy, charter and related policies for the institutionalization of the Corporate Governance of ICT are developed and implemented by management; • Determine the delegation of authority, personal responsibilities and accountability to the Management with regards to the Corporate Governance of ICT; • Ensure the realization of municipality-wide value through ICT service delivery and management of Municipal and ICT-related risks; • Ensure that appropriate ICT capability and capacity are provided and a suitably qualified and experienced Governance Champion is designated; • Ensure that appropriate ICT capacity and capability are provided and that a designated official at a Management level takes accountability for the Management of ICT in the municipality; and • Ensure the monitoring and evaluation of the effectiveness of the Corporate Governance of ICT system e.g. ICT steering committee.
• The Municipal ICT Steering Committee, Risk and Audit Committee must assist the Municipal Manager in carrying out his/her Corporate Governance of ICT accountabilities and responsibilities.
Management must ensure: • ICT strategic goals are aligned with the municipality's Municipal strategic goals and support the municipal processes; and • Municipal-related ICT strategic goals are cascaded throughout the municipality for implementation and are reported on.

(a)ICT Vision, Mission and Guiding Principles.

Newcastle Municipality's ICT vision is as follows:-

"To be a catalyst for change and a world class leader in delivering technology solutions and services that directly contribute to mission accomplishment; and an essential partner in business transformation, resulting in excellent customer service, strong partnerships, secure and reliable infrastructures, and cost efficient performance."

The municipality's ICT mission is as follows:-

"Provide the information and communication technology leadership and governance that enables the programs and operations of the Newcastle Municipality to deliver their respective missions in an efficient, effective, and secure manner through the use of ICT solutions and services."

This means that it is ICT's duty to foster an environment in which information and technology is used to support and enhance business decisions and operations.

(b)ICT Services Structure.

In order to support the 800+ municipal systems users and 67 Councillors, the ICT unit is structured to support the functions below. The ICT unit is headed by the Chief Information Officer (CIO). The CIO is responsible for the development of the municipality's ICT policies, procedures, standards, guidelines and frameworks that will ensure that all ICT functions are structured and conform to international standards. The CIO is also responsible for all ICT administration, liaising with the all internal and external stakeholders, and the provision of support services to the ICT Steering Committee.

There are 2 sections within ICT namely, the Technology Infrastructure Section and the ICT Applications and Projects Section. The Technology Infrastructure Section is basically responsible for all infrastructure related services and ensures the servicing of all 25 municipal sites (including libraries, water services sites, fire stations, electrical services, roads and storm-water services etc.). Moreover below are the responsibilities for the two sections within ICT of the NLM:-

Functions of ICT Sections	
Technology Infrastructure Section	**ICT Applications and Projects section**
The management and monitoring of all municipal servers	Analysis, design, procurement or development, and implementation of all municipal systems
Management and controlling of municipal system changes	Municipal data warehouse design and administration
Management and tracking of all incidents logged by municipal users	Municipal website and intranet development, management and hosting
E-mail management and Internet connectivity	Business process analysis and re-engineering
Ensuring that all IT services are recovered in record times in the case of a disaster	Documentation of all automated business processes in compliance with international standards
Ensuring that all municipal data is backed-up and stored in a secure environment off-site	ICT project management and project management methodology establishment
Ensuring that that the network infrastructure is stable and reliable for transferring of data and information	Development a municipal Enterprise Architecture and Master Systems Plan
Ensuring the integrity, confidentiality and accessibility of municipal data and information through the	

Functions of ICT Sections	
Technology Infrastructure Section	**ICT Applications and Projects section**
implementation of various ICT security controls	
Supply and maintenance of the municipality's telecommunications systems	
Procurement and support of all municipal ICT assets (hardware and software)	

(c)Bridging the Divide.

To bridge the digital divide in Newcastle, NLM will be introducing participation mechanisms to enhance communication, accountability, responsiveness, transparency and provide for active citizenship. This will be done through the following:-

- Provision of basic ICT Maturity e-governance services such as SMS alerts of Council meetings and standing committees;
- ICT enabled customer satisfaction surveys;
- Provision of online payment of rates, utilities, and traffic fines;
- SMS alerts for accounts due;
- Service disruption warnings; and
- The dissemination of the electronic newsletter for the community.

Successful implementation of this phase will see more of such e-governance services being offered to the community. In the future, the municipality plans to take advantage of the National Broadband Policy of South Africa which will guide NLM to ensure that all places in and around Newcastle have internet connectivity. Broadband infrastructure is central in achieving the goal of digital inclusion, enabling universal, sustainable, ubiquitous and affordable access to ICTs by all, and providing sustainable connectivity and access to remote and marginalized areas within the NLM. This is paving a way for Newcastle as the City ushers its way into the 4th Industrial Revolution.

3.10.16. Integrated Support Services.

The Council Support, general administration and ancillary services component of Municipal Transformation has developed a vision which is as follows:-

"Establish Newcastle Local Municipality as a centre of excellence by 2035, through first class support services, innovative quality service, and an environmentally friendly workplace."

The mission that has been set out to realize the vision is as follows:-

"We commit to provide the municipality with quality services through innovative strategies for meetings management, dissemination of quality information, and provision of a clean and environmentally friendly workplace."

3.10.17. Municipal Transformation and Organisational Development SWOT Analysis.

STRENGTHS	WEAKNESSES
• Committed and youthful staff. • Innovative. • Good team spirit.	• Shortage of permanent staff. • Reliance on acting and/or seconded individuals. • Limited tools of trade.

STRENGTHS	WEAKNESSES
• Commitment to research and development. • Shared departmental objectives.	• Reactive approach to delivery of services. • Archaic work processes.
OPPORTUNITIES	**THREATS**
• Introduction and/or enhancement of systems, processes and programs. • Introduction of Individual Performance. • Management System to encourage and reward good performance. • Review of organisational structure and job evaluation. • Reduction of Employee-related costs. • Develop abilities and increase job satisfaction. • Enhanced governance support services.	• Negative attitude towards. • Organisational Development and Human Resource Development. • Lack of cooperation from user departments. • Lack of cooperation by organized labour. • Misinformation about departmental functions and intentions. • Political instability leading to governance structures not sitting.

3.11. Basic Service Delivery.

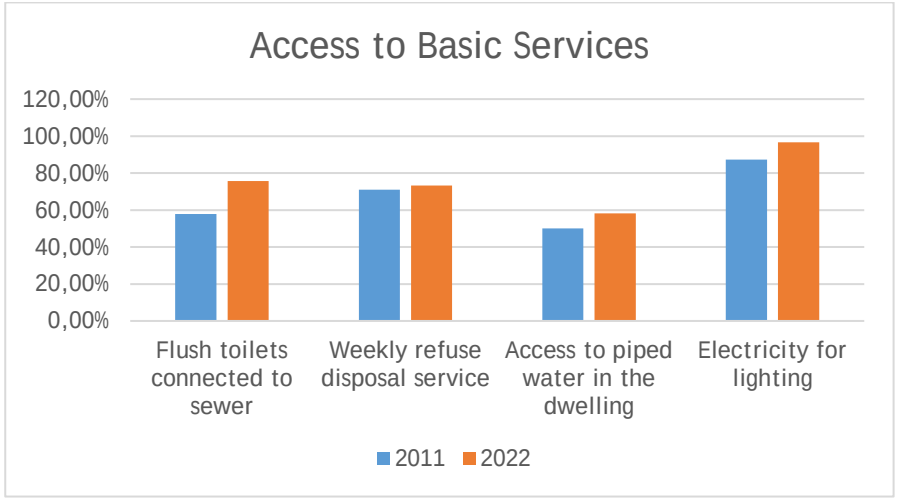
NLM is one of the few local municipalities that have the responsibility to plan, provide and regulate infrastructure development throughout its area of jurisdiction. This includes both bulk infrastructure development and reticulation. As indicated under section 3.1 Demographics and Socioeconomic Profile and now to be shown underneath, access to basic household services in Newcastle Municipality has improved since 2011 with more people (58% as opposed to 50% in 2011) having piped water inside their dwellings, and 96.6% having electricity for lighting marking an increase from 87.2% in 2011. The situation with regards to sewer connection and refuse removal has also shown improvement with an increase of 17.8% and 2.2% respectively. However, the standard and level of service differs significantly among areas reflecting the impact of the past apartheid policies. The JBC area and the surrounding settlements are characterised by severe service backlogs and underdevelopment.

We also note that NLM area was affected by storms in the 2022/23 financial year. The early estimates of flood damages on the roads due to storms in and around the Newcastle Township areas stands at approximately R 53 million. Attempts are being made by the municipality to source funding for the repairs of roads and stormwater.

3.11.1. General Access to basic Services.

As indicated on Figure 14 below, access to basic household services in Newcastle Municipality has improved substantially since 2001 with more people (50% as opposed to 28.5% in 2001) having piped water inside their dwellings, and 87.2% having electricity for lighting marking an increase from 84.2% in 2001. The situation with regards to sewer connection and refuse removal remains largely unchanged reflecting the impact of population growth.

Figure 14: Household Services.

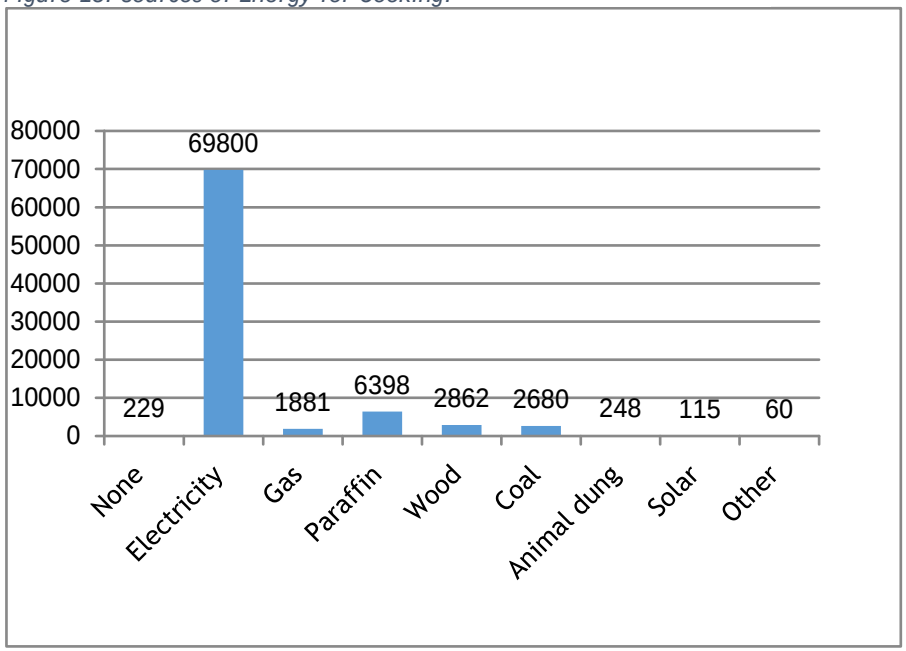


Source: Stats SA, 2022

However, the standard and level of service differs significantly among areas reflecting the impact of the past apartheid policies. The JBC area and the surrounding settlements are characterised by severe service backlogs and underdevelopment.

3.11.2. Sources of Energy.

Figure 15: Sources of Energy for Cooking.



The municipality, with the assistance of ESKOM, has made substantial progress with the provision of electricity throughout its area of jurisdiction. 69 800 and 73 449 households are using electricity for cooking and lighting respectively. The number of people using sources of energy such as paraffin, wood, gas, coal, etc. has declined substantially. However, there are few areas where lack of services have been reported. These include informal settlements and areas that were settled after the electrification of the settlement.

3.11.3. Access to Water.

Water supply infrastructure in Newcastle Municipality varies between areas reflecting the impact of fragmented spatial development and urban bias of the past planning and development practices. Newcastle town is generally well provided with water while a few households in Madadeni and Osizweni Townships are experiencing shortages in this regard. According to the Newcastle Municipality Water Services Develop Plan (2013/14), there are four categories of settlements serviced with water within the municipal jurisdictional area and these are as follows:-

- Urban – Formal towns within the vicinity of urban cores;
- Urban – Former residential township areas;
- Urban – Informal settlements (squatter camps); and
- Rural – Small villages with a population less than 5000.

Severe backlogs have been reported in rural settlements where the level of backlog is high. The high backlogs are mostly concentrated in Ward 1 where there is a moderate percentage of households with inadequate water services. A review of the 2011 Stats SA Census Data reveals that 50% of the population has water inside their dwelling units. However, a significant number of people (more than 35%) still obtain water beyond a 200m radius in the form of communal stand pipes. People who do not have access to piped water account for only 4% of the total population.

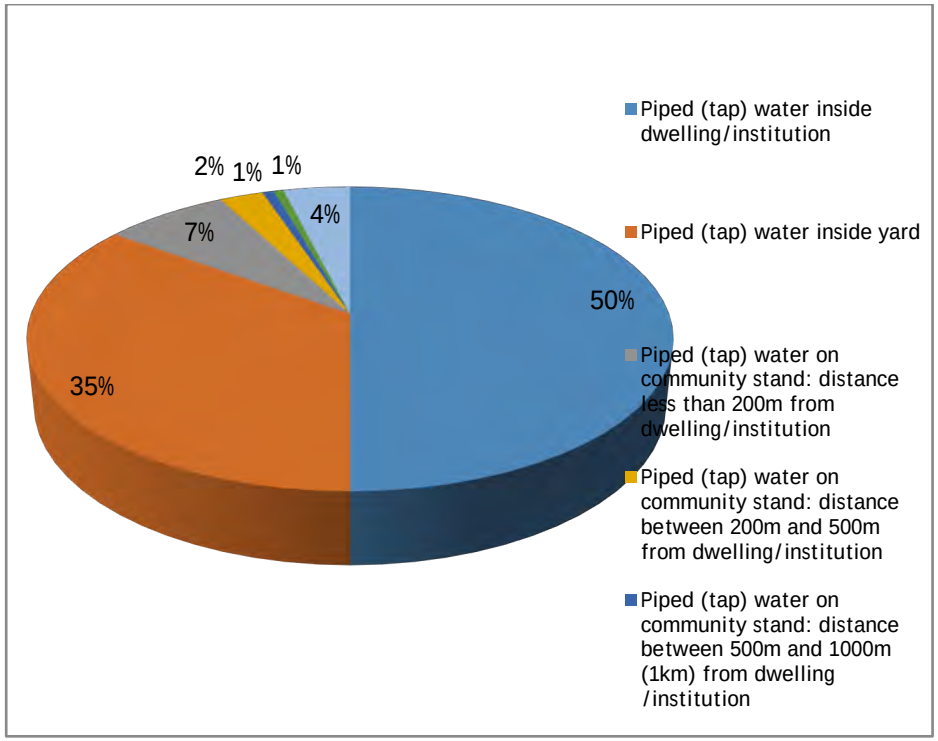
Table 20: Level of Access to Piped Water.

ACCESS TO PIPED WATER	NO. OF HH
Piped (tap) water inside dwelling/institution	42 126

Piped (tap) water inside yard	29 508
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	6 159
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	2 142
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	562
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	485
No access to piped (tap) water	3 290
Unspecified	-
Not applicable	-
GRAND TOTAL:	**84 272**

Source: Stats SA, 2011

Figure 16: Level of Access to Water (Stats SA Census Data 2011).



The Newcastle Municipality, in line with National policy on FBW, makes budgetary provision of 12kl per household for indigent families, funded through the Equitable Share. The recently updated Water Services Development Plan (2013/14) indicates that there has been a reduction of 18% in water backlogs between the year 2002 and 2010 with an existing water service backlog of 24%. Breakdown of the level of access to water by municipal wards is indicated on the table below.

Table 21: Access to Water by Electoral Wards.

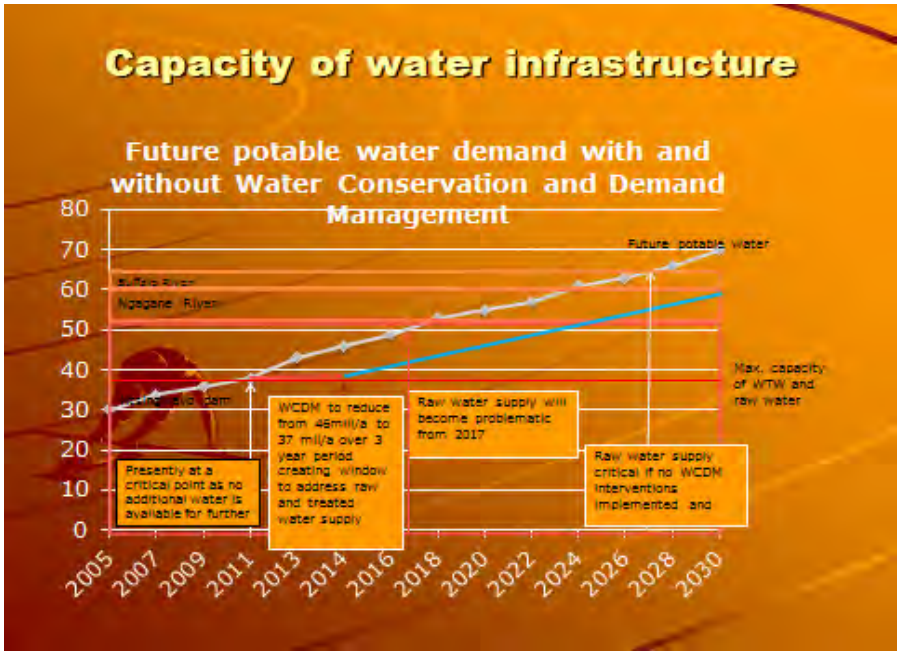
Source of water	Regional/local water scheme (operated by municipality or other water services provider)	Borehole	Spring	Rain water tank	Dam/pool/ stagnant water	River/ stream	Water vendor	Water tanker	Other
Municipal Wards	851	933	452	93	94	258	20	341	87
Ward 1	3 242	6	1	2	1	1	5	5	20
Ward 2	2 294	16	1	3	9	12	8	7	34
Ward 3	2 789	6	-	7	3	1	8	13	9
Ward 4	2 873	7	1	1	3	1	6	4	8
Ward 5	3 821	82	11	29	5	7	55	552	249
Ward 6	3 216	32	2	15	6	5	20	93	239
Ward 7	1 765	17	-	1	2	-	5	49	22
Ward 8	3 632	11	-	3	-	-	4	5	70
Ward 9	2 108	2	-	1	1	-	5	7	38
Ward 10	2 436	8	4	1	4	-	12	4	32
Ward 11	1 701	31	7	2	1	-	7	14	68
Ward 12	1 667	3	3	1	-	-	2	7	6
Ward 13	3 287	13	5	2	2	-	-	89	214
Ward 14	1 444	216	27	5	12	4	13	280	212
Ward 15	2 613	117	2	7	2	-	5	17	345
Ward 16	2 368	8	-	-	-	-	25	1	7
Ward 17	2 148	99	-	1	-	-	20	29	277
Ward 18	2 215	21	7	1	6	1	2	230	22
Ward 19	3 705	41	1	4	-	-	12	11	17
Ward 20	2 583	118	5	76	2	12	17	149	136
Ward 21	1 949	1	-	2	-	-	5	4	1
Ward 22	1 800	7	-	2	-	-	11	112	9

Ward 23	2 906	25	2	1	2	-	3	4	17
Ward 24	3 382	301	1	2	-	5	6	-	13
Ward 25	1 601	4	-	1	1	-	2	1	8
Ward 26	2 453	6	-	-	2	-	5	1	14
Ward 27	1 633	2	5	1	4	1	1	7	8
Ward 28	2 497	2	-	2	1	-	8	17	8
Ward 29	2 576	13	2	7	5	1	5	87	24
Ward 30	2 171	87	4	1	1	2	9	270	81
Ward 31	75 725	2 235	545	278	169	312	305	2 411	2 292
Grand Total	**75 725**	**2 235**	**545**	**278**	**169**	**312**	**305**	**2 411**	**2 292**

Source: Stats SA, 2011

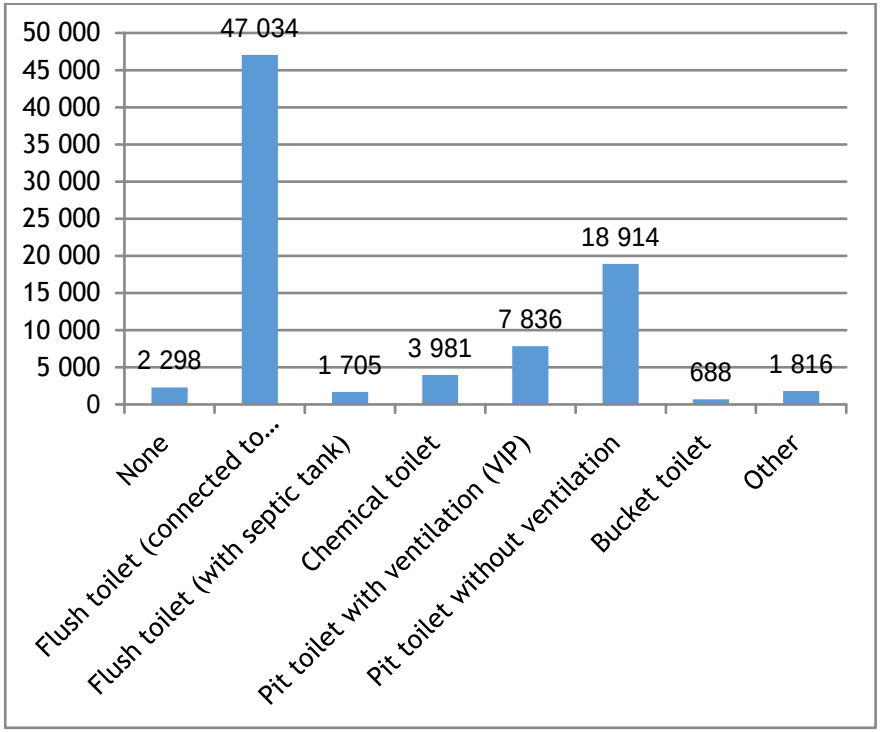
The graph below illustrates the demand for water and indicates the crisis that might face Newcastle Local Municipality if water issues are not given priority.

Figure 17: Capacity of Water Infrastructure



3.11.4. Access to Sanitation.

Figure 18: Access to Sanitation



Source: Stats SA, 2011

Similarly, the peri-urban and rural areas such as the JBC and rural settlements in the Khathide and AmaHlubi communities are characterised by high sanitation backlogs. The JBC node has no sewerage reticulation in place. The residents rely on over 15 000 ventilated improved pit (VIP) latrines. Most of the VIPs are full and the Municipality spends about R1.0 million every month in de-sludging the VIPs. Plans are underway to

formalize Blaauwbosch and considerable sewage flows are expected once the waterborne sewerage system is connected. A breakdown of the level of access to sanitation by municipal wards is indicated in the table below. 688 people said to be on the bucket system is a cause for concern and will be attendant to with immediate effect.

Table 22: Access to Sanitation by Electoral Wards

MUNICIPAL WARDS	NONE	FLUSH TOILET (CONNECTED TO SEWERAGE SYSTEM)	FLUSH TOILET (WITH SEPTIC TANK)	CHEMICAL TOILET	PIT TOILET WITH VENTILATION (VIP)	PIT TOILET WITHOUT VENTILATION	BUCKET TOILET	OTHER
Ward 1	168	456	343	87	136	1777	36	124
Ward 2	2	3259	14	-	2	-	2	2
Ward 3	19	2339	2	-	10	6	1	6
Ward 4	-	2802	9	-	15	4	-	5
Ward 5	2	2888	3	-	3	2	-	7
Ward 6	440	28	23	583	1577	1993	22	145
Ward 7	329	804	38	170	1151	891	241	4
Ward 8	21	1673	99	4	53	2	4	7
Ward 9	337	1917	52	128	702	546	10	32
Ward 10	62	2075	19	-	2	1	1	2
Ward 11	18	1649	42	283	9	122	7	372
Ward 12	42	17	12	21	21	1580	2	137
Ward 13	7	1505	1	6	5	148	10	7
Ward 14	14	75	13	422	1180	1851	42	15
Ward 15	85	7	5	35	44	1868	7	163
Ward 16	156	18	12	28	91	2659	19	127
Ward 17	17	2169	17	1	3	138	28	37
Ward 18	65	333	49	160	143	1691	18	117
Ward 19	31	1006	20	559	253	617	3	17
Ward 20	68	3253	201	17	9	17	168	58
Ward 21	24	1970	240	127	88	620	4	25
Ward 22	2	1878	53	2	-	-	22	3
Ward 23	1	1608	270	2	1	12	6	39
Ward 24	17	2864	19	1	21	2	3	34
Ward 25	120	2444	10	4	14	1040	5	73
Ward 26	11	1600	2	-	-	1	-	3
Ward 27	6	1651	19	139	481	6	6	173
Ward 28	5	1643	10	1	2	-	-	-
Ward 29	36	1325	71	186	675	230	3	8
Ward 30	78	1724	18	118	328	383	13	57
Ward 31	115	54	18	897	817	707	3	16
Grand Total	**2298**	**47034**	**1705**	**3981**	**7836**	**18914**	**688**	**1816**

Source: Stats SA, 2011

3.11.5. Water Services Delivery Plan.

The NLM developed and adopted a Water Services Development Plan in 2009 and the last review was done in (2018/19). This review has seen NLM produce a module 1 web-Based WSDP which has been finalised and is awaiting EXCO/Council approval & adoption. The main challenge leading to a delay in this process at NLM was a failure to develop a Water and Sanitation Master Plan which has resulted in ad-hoc planning for water infrastructure development in the WSDP. The WSDP and various other strategic documents identify a number of critical issues. These range from issues of service backlogs through the capacity of the existing infrastructure to the sustainability of the infrastructure into the future. Critical issues that require attention in this regard include the following:-

- Developing a Water and Sanitation Master Plan

- Annual review of the Web based WSDP for long term plan to guide investment in water infrastructure in the short to long term.
- Maintenance of the existing infrastructure.
- Funding for maintenance and new water infrastructure projects.

3.11.6. Raw Water Sources.

The supply of raw water within the NLM is as follows:-

- The Buffalo River Abstraction Works through a 32km long 800mm diameter steel pipe to the Ngagane Water Purification Works. The average supply is 10 Ml/day;
- The Ngagane River Abstraction Works through a 1.5km long 600mm concrete lined steel pipe, which supplies an average of 20 Ml/day; and
- The Ntshi8ngwayo Dam through two pipes, an 800 mm concrete pipe which is 18km long and a 700mm diameter steel pipe which is 13km long. Both of these supply a combined total of 92 Ml/day.

Ntshingwayo Dam, situated on the Ngagane River, has a storage capacity of 194 million m^3. The dam was raised during 1982 and cannot be augmented further to increase the system yield. An excess firm yield of 21 million m^3/a (57Ml/d) is available at Ntshingwayo Dam for further allocation to Newcastle which should be sufficient until 2017 at the present demand without any water conservation and water demand management initiatives being implemented. If these initiatives are implemented, this horizon could extend to 2023.

However, the current available yield from the Ntshingwayo Dam is not sufficient to support a major irrigation-based agricultural development. As such, water augmentation in the upper Buffalo system would be required in the time horizon 2015 – 2025 without any agricultural development because of the growth in the domestic and industrial demand within Newcastle. Therefore, the proposed Ncandu River Dam is not just the only viable option for increasing the system yield in order to support agricultural development, but it is also the only viable option to ensure continued economic growth for the Newcastle industrial and commercial sector beyond 2015 – 2030.

Table 10 below indicates the expected peak demand for the next 25 years with the expected shortfalls.

Table 23: Demand Forecast

Year	Peak demand (Ml/day)	Supply			Total	Surplus (shortage) (Ml/day)
		Ntshingwayo Dam	Ngagane river	Buffalo river		
2011	104	70	18	15	103	(1Ml/day)
2014	128	70	18	15	103	(25Ml/day)
2020	153	70	18	15	103	(50Ml/day)
2025	167	70	18	15	103	(64Ml/day)
2030	190	70	18	15	103	(87Ml/day)
2035	213	70	18	15	103	(110Ml/day)

From the table above it is evident that the bulk raw water supply is creating a bottleneck resulting in the plant not being able to meet the demand. Noting that, the installation of a new supply line will take at least 3 years at which time the expected shortfall will be in the order of 25Ml/day. Therefore it is evident that the situation is in dire need of an intervention. This could be a conservative figure as the supply line to Utrecht is completed. New bulk infrastructure is being provided to supply water to a planned development called Viljoen Park. The Stafford Hill area, comprising of 8000 households, is also to be provided with water borne sanitation and plans are being finalised to commence a 3 phased high density development for JBC.

3.11.7. Potable Water Treatment Facilities.

During February 2013, Newcastle was awarded with a **BLUE DROP** water status (quality) accolade. The town of Newcastle has three WTWs with two plants having recently been decommissioned. The Ngagane WTW is the only plant that is currently operational, and which is supplying treated water to the area. The Ngagane Water Treatment Works is located next to the Ngagane River on the south-eastern side of Newcastle and is operated by uThukela Water (Pty) Ltd on behalf of Newcastle Municipality. The total peak hydraulic design capacity of the Ngagane WTW is 105 Ml/d. The average annual flow rate of the WTW is estimated to be 103.3 Ml/d.

The average annual capacity of the water treatment works is not sufficient to meet the future water requirements (from 2012). An overall score of 95% is required to achieve a blue drop status. During 2010, UThukela Water achieved a score of 97%.

3.11.8. Water Supply and Reticulation.

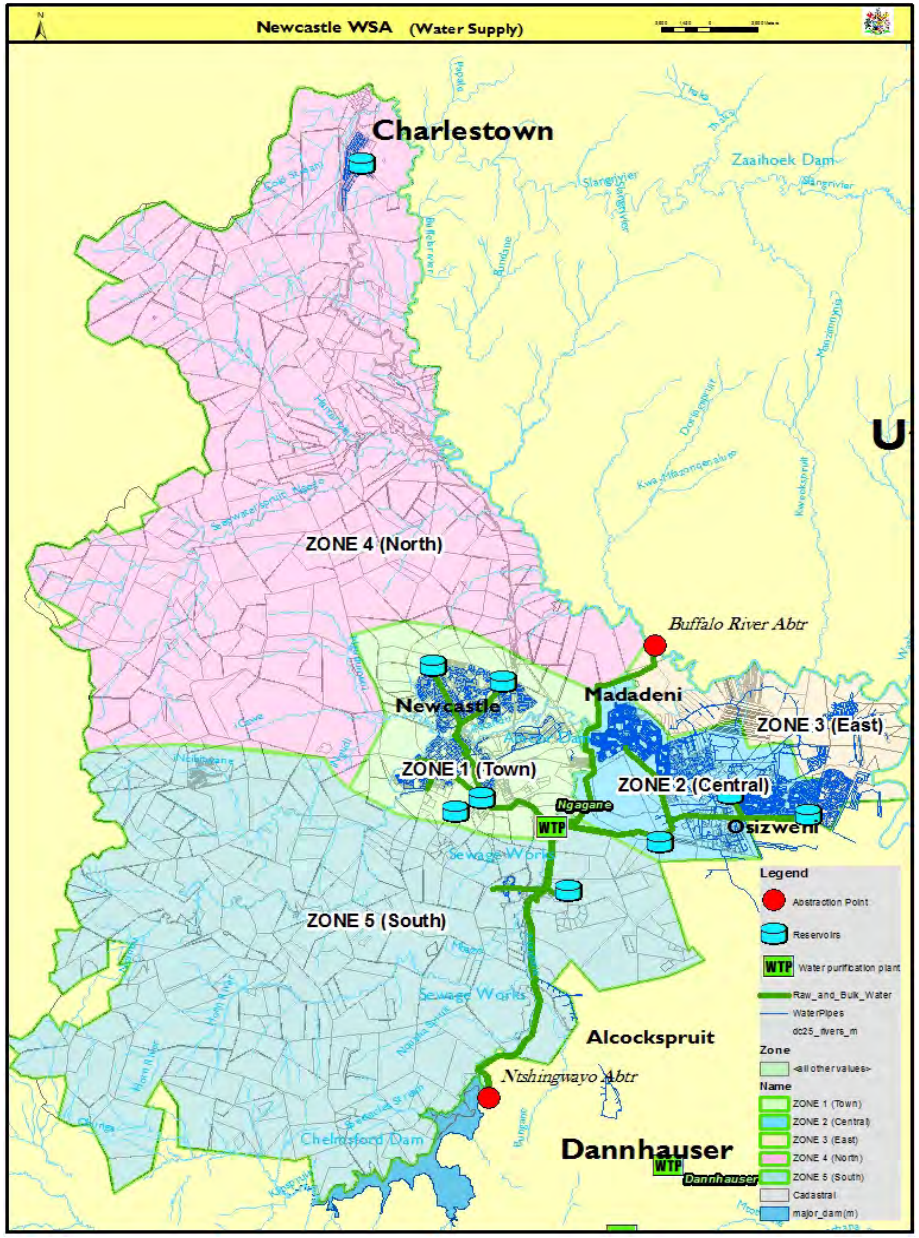
Six pumping mains supply purified water to two bulk storage reservoirs, the Braakfontein and Hilldrop reservoirs. A combination of a 600mm diameter steel pipe, 375mm diameter asbestos cement pipe and 600 mm diameter GRP pipe supply the 78Ml Braakfontein reservoirs. The 29Ml Hilldrop Reservoirs are supplied through a 700mm steel pipe and 375mm asbestos cement pipe. Water from the Braakfontein reservoirs then feeds the following:-

- Stafford Hill and Madadeni through a combination of various pipe sizes ranging from 800mm diameter to 200mm diameter;
- 6Ml Blaauwbosch reservoir that in turn feeds Blaauwbosch;
- The Waterval Reservoir and Ngagane; and
- Osizweni Township through a 3.85km long 450mm diameter AC pipe. The pipeline splits into two lines, one serves the 6Ml reservoir at Blaauwbosch and the other serves the 2Ml tower at Osizweni.

The Hilldrop reservoirs feed the Newcastle CBD, the suburbs and industrial areas. The JBO Node is fed from the Braakfontein reservoirs. The average consumption for the whole of

Newcastle is estimated at 75Ml/day. The consumption figures from the Braakfontein reservoirs are about 46Ml/day. The Braakfontein reservoirs therefore have adequate capacity for future expansion. The total unaccounted for water is very high and averages about 36%. Once this is addressed, additional capacity can be realized.

The increase in demand for the townships of Madadeni, Osizweni, Stafford Hill and Blaauwbosch including the Newcastle West area is necessitating the need for an additional 20Ml reservoir at the Hill drop reservoir site including an additional 45Ml reservoir for the Braakfontein reservoir site.



3.11.9. The Condition of Water Infrastructure.

The infrastructure in Newcastle East is in a fairly good condition which is more than what can be said about the condition of water infrastructure in the Newcastle West area which is mainly the CBD and surrounding suburbs. The area has aging asbestos networks which are resulting in high maintenance costs. The estimated capital investment required for this is in the order of R500 million rand. Investigations also need to be carried out in how to improve the pressure management in the Arbour Park, Lennoxton areas where low pressures are being experienced.

A new pumping main from Ngagane Plant to Braakfontein Reservoirs is needed. The existing two lines do have sufficient capacity for the medium term but require maintenance and to decommission one line to carryout repairs will result in inadequate supply owing to the insufficient storage capacity at Braakfontein reservoirs.

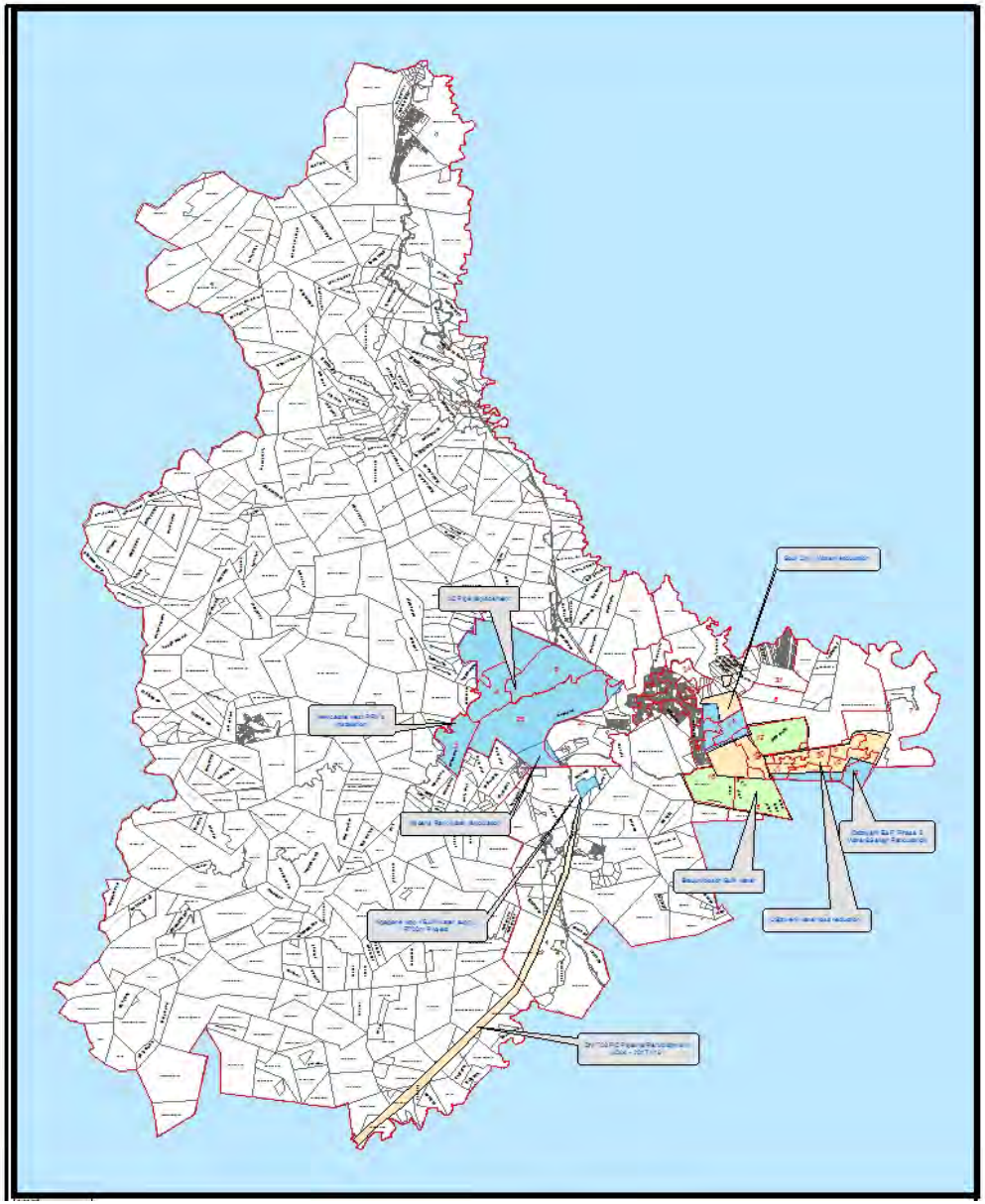
3.11.10. Water Losses.

A preliminary assessment of the level of water use efficiency and the level of Non-Revenue Water (NRW) in the Newcastle Water Supply Scheme area indicated that the total system losses are high. It was estimated that the total Non-Revenue Water (NRW) in the supply area is a staggering 65%. The main areas of concern are Madadeni and Osizweni where water losses mainly from onsite leaks are resulting in losses of at least 26Ml/day. The average consumption per household in Madadeni is 44.6kl per month with almost zero payment and no credit control interventions. The situation is not any different in Osizweni where the total number of households is in the order of 27,200. An amount of R24 million has been approved by MIG to reduce the non-revenue water in Madadeni although a R150 million will be required to complete the programme. The programme will include the repair of private leaks and install flow regulators to each household in Madadeni and Osizweni thereby creating an additional 26Ml per day allowing a window period for the construction of the raw water supply line from Ntshingwayo dam to the Ngagane WTW and simultaneously increasing the capacity of the Ngagane WTW's. Without these interventions there will be insufficient water to supply for any new developments.

3.11.11. The need for a new water source.

UThukela water developed a raw water bulk Master plan that has several options for water supply from 2019 and beyond 2030. Private enterprises are proposing Ncandu dam which also is ok. The current spatial development of NLM will determine its current demand for water supply. Growth and development will increase the demand for water supply in the future. Amongst other things the factors that will contribute to the growth in demand are as follows:-

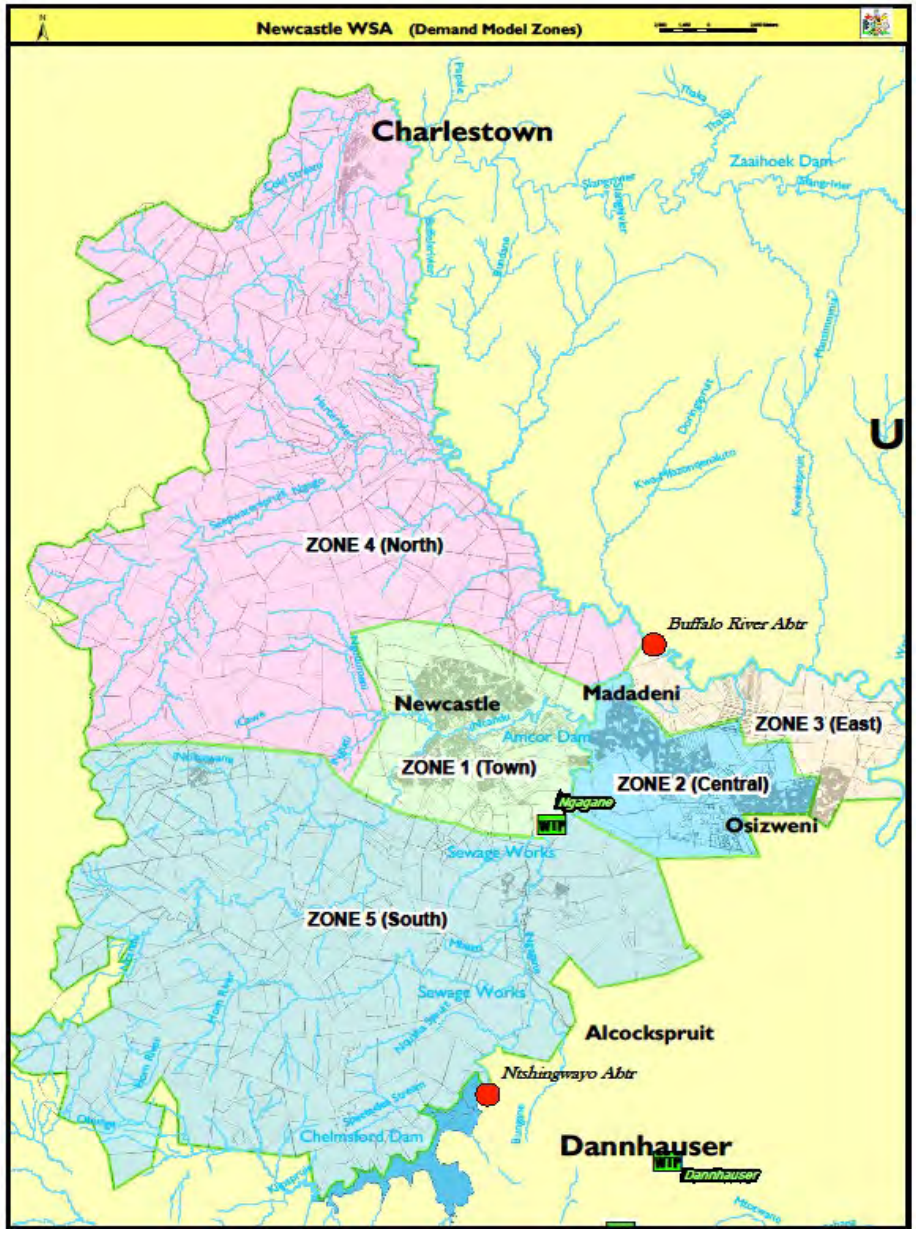
- Population growth;
- Economic Growth;
- Spatial development;
- Increased level of service; and
- Development of new wet industries.



3.11.12. Water demand zones.

According to the table below, Newcastle is divided into 5 demand zones and these are essential for greater clarity and insight as well as modelling accuracy. The demand zones are specifically identified through a combination of parameters such as:-

- Topography;
- Sewage and storm water drainage areas;
- Existing water and sewer infrastructure;
- Current spatial development profile; and
- Development potential.



Based on the table below, Newcastle Central has the highest residential demand for water at 64 489 (57.88%), followed by Newcastle East at 23 951 (21.49%) and Town at 18 948 (17.00%). In terms of the non-residential buildings, Town has the highest concentration of water demand at 1 272 (74.03%).

Table 24: NLM Water Demand Zones.

ZONE NUMBER	DEMAND ZONE NAME	RESIDENTIAL DWELLING	NON-RESIDENTIAL BUILDINGS
1.	TOWN	18 948	1 272
2.	CENTRAL	64 489	291
3.	EAST	23 951	17
4.	NORTH	1 747	113
5.	SOUTH	2 269	25
TOTAL:		111 402	1 718

Source: Ncandu Dam Affordability Study (2014).

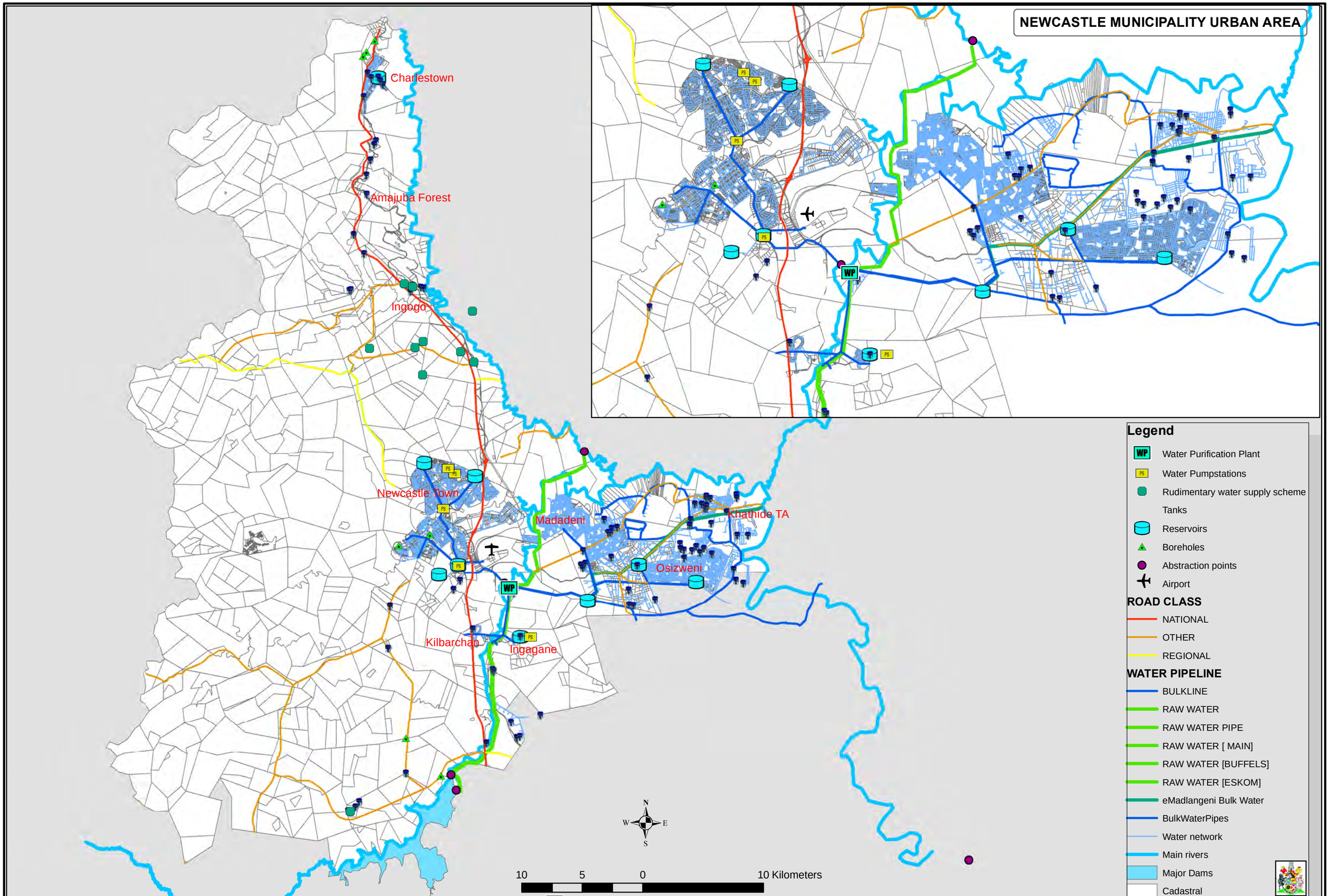
3.11.13. Reliability of existing raw water sources.

In terms of the existing water sources, it is important to note the following:-

- The yield of Ntshingwayo Dam has probably declined to the point where all allocated water rights cannot be exercised. This is due to silting-up of the dam, which thus continue to reduce the yield of the dam. Furthermore, the sluices of the dam are also reducing the dam's ability to reach maximum fill capacity of 90% hence further reducing the yield of the dam. In short, Ntshingwayo Dam has been operating in a

stressed state for some time, despite average rainfalls within the catchment.

- Both the Ngagane and Buffalo rivers have run dry on a regular basis in the past decade. This has hampered upon NLM's ability to abstract its full allocation of water from these sources, which has exacerbated the existing water supply shortages.



NEWCASTLE MUNICIPALITY - KZ252 (WATER SERVICES)

(a)Ncandu Dam.

It is assumed that the raw water and WTW losses should fall between 7.5% and 12.5% of the treated water supplied. This implies that the raw water supply required should be 10% or more on average than the demand to be supplied from the WTW. This loss is to allow for losses on the raw water supply system (scouring of pipelines, leaks, pipe breaks etc.) and the operational losses experienced at the WTW (backwashing of filters, de-sludging, cleaning of reservoirs etc.) The proposed Ncandu Dam, in conjunction with the current water sources, would ensure sufficient water for Newcastle for the foreseeable future, even if no water loss reduction program is implemented. The implementation of the water loss reduction program would achieve the reduction of recoverable losses by 70%, however, in a period of 10 years.

Table 25: Water Loss Reduction Program.

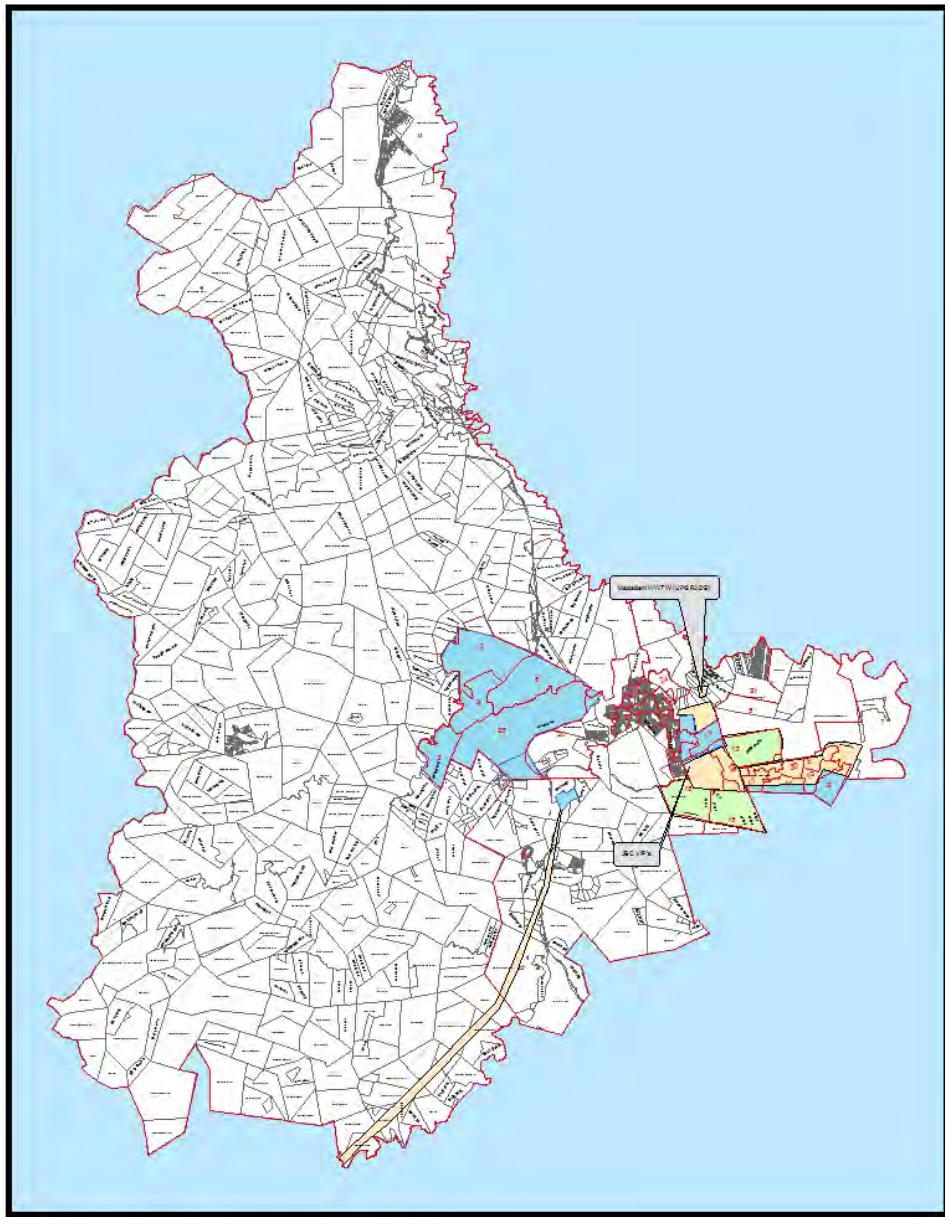
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Period Reduction	-	5 %	5%	10 %	15 %	15 %	15 %	10 %	10 %	10 %	5%
Cum Reduction	-	5 %	10 %	20 %	35 %	50 %	65 %	75 %	85 %	95 %	100 %

Source: Ncandu Dam Affordability Study (2014).

The table above depicts the average daily water demands that will be the resultant of successfully implementing the Water Loss Reduction Program. With the implementation of a loss reduction program, the existing sources would begin to become sufficient by 2018 and would then require supplementing by 2028. However, this is based on the expected scenario which is totally different from the High Demand Scenario whereby the existing resources are insufficient even with the implementation of a water loss reduction program. In light of the above it is therefore vividly clear that there is an urgent need for obtaining an additional water source in order to supplement the current sources of water. The provision of Ncandu Dam would ensure sufficient water for Newcastle well beyond 2034 with the implementation of the water loss program.

3.11.14. Sanitation.

NLM face a number of challenges with regard to sanitation. One of the main problems is the need for a sewer master plan, which will enable the municipality to plan for future developments including addressing the backlogs in basic sanitation services. Other areas of concern are the lack of adequate sewer systems for 13 481 households that do not have waterborne sanitation. This need is especially evident in the MBO area.



MPUMALANGA

MPUMALANGA

FREE STATE

Newcastle LM
KZ252

Dannhauser Local Municipality
KZ254

Endumeni Local Municipa
KZ241

Charlestown
Ingogo
Newcastle Town
Madadeni
Khathide TA
Osizweni
JBC
Kilbarchan
Ingagane

NEWCASTLE MUNICIPALITY WATER & SANITATION PROJECTS		
No.	Project	Ward
1	Madadeni WWTP	31
2	Upgrade of Ngagane WWTW Phase 1	21
3	Stafford Hill waterborne sewerage refurbishment	18,19,14,27,29,31
4	Upgrade & refurb of bulk sewer pipeline Siyahlala-la	25
5	Upgrade & refurb of bulk sewer pipeline Siyahlala-la	25
6	Blaauwbosch Bulk Water Project	21/19/1/6/18
7	Pipe Replacement and upgrade project	3
8	Upgrade of Madadeni wastewater treatment plant	31
9	Ngagane Bulk Water Supply Project	21
10	Blaauwbosch bulk water	6,12,15,16,18
11	Pipe replacement & upgrade - Arbor park	34
12	UPGRADE & REFURBISHMENT OF Pumpstation	31/6/33/12
13	UPGRADE & REFURBISHMENT OF BULK SEWER PIPELINE FROM SIYAHLALA LA	4/5/23/24/3
14	Viljoenpark Bulk water and sanitation	2/3/4/5/25/34
15	Pipe replacement & upgrade - Aviary hill Phase II	2
16	Viljoen bulk water & sanitation	34
17	Medical precinct - water, sewer & electrical	34
18	Water ext. - Manzana, Dicks halt phase 2 & jakkalspan	7,33

LEGEND

Other
- Airport
- Railway Line

Existing Roads
- Class 1
- Class 2
- Class 3

Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Proposed Roads
- Class 1
- Class 2
- Class 3

Legend
- Water and Sanitation Project
- Dwellings

Boundary
- Newcastle Urban Edge
- Development Boundary

1 : 281 100

0 3 6 9 12 15 18 Kilometers

SDP 2022/23

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * WATER AND SANITATION PROJECTS

MAY 2022

3.11.15. Condition of existing infrastructure.

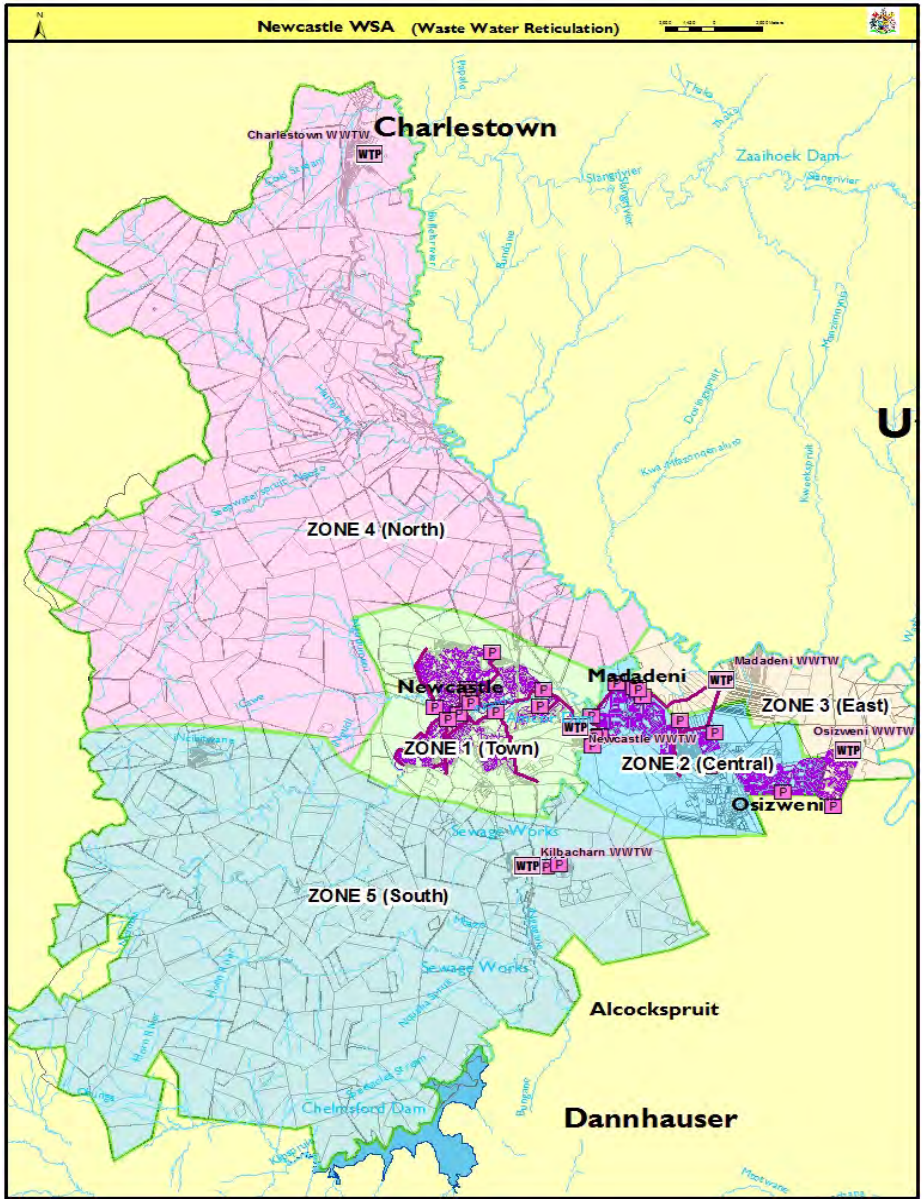
The absence of a Sewer Master plan does not allow for effective forward planning with regards to the impact of new developments and future areas to be provided with water borne sanitation. The new areas to be developed include Blaauwbosch and Viljoen Park. Stafford Hill has been provided with sewer reticulation where 8,000 existing VIP toilets are to be converted to flush toilets. Madadeni has water borne sanitation for all 15,000 households although the structures of 5,000 households are dilapidated and flush into the old conservancy tank system with the overflow of the tank connected to the sewer connection.

In many cases the contents of the tank is exposed and a health hazard. The existing networks are in a fairly good condition with infiltration into the groundwater not seen as a problem. The reticulation in the higher income areas such as Aviary Hill is operating at full capacity as the density of the area increases, exceeding the maximum design flows of the networks. Investigations revealed that there were two properties in Lennoxton being serviced by the old bucket system. Septic tanks have since been provided for these properties.

3.11.16. Waste Water Treatment Works.

The waste water and sewage from the Newcastle Municipality is currently treated at three major plants:-

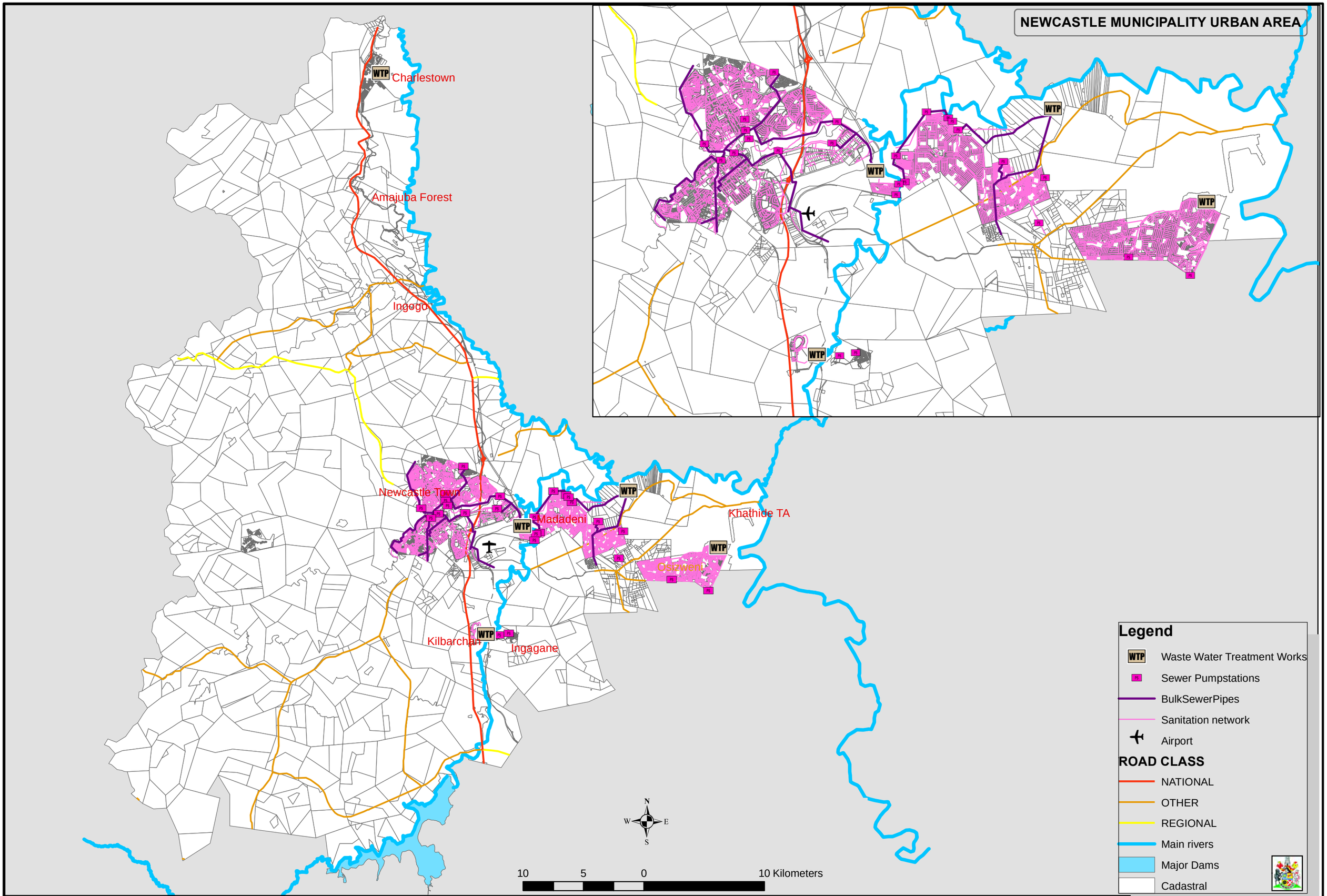
- **Newcastle (KwaMathukuza) Waste Water Treatment Plant:** The works currently serves the Newcastle Central Business District, the industrial and surrounding areas. The works has a design capacity of 25 Ml/day and is currently running at 20 Ml/day Average Dry Weather Flow. The Works have a spare capacity of 5 Ml/day and will serve future housing developments at Viljoen Park and Tuam Farm.
- **Osizweni Waste Water Treatment Plant:** The Works' catchment is the greater Osizweni Township and the surroundings. The current capacity of the Works is 14 Ml/day and the current hydraulic loading is 15 Ml/day. The Works is currently running at capacity in terms of hydraulic loading, but the biological loading is below design capacity.
- **Madadeni Waste Water Treatment Works:** The catchment area for Madadeni WWTW is the Madadeni Township, Ithala Industrial area, and the surrounding areas.



The design hydraulic loading is 12 Ml/day. The Works are currently operating at 15Ml/day. However, during the wet season, the flows peak at between 25Ml/day to 30Ml/day due to high infiltration. Plans are underway to increase the hydraulic capacity to 35Ml/day. The project is scheduled for 2010. It is envisaged that future flows from Blaauwbosch, Johnstown and Cavan will be directed to Madadeni WWTW.

3.11.17. Operation and Maintenance Plan for Water and Sanitation.

Currently the municipality does not have the approved O&M Plan for water and sanitation, this will be developed once the municipality has completed its Water and Sanitation Master Plan. In the absence of the master plan the maintenance plan is developed in an ad-hoc manner, based on the historic data of the infrastructure targeting critical components based on failures to formulate the plan for the financial year in line with the available budget. Furthermore, the Municipality makes use of a “False Reports” system which functions in conjunction with the legislated structure that is the Ward Committee and Councillors. Ward Committee members submit monthly reports to the Public Participation Unit which then cascades these reports, usually full of water and electricity complaints, to the relevant departments within the Municipality. However, some of the components that form the routine maintenance aspect can be scheduled and assigned a time line for action. Operations scheduling on the other hand, is rather difficult due to the reactive approach utilized in the Municipality as a result of continuous failures and spillages.



NEWCASTLE MUNICIPALITY - KZ252 (SANITATION SERVICES)

3.11.18. Electricity - Sources of energy.

Eskom supplies in the order of 125,000 KVA per month. An alternative energy source is provided by International Power South Africa (IPSA) from gas turbines. IPSA has resumed operations at its cogeneration plant at Newcastle. The 18MW combined heat and power plant is now supplying electricity to the national grid under a medium-term power purchase agreement with Eskom dated 26 August 2010.IPSA has successfully restarted operations at its cogeneration plant at Newcastle, following a final agreement on a gas supply contract with Spring Lights Gas. According to ESKOM, there is limited capacity in the Newcastle East to accommodate the planned housing and commercial development.

3.11.19. Reticulation.

The municipality manages the electricity networks for the Newcastle West area (the CBD and surrounding suburbs). The outlaying townships and rural areas are supplied by Eskom. The electricity backlog in NLM is estimated at 11.3%. In terms of electricity issues, the need to investigate pre-paid electricity in Newcastle license area is highlighted. Electricity metering and billing also needs to be addressed and is a priority for the municipality, as this will ensure the accuracy of consumer accounts. There is no electricity master plan and therefore long term planning is not in place from a capacity point of view. Electricity losses are currently estimated at 9%. Currently, Eskom is undertaking a study which will indicate the energy capacity required for NLM if we are to pursue with future developments. In addition, the Newcastle Municipality is investigating the viability of installing solar system in Normandien and some parts of Ingogo (portions where MV lines are far from houses). These areas were identified for non-grid electricity due to their locations and extreme high cost of building electrical infrastructure. The Department of Energy is keen to fund these projects.

The municipality sells about 93.5% of the bulk electricity that is purchased from Eskom while 6.5% run at a lost. In order to remedy the situation the municipality has begun with the auditing of electricity meters and the process is estimated to be completed by end of June 2012. Hence, the issue of smart-meters is envisaged as a catalytic solution into this electricity loss challenges. However, it must be noted that the installation of smart-meters will cost the NLM an estimated amount of 80 million. In an attempt to address electricity backlogs, there are a number of ongoing electrification projects in the municipality. There are also a number of housing development projects where the project is implemented by the local municipality but are situated in the ESKOM area of supply. As such, close coordination and cooperation between these two entities are required. There are plans underway to take over the Eskom licensed areas in the East such as Madadeni and Osizweni in order to increase the revenue for the municipality. Provisions for capacity challenges are being addressed through the revised organogram in order to establish a new electricity department separated from Technical Services.

3.11.20. Free Basic Electricity.

Another challenge is the roll out of Free Basic Electricity within the ESKOM license area, which is problematic due to systems compatibility with both electricity providers. Further to this, maintenance, upgrade and rehabilitation of electricity infrastructure through the ring-fencing of the function for the transfer to RED's, is identified as an important issue. In terms of national government mandate, NLM is meant to provide 50Kw of free basic electricity to indigent households including areas licensed under Eskom. Currently, there are people registered as indigents who qualify for free basic electricity. This cost the municipality the estimated amount of over R5 million per annum. There is a number of on-going electrification projects in the municipality especially in rural areas. These include Bosworth at about 379 households, Drycut which is about 573 households, Roypoint at about 100 households and Charlestown at about 115 households.

	No. of Households
Electricity	69800
Gas	1881
Paraffin	6398
Wood	2862
Coal	2680
Animal dung	248
Solar	115
Other	60
None	229
Unspecified	-
Not applicable	-
Grand Total	**84272**

	No. of Households
Electricity	57864
Gas	1624
Paraffin	2663
Wood	4463
Coal	7392
Animal dung	420
Solar	131
Other	13
None	9701
Unspecified	-
Not applicable	-
Grand Total	**84272**

	No. of Households
Electricity	73449
Gas	402
Paraffin	629
Candles (not a valid option)	9343
Solar	147
None	302
Unspecified	-
Not applicable	-
Grand Total	**84272**

NEWCASTLE MUNICIPALITY TS ROADS PROJECTS	
No.	
1	Caprocorna Substation
2	Siyahlala-la Electrification

Utrecht Local Municipality
KZ253

Dannhauser Local Mun
KZ254

Newcastle Town
Madadeni
Khathide TA
Osizweni
Kilbarchan
Ingagane
Ingogo
N11
JBG
1
2

BRACK HOEK
ERIN
WYKOM
LENTEVLEI
GORDON
INVARY
MATTANDU
GLEN CALDER
CRAIG
WATERFALL
SHAKESPEARE
HOMER
MILTON
ROY POINT
DARTRY
LISBELLAW
LISNABIN
CARRICK
HOPE
RUST
GREENWICH
VREEDE
GARDINIA
MACALMAN
COLINDALE
WALMSLEY
VREDA
BAENGEICH
MACCLESFIELD
FORTS
LEICESTER
HENLEY
CECILIA
THE NECK
LEO KOP
EXMOOR

8 JR2 Road

N

1 : 133 998

0 3 6 9 Kilometers

LEGEND

Households (2013 SBC)

Existing Roads

- Class 1
- Class 2
- Class 3
- Class 4

Other

- Airport
- Railway Line

Boundary

- Newcastle Urban Edge
- Development Boundary

TECHICAL SERVICES
(ELECTRICITY CAPITAL PROJECTS)

The map above is depicting the capital projects that were initiated by the Department: Electrical Services in the 2014/15 financial year. The projects include, amongst other things, projects towards rural electrification, upgrading of the current level of electricity provision in some settlements such as Siyahlala La, the provision of street lighting, and also service connections. In terms the rural electrification projects, the beneficiaries are the Roypoint Settlement, and the Amajuba Forest in naming just a few. A number of wards are to receive street lighting LED retrofits and these include wards in both Madadeni and Osizweni such as ward 9 and ward 28.

3.11.21. Energy Service Delivery Plan.

The Constitution sets out the powers and functions of municipalities (Section 56 (1) and Schedules 4B and 5B) with regards to electricity and gas reticulation amongst other areas. Therefore, they are empowered to legislate on energy efficiency and renewable energy matters relating to these powers and functions within their jurisdiction. Furthermore, the Municipal Systems Act empowers municipalities to pass by-laws for energy efficiency and renewable energy, however, the preferred approach by municipalities has been to develop policies, plans and strategies. The Newcastle Local Municipality is no exception to this trend and is currently out on tender for a service provider to collaborate with in developing the ESDP. The lack of this vital plan has ramifications for an Operations and Maintenance plan which is also currently in the development phase. Thus to date, the responsible department relies on a routine maintenance schedule dependant on break-down demand.

3.11.22. Roads, Stormwater and Public Transport.

(a) Roads.

The total road network in the Newcastle east and west is 1119 KM of which 570 are tarred and 549 are unpaved. The internal streets network in the rural areas are predominantly dirt ridden and are therefore generally in a bad state, particularly during the rainy season. Most of these roads are poorly maintained and thus limiting transport due to deteriorating roads. In an attempt to address this, the municipality has intensified their roads programs over the past 5 years, which addresses primary and secondary roads. In order to ensure that the various classes are maintained at the required standard it is necessary for the network to be inspected at regular intervals.

The desirable re-gravelling frequency is every 5 years. One of the aims of this management plan is to ensure that the surface of all unpaved roads as per the road classification and the levels of service are maintained in a condition that provides all weather access. The re-gravelling programme has a substantial funding gap with a frequency of 1 years and only the most needed road will be included in the gravel re-gravelling programme.

The IDP also indicates that the operational budget has not significantly increased during this time to ensure minor

maintenance through grading and storm-water clearance. The MBO is a priority area for road upgrading as the illustrations below show, progress has been made in terms of providing the community with tarred roads is concerned however, a great deal more still needs to be done.

(b)Stormwater.

There is no storm water master plan resulting in *adhoc* projects being identified where complaints are received. The maintenance of the road drainage system includes such work as cleaning out and repairing culverts, excavating inlet and outlet drains, table drains, mitre drains, batter drains and flushing subsoil drains. With the recent floods in the Newcastle area, problems have been experienced in the CBD area where concrete pipes are collapsing owing to fatigue from aging and heavy traffic loads. Victoria Mall area has been identified as a problem area as flooding of private property is occurring at various low points. Storm water damage to the environment is receiving little attention with soil erosion progressing unabated in certain area. Similarly, MBO has been identified as a priority for storm water development and upgrading given the lack of service in this area.

(c)Public Transport.

The majority of public transport facilities in the Newcastle Municipality area is informal and requires serious upgrading. Table 12 below provides a summary of the state of the existing public transport facilities audited in Newcastle.

Table 26: Taxi Ranks

FACILITY NAME – TAXI RANKS.	STATUS	OWNERSHIP	LOCATION
Osizweni Formal Taxi Rank	Formal	Municipal	Off Street
Makhanya Informal Taxi Rank	Informal	Municipal	On street
Top Rank Informal Taxi Rank	Informal	Municipal	On street
9 Mile Informal Taxi Rank	Informal	Municipal	Off Street
Moyomuhle Informal Taxi Rank	Informal	Municipal	Off Street
Madadeni Sec 4&5 Informal Taxi Rank	Informal	Municipal	Off Street
Madadeni Shoprite Checkers Informal Taxi Rank	Formal	Municipal	Off Street
Madadeni Court Informal Taxi Rank	Informal	Municipal	Off Street
Newcastle Formal Taxi Rank	Formal	Municipal	Off Street
Charlestown Informal Minibus-Taxi Rank	Informal	Municipal	Off Street
Ingogo Informal Minibus-Taxi Rank	Informal	Municipal	Off Street
Macadam Informal Bus Rank	Informal	Municipal	Off Street
Newcastle Formal Bus Rank	Formal	Municipal	Off Street

57% (203,9km) of roads in Newcastle being utilised by the public transport industry is unsurfaced. The highest number of vehicles in Amajuba is on the N11 south of Newcastle with high traffic volumes on the main provincial road P483 between Newcastle, Madadeni and Osizweni. The N11 between the P204 (turn-off to Dannhauser) and Newcastle carries in excess of 10 000 vehicles per day while the P483 carries between 5 000 and 10 000 vehicles per day. Specific recommendations regarding upgrading of facilities, development of transport corridors etc. to meet the demand of public transport is highlighted in the PTP.

The Newcastle municipality also owns a 6 km railway line which is currently being leased to NPC cement and Karbochem.

3.11.23. Solid Waste Management.

(a)Current Waste Generation.

The Integrated Waste Management Plan (IWMP) of the Newcastle Municipality has been recently developed and is essential for the management of municipal solid waste (MSW). During the year 2004, a survey of landfill sites which was conducted by SiVEST from the Amajuba District Municipality, on behalf of the Provincial Planning and Development Commission, estimated that approximately 4 460 tons of waste was being disposed-off to the landfill every month making it approximately 53 520 tons/year based on estimates provided by NLM.

The IWMP from the Amajuba District Municipality (2003) estimates that approximately 103.3 tons and 79.6 tons of waste were generated from the Newcastle West and Newcastle East areas respectively per day for the year 2005. This implies a total of 182.9 tons per day for the combined area which is approximately 66 785.5 tons for the whole of 2005. Capita Waste Projections are used in order to quantify the amount of waste generated within Newcastle Municipality.

In terms of the KZN Department of Agriculture and Environmental Affairs, the following rates regarding the amount of waste generated within the Newcastle Municipality have been assumed:-

- Very poor areas (farm lands) – 0.03kg/person/day;
- Middle income – 0.35kg/person/day; and
- Middle to high income – 0.61kg/person/day.

With regards to the segments of the population that are designated as institutions, an average waste generation rate of 0.35kg/person/day is assumed.

(b)Current Waste Collection.

Newcastle Municipality is responsible for refuse collection in their area of jurisdiction, KZN252. Based on the figures presented on *Table 23* below, it is notable that a high majority of households within the Newcastle's jurisdictional area (65.5%) have their refuse being removed by the local authority/private company at least once a week. This is followed by households who are in possession of their own refuse dump and they constitute 26.3% of the total number of households. A very low percentage (2.6%) of the total number of households within Newcastle does not have access to rubbish disposal.

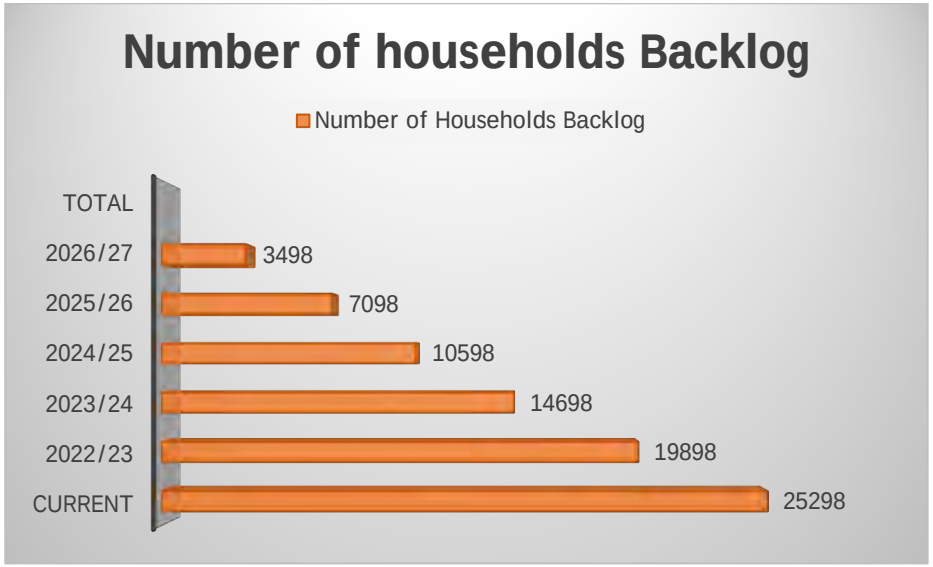
Type of refuse removal	Number	%
Removed by local authority/private company/community members at least once a week	59199	65,5
Removed by local authority/private company/community members less often than once a week	2066	2,3
Communal refuse dump	1451	1,6
Communal container/central collection point	467	0,5
Own refuse dump	23805	26,3
Dump or leave rubbish anywhere (no rubbish disposal)	2334	2,6
Other	1024	1,1
Grand Total	**90347**	**100,0**
2016 Community Survey		
Created on 16 August 2017		
Space-Time Research Web page: www.str.com.au		
Space-Time Research Online support: support@str.com.au		
SuperCROSS Copyright © 1993-2017 Space Time Research Pty Ltd. All rights reserved.		

Table 27: Refuse disposal for households in Newcastle.
Source: Stats SA, 2016

All formal areas in Newcastle are receiving a weekly curb side collection as per National Domestic Waste Collection Standards (NDWCS). The areas include Newcastle, Madadeni, Osizweni, Kwamathukuza, Killbarchan, Ingagane and Charlestown and H39.

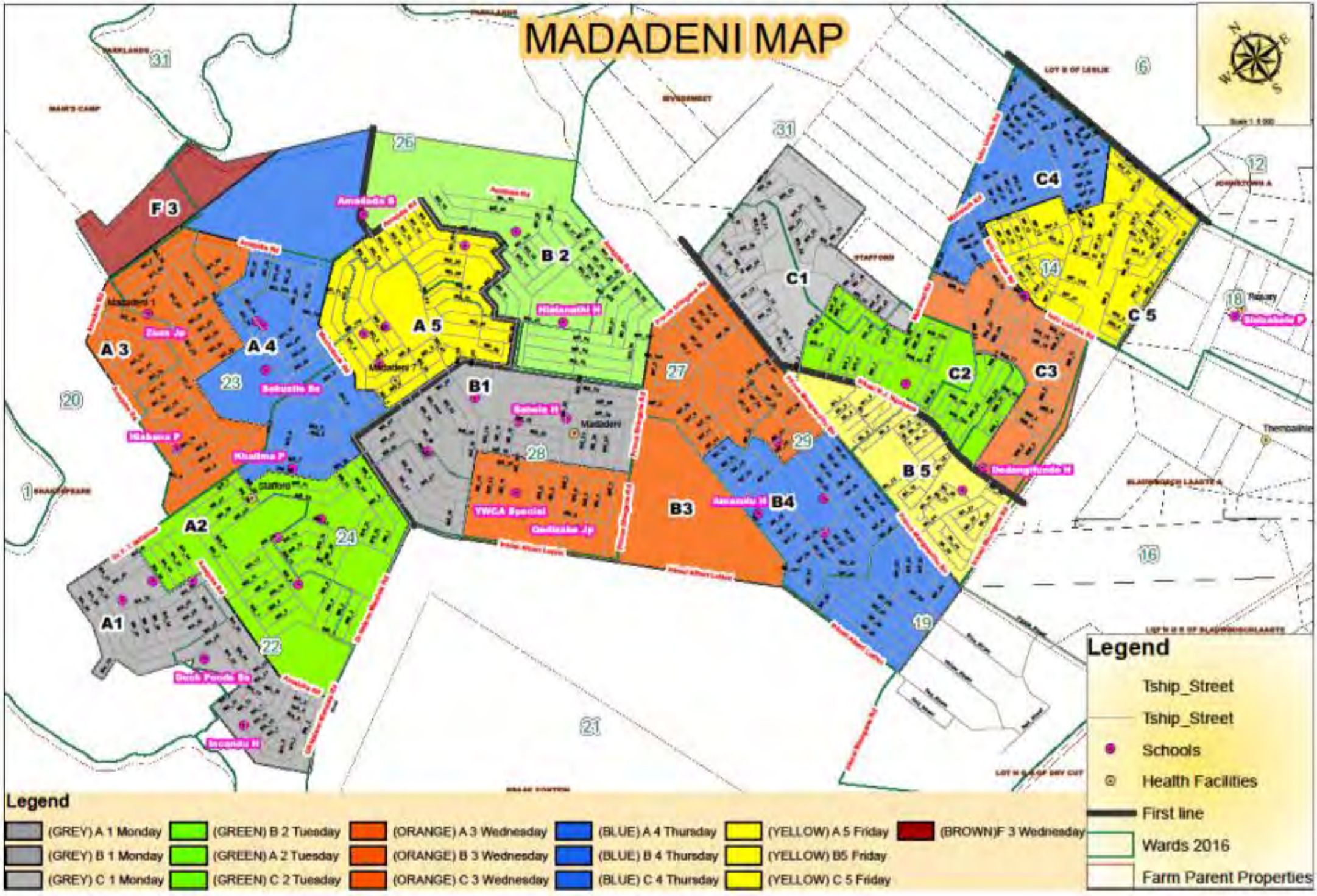
It should be noted that approximately 25 000 households particularly in the informal areas do not have access to regular refuse removal. A plan exists in the IWMP to service these informal households using community based contractors as per National Domestic Waste Collection Standards NDWCS option 3 c Or a inhouse solution using skip trucks but is lacking funding to implement NDWCS option 3 b. MIG Funding is now available to purchase specialized vehicles for addressing previously un-serviced areas, but not for the operational cost involved in the provision of service. As with all MIG funding strict provisions apply.

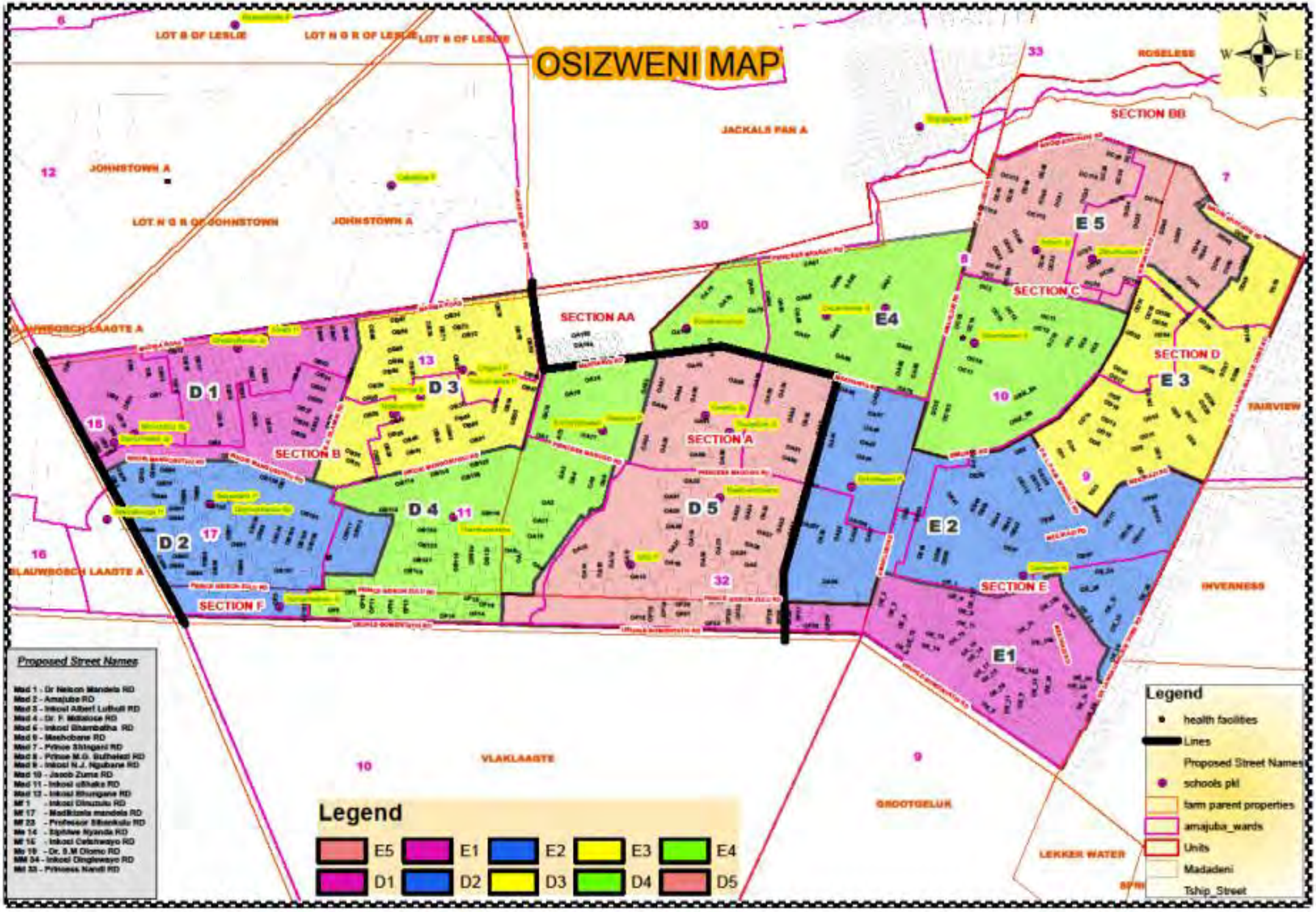
Cumulative cost over the 5 year period to address backlogs				
	Operation cost		Capital cost	
Option 1 Using Community Based Contractors	R	79 481 436	R	3 750 000
Option 2: Using Skips and Skip trucks	R	30 005 738	R	21 705 249



The maps below indicate the serviced areas in Madadeni, Osizweni and Newcastle

MADADENI MAP




OSIZWENI MAP
N
S
E
W
LOT B OF LESLIE
LOT N G R OF LESLIE
LOT B OF LESLIE
ROSELESS
SECTION BB
JACKALS PAN A
JOHNSTOWN A
LOT N G R OF JOHNSTOWN
JOHNSTOWN A
SECTION AA
SECTION C
SECTION D
SECTION A
SECTION B
SECTION F
SECTION E
E5
E4
E3
E2
E1
D1
D2
D3
D4
D5
FAIRVIEW
INVERNESS
VLAKLAAGTE
GROOTGELUK
LEKKER WATER
BLAUWBOSCH LAAGTE A
Proposed Street Names
Mad 1 - Dr Nelson Mandela RD
Mad 2 - Amajuba RD
Mad 3 - Inkosi Albert Luthuli RD
Mad 4 - Dr. F. Mdladlose RD
Mad 6 - Inkosi Bhambatha RD
Mad 8 - Meshobane RD
Mad 7 - Prince Shingani RD
Mad 8 - Prince M.G. Buthelezi RD
Mad 9 - Inkosi N.J. Ngubane RD
Mad 10 - Jacob Zuma RD
Mad 11 - Inkosi uShaka RD
Mad 12 - Inkosi Bhungane RD
Mf 1 - Inkosi Dinuzulu RD
Mf 17 - Madikizela mandela RD
Mf 23 - Professor Sibeenkulu RD
Mo 14 - Sipitshe Nyanda RD
Mf 15 - Inkosi Cetshwayo RD
Mo 19 - Dr. S.M Dlomo RD
MM 24 - Inkosi Dinglewayo RD
Mf 33 - Princess Nandi RD
Legend
E5
E1
E2
E3
E4
D1
D2
D3
D4
D5
Legend
health facilities
Lines
Proposed Street Names
schools pkl
farm parent properties
amajuba_wards
Units
Madadeni
Tship_Street

Newcastle Town
Madadeni
Khathide TA
Osizweni
JBC
N11
Kilbarchan
Ingagane
Utrecht Local Municipality
KZ253
Dannhauser Local Municipality
KZ254

LEGEND

Existing Roads
- Class 1
- Class 2
- Class 3
- Class 4

Other
- Airport
- Railway Line

Boundary
- Newcastle Urban Edge
- Development Boundary

Hydrology
- Main Rivers
- Dams

Land Fill Site
- Existing Landfill

N

1 : 130 000

0 3 6 9 Kilometers

(c)Landfill Site.

The Waste Disposal Site (WDS) caters from the entire Newcastle Area known as KZN252. This site is nearing the end of its lifespan. Development Planning and Human Settlements (DP&HS) are in the process of identifying a suitable site thereafter they will initiate the process of obtaining environmental authorization. Once environmental authorization has been obtained Technical Services will be tasked with the construction of the new site.

The current waste disposal site has been in operation since the year 1971 even though the operating permit was obtained in 1994. The Waste Management Licence was reviewed on 15/09/2021 and is valid for a period of 5 years however it should be reviewed after a period of 3 years. According to the permit, the site is a Class 2 disposal site. The land on which the waste disposal site is situated is owned by the Municipality.

The current waste disposal site accepts the following waste streams:-

- Domestic waste;
- Garden waste;
- Construction waste; and
- Commercial waste.

In terms of the operation of the WDS, the trench method is used whereby waste is deposited in large excavations. Daily cover material of 150mm is spread over the waste and compacted according to minimum requirements for waste to landfill. Each completed cell is covered with a 1 meter depth of soil after it is filled with waste.

Ideally the steel wheel compactor (SWC) and hydraulic excavator (HE) must be replaced as the existing plant is aging and often on breakdown. The consequences of not having a fully functional SWC is that we are losing valuable air space as we are not achieving optimum compaction as per minimum requirements for disposal by landfill and. At present we are using a front end loader (FEL) for this purpose. It should be noted that the better the compaction that we achieve, the less air space we use, the more we extend the lifespan of the existing site. The HE is used for profiling and constructing the new cells.

MIG funding is now available for replacement of plant at the waste disposal site but with strict conditions.

The Table below shows the quantities of waste entering the Waste disposal site as recorded by the weight bridge:-

Incoming Waste in Tons		Recyclable Waste in Tons					Used as Cover Material	
Month	General Mixed Waste	Garden Refuse	Plastic	Metal	Paper	Tyres	Builders Rubble	Sand
Oct-19	2315	211	65	3	1	3	5	22
Nov-19	5323	206	29	334	1	7	146	184
Dec-19	5940	123	7	3	1	2	161	93
Jan-20	7950	227	57	22	2	9	100	153
Feb-20	5455	223	42	15	0	15	164	53
Mar-20	5098	273	19	11	0	3	154	81
Average	5347	211	37	65	1	7	122	98
PA	64162	2526	438	776	10	78	1460	1172

Please note that these figures only represent waste that enter the Newcastle Waste Disposal Site

(d)Waste Stream Analysis.

A High level waste analysis and characterization study (WACS) was undertaken in January 2018 for the Department of Environmental Affairs (DEA) and GIZ flagship program. This study characterised and measured the waste entering the landfill site. It is acknowledged and accepted that some variability or inconsistency in the results is expected due to the duration of sampling, number of samples and seasonal variation, given the limited time and resources available.

According to the study 49% of all wastes entering the landfill site is organic of nature which makes this an ideal site for a composting plant. Approximately 18% of the waste is packaging waste which ideally should be recycled. Construction waste make up another 17% of the waste and residuals waste such as textiles make up 6% with commercial and industrial waste adding a further 10%

Table 2 Waste Analysis & Characterization Study

Newcastle		Mixed HH Disposed (MSW)		General Non-MSW Captures		General Waste Disposed at Municipal Owned LFS		AWT Non-Municipal (Pre-disposed)		Total Diverted AWT		Total Assessed Waste in System		Diversion from LFS	
Organics	Food waste	3263	17%	16198	50.1%	19 461	37.9%					19 461	37%		
	Garden waste	3320	18%	2613	8%	5 933	11.6%					5 933	11%		
	Organic waste	6583	39%	18811	58%	25 394	49.5%					25 394	49%		
Packaging	plastic	2922	15%	93	0%	3 015	5.9%	520	52%	802	52%	3 534	7%	282	52%
	Paper & Paperboard	3282	17%	253	1%	3 535	6.9%	362	36%	558	38%	3 897	7%	196	36%
	Metal	531	3%	389	1%	920	1.8%	12	1%	18	1%	932	2%	6	1%
	Glass	1575	8%	11	0%	1 585	3.1%	110	11%	170	11%	1 695	3%	60	11%
	Packaging waste	8309	44%	74	2%	9 055	17.7%	1 008	100%	1 548	100%	10 058	19%	545	100%
C&D		1175	6%	7525	23%	8 701	17.0%					8 701	17%		
Residual	Textiles	797	4%			797	1.0%					797	2%		
	Special Care Wastes	1005	5%			1 005	2.0%					1 005	2%		
	Other Waste	1100	6%			1 147	2.2%					1 147	2%		

	Residual Waste	2903	19%			2 950	5.8%					2 950	6%		
Commercial & Industrial				5187	16%	5 187	10.1%					5 187	10%		
Cover															
Total		18 971	100%	32 316	100%	51 287	100%	1 003	100%	1 548	100%	52 290	100%	545	100%

(e)Illegal Dumping.

Illegal dumping is the plight of Newcastle, it not only creates unsightly and unsanitary conditions, it also blocks storm water drains and causes low level flooding. Our by-laws have been promulgated, and admission of guilt fines have been set via the court. A law enforcement section has been established to deal with all municipal by-laws.

To combat the illegal dumping we are doing regular education and awareness campaigns. No dumping signs are also installed at hotspots. The tipper with grab is also very effective in clearing up illegal dumping however the section only has two of these vehicles to cover the entire Newcastle area Ideally at least one more vehicle should be acquired.

(f) Future Waste Projects & Green Economy

Waste minimization is important for several reasons, not only will it increase the lifespan of the existing landfill site which is critical at this stage, it also creates employment and therefore poverty relief in these difficult economic times. In Newcastle we have the following initiatives running:-

- A buy back center was constructed by the Department of Environmental Affairs (DEA) through the Environmental Protection Infrastructure Program of which Mpilenhle is the beneficiary.
- At the landfill site we have approximately 90 informal recyclers who collect recyclable materials on a daily basis. These recyclables are then sold to a buy back center,

- Mpilenhle.
- A pyrolysis plant with a capacity of 30 tons of tires and or plastic per day is in the construction phase at the waste disposal site.
- The Greenest Municipality Competition Prize Money
- The Greenest Municipality Competition Prize Money as used to purchase recycling bins which are strategically placed around Newcastle to enable members of the public to recycle
- A pilot separation at source program is running in two residential areas.

(g) Education And Awareness

Newcastle Municipality has one education and awareness officer and one Thuma Mina Green Deeds YCOB co-ordinator Their main objectives are to keep the community informed about environmental issues, as well as recycling initiatives and arranging cleaning campaigns. They work closely with schools and ward committees.

(h) Fleet

The waste management section has a large fleet of vehicles however the fleet is aging and most vehicles are older than 5 years. We are also experiencing long turnaround times when vehicles are sent to the workshop for repairs. A 5 year vehicle replacement plan exists but due to the poor economic climate we are unable to implement the plan. A summary of this plan is reflected in table.

Table 3 Summary of Vehicle Replacement Plan

REPLACEMENT PLAN SUMMARY					
VEHICLES	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**YEAR 5**
3 Tonn Truck	0	0	1	1	1
Compactor	2	4	3	3	5
FEL	1	0	1	0	1
HE	0	0	1	0	0
LDV	3	1	2	0	5
Roll On	0	1	0	0	1
Shredder	0	0	1	0	0
Skip	1	1	1	2	2
Steel Wheel Compactor	0	0	1	0	0
Tipper & Grab	0	0	1	1	0
Tractor	0	1	0	0	0
Tractor Trailer	2	0	0	0	0
Tipper	0	0	0	0	1
Total	**R 16 900 000**	**R 19 950 000**	**R 24 100 000**	**R 10 150 000**	**R 26 350 000**

(i) New Projects requiring service

All new projects that may require waste management services are listed in the table below and are used for future planning of resources.

New Housing Projects. Expected Completion in the near furure					
Project Name	**No of Units**	**Ward**	**Type of Service**	**Bag Collection**	**Containers**
Charlestown	1200	1	Bag Collection	160	
H39	923	19	Bag Collection	250	
N11 CRU	540	34	Containers(15)		10
CRU Hospital Street Social Housing	1056	25	Containers(15)		20
Emawozeni Green Fields	100	30	Bag Colle ction	50	
JBC Phse 1	2518	16	Bag Collection	0	
Khatide Phase 2	200	6 & 12	Bag Collection	200	
Totals				**660**	**30**

Proposed Projects with expected completion beyond July 2023, which are at various stages of Planning					
Project Name	**No of Units**	**Ward**	**Requirements**		
Equirand Medical City			Bulk Refuse Containers	**Bag Collection**	**Containers**
			Bag Collection		
			Street Sweeping		
Medical Precinct adjacent to Training school			Bulk Refuse Containers		
Mixed Used Development Viljoen Park			Bulk Refuse Containers		
JBC Phse 1	**2518**	**16**	Bag Collection	2518	
JBC Housing Project Phase 2 & 3	**8985**	**15,16&18**	Bag Collection	8985	
KwaMathukuza Phase ii	**200**	**35**	Bag Collection	200	
Soul City	**3500**	**13**	Bag Collection	3500	
Roypoint / Vezokhule	**900**	**21**	Bag Collection	900	
Drycut	**1000**	**15**	Bag Collection	1000	
Mixed Used Development			Bag Collection		
Drakensberg Housing Project			Bulk Refuse Containers		

3.11.24. Education Facilities.

Access to education facilities seems to be generally good. The municipality is developed with about 118 schools including both primary and secondary schools. This can be broken down further as follows:

- 10 combined schools;
- 12 junior primary schools;
- 7 senior primary schools;
- 55 primary schools;
- 34 secondary schools.

The average size of schools, taking into consideration the amount of the population of a school going age, is 995. Planning standards for education facilities reveal that in terms of threshold, NLM should have between 90 and 120 primary schools to accommodate the population size. There is thus a need for additional primary schools.

MPUMALANGA

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FREE STATE

Charlestown

Ingogo

Newcastle Town

Madadeni

Khathide TA

Osizweni

JBC

Kilbarchan

Ingagane

Newcastle LM
KZ252

Utrecht Local Municipality
KZ253

Dannhauser Local Municipality
KZ254

eDumbe Local Municipality
KZ261

Endumeni Local M
KZ241

N

1 : 273 000

0 3 6 9 12 15 18 Kilometers

LEGEND

Other

- Airport
- Railway Line

Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Existing Roads

- Class 1
- Class 2
- Class 3

Proposed Roads

- Class 1
- Class 2
- Class 3

Education

- Creche 2Km Radius
- Primary School 5Km Radius
- Secondary School 5Km Radius
- FET/TVET 25Km Radius

Boundary

- Newcastle Urban Edge
- Development Boundary

SDP 2024/25

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * EDUCATION FACILITIES ACCESS*

APRIL 2024

Table 28: Planning Standards for Educational Facilities

Facility	Catchment population	Distance & Walking time	Location factors	Teacher/ children ratio
Primary schools	3 000-4000	1.5km of 30min	Walking distance-1.5km	1:40
Secondary schools	6 000-10 000	5km	Located on public transport route	1:40

Source: Provincial Planning & Development Commission

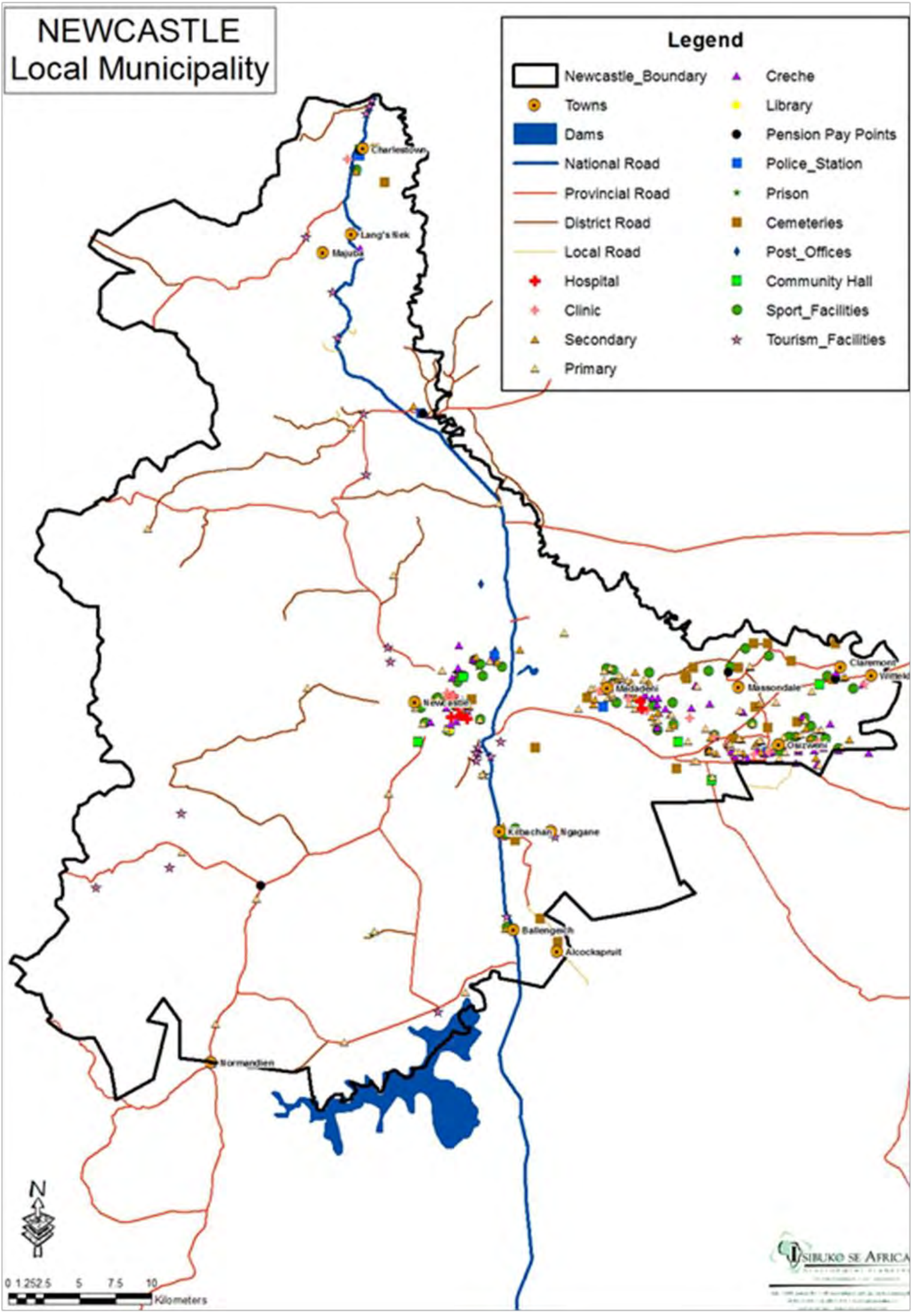
The application of planning standards in respect of secondary schools indicates that between 36 and 60 secondary schools are needed. The number of schools in the area seems to be adequate, but the quality of each facility and the teacher pupil ratios are important aspects which must be borne in mind for future planning and development in the area.

Tertiary education facilities include the old Madadeni College of Education (which is now used as a College for Further Education and Training), the Majuba FET (Newtech Campus), Majuba College FET, and Majuba FETC (MTC Campus).

There are approximately 48 early childhood educational facilities within NLM, which is spread throughout the municipal area. The crèches in the area operate from either a dedicated facility, community facility or a home.

3.11.25. Health Institutions.

There are approximately twelve mobile clinics that serve the municipality and 10 permanent clinics. The backlog is mainly in the Newcastle East where the majority of the population lives. At least two hospitals are found within Newcastle Municipality. One if located in town while the other is in Madadeni Township. While Madadeni Hospital serves the district function, Newcastle Hospital is classified as a Provincial Hospital and provides service to the whole of Amajuba District and the surrounding areas.


NEWCASTLE
Local Municipality
Legend
Newcastle_Boundary
Towns
Dams
National Road
Provincial Road
District Road
Local Road
Hospital
Clinic
Secondary
Primary
Creche
Library
Pension Pay Points
Police_Station
Prison
Cemeteries
Post_Offices
Community Hall
Sport_Facilities
Tourism_Facilities
Charlestown
Lang's Nek
Majuba
Newcastle
Madadeni
Osizweni
Normandien
N
0 1.252.5 5 7.5 10
Kilometers

Emergency Rescue Services (EMRS) is located in Madadeni. The Newcastle Private Hospital is the only private hospital within the municipal area.

Table 29: Planning Standards for Health Facilities.

Facility	Catchment population	Distance & Walking time	Location factors
Mobile clinic	<5 000	1km / 20min	Located on public transport routes and near taxi and bus ranks and shops.
Clinic	Small:5 000-10 000 Large: 30 000-50 000	1km / 20min	
Community health centre	70 000-100 000		
Hospital	10 000-80 000	2km(40min) / 5km	

Source: Provincial Planning & Development Commission.

3.11.26. Sports Facilities.

Newcastle municipality has a total of 4 sports complexes, namely Paradise Playgrounds, Phelandaba Playgrounds, Fairleigh and Amajuba Sports Complex. In addition, there is the K.R. Rumelin Stadium, 18 sports fields and the Newcastle Swimming Pool. Newcastle East, particularly JBC and the surrounding settlements are poorly provided with sports facilities. Urban renewal programme in the JBC, and infrastructure upgrading in the MBO areas should prioritise the provision of adequate sports facilities. Parks and play lots should also be prioritised in these areas. The age structure of the population and the dominance of the youth support this assertion.

The municipality is in the process to revamp the Phelandaba sport field thereby providing a range of sporting codes including the soccer field, race track for athletics, volley ball and netball. This project has begun with the development of a swimming pool which will cater for the residents of Madadeni and surrounding areas. The same project will be done in Osizweni in the future years. It is anticipated that these kinds of projects will assist in attracting the youth into the sport while building the healthy communities.

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Charlestown

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Osizweni

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Kilbarchan

Ingagane

Newcastle LM
KZ252

FREE STATE

Utrecht Local Municipality
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Dannhauser Local Municipality
KZ254

Endumeni Local Muni
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1 : 273 000

0 3 6 9 12 15 18 Kilometers

LEGEND

Other

- Airport
- Railway Line

- Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Existing Roads

- Class 1
- Class 2
- Class 3

Proposed Roads

- Class 1
- Class 2
- Class 3

Sport Facility Type

- Sportsfield
- SportsComplex
- Park
- Schoolfield
- Swimmingpool
- Other

Boundary

- Newcastle Urban Edge
- Development Boundary

SDP 2023/25

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * SPORTS FACILITIES ACCESS*

APRIL 2024

3.11.27. Police Stations.

There are seven permanent police stations in NLM and one satellite station. Services offered range from child protection, serving the community and domestic violence. Newcastle has four libraries, located in its area of jurisdiction, namely the Newcastle Public library, Osizweni, Madadeni and Fairleigh. Newcastle Municipality participates in crime policing forums through the Office of the Speaker. The NLM is in the process of installing the CCV cameras to the CBD, industrial areas, and suburbs and in the townships of Madadeni and Osizweni in order to fight against crime. Special attention is given to hot spot crime zones identified by the SAPS through the installation of high mast lights. These include Eskom licensed areas in the townships and rural areas. The objective is to have a free crime municipality whereby all residents enjoy their lives without fear or intimidation.

3.11.28. Libraries.

A main library is located in town while satellite libraries are found in outlying areas such as Madadeni and Osizweni. Provision of libraries in the Newcastle East should be prioritised given the structure of the population and lack of such facilities in the area. Newcastle Municipality has a challenge of maintaining the CBD as a main administrative centre thereby catering sufficient facilities. A need has been identified to expand the main library or developed a cultural precinct which includes a theatre, museum and library next to the civic centre. Satellite libraries are also considered as a priority for the municipality especially in the rural areas like Charlestown and JBC area. The plans and consultation with the Department of Arts and Culture are underway in order to secure funding for these projects.

Amajuba FET is currently exhibiting positive signs of growth hence posing a challenge to the municipality in terms of the provision of a fully established library centre around the Madadeni area and a satellite library in the Newcastle West area which will specifically cater for engineering and science needs. The proposed 2 libraries will assist thus to decrease the transportation costs for the students of the Amajuba FET.

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KZ241

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1 : 273 000

0 3 6 9 12 15 18 Kilometers

LEGEND

Other

- Airport
- Railway Line

Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Existing Roads

- Class 1
- Class 2
- Class 3

Proposed Roads

- Class 1
- Class 2
- Class 3

Library

- Library 8Km Radius
- Library 10Km Radius

Boundary

- Newcastle Urban Edge
- Development Boundary

SDP 2024/25

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * LIBRARY FACILITIES ACCESS*

APRIL 2024

3.11.29. Community Halls.

The municipal area has a total number of nine community halls. Two of these are administered by the district municipality, while the other seven are administered by NLM, namely;

- Madadeni Community Hall;
- Osizweni Community Hall;
- Charlestown Community Hall;
- Richview Community Hall;
- Fairleigh Community Hall;
- Newcastle Farmers Hall; and
- Newcastle Town Hall.

There is a need for additional about 16 halls based on the size and geographic spread of the population. At the moment the majority of the ward Councillors are using the tents to convene their public meetings. This is not financially viable as the price for the hiring of tents is becoming exorbitant. Development of multi-use community facilities which may serve as pension-pay-points, indoor sports facility and place of assembly should be investigated. In view of the above, Newcastle Municipality is investing R14 million towards the construction of Blaauwbosch Multi-purpose Centre/Service Delivery Centre (SDC).

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FREE STATE

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Utrecht Local Municipality
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Dannhauser Local Municipality
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Endumeni Local Municip
KZ241

N

1 : 273 000

0 3 6 9 12 15 18 Kilometers

LEGEND

Other

- Airport
- Railway Line

Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Existing Roads

- Class 1
- Class 2
- Class 3

Proposed Roads

- Class 1
- Class 2
- Class 3

Community Halls

- Community Halls 10Km Radius
- Community Halls 15Km Radius

Boundary

- Newcastle Urban Edge
- Development Boundary

SDP 2024/2025

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * COMMUNITY HALL FACILITIES ACCESS*

APRIL 2024

3.11.30. Cemeteries.

Access to burial facilities is one of the key challenges facing the Newcastle Municipality. There are 27 cemeteries (8 formal or registered and 19 informal burial sites). Registered cemeteries include 3 cemeteries in Charlestown, Roy Point cemetery, Cavan, (Drycut), Newcastle cemetery, Osizweni and Madadeni cemeteries. One of the unregistered cemeteries is Ngagane cemetery to the south of the Newcastle town. However, only two formal cemeteries are in operation, namely RoyPoint and Drycut cemeteries.

Although Drycut Cemetery was properly planned and laid out, it appears that the plan has not been followed. As a result, some graves are located in environmentally sensitive areas, and the facility remains poorly developed. This facility is currently the main cemetery that services the eastern parts of the NLM.

Similarly, the Roy Point Cemetery which serves as a regional facility for the whole of Newcastle and beyond is also fast approaching capacity clearly indicating a need for the identification and development of anew cemetery for the area. Cemeteries in Madadeni and Osizweni have been closed due to unfavourable geological conditions (high water table), as a result the municipality has undertaken the extension of the Roy Point cemetery through the relevant processes.

In response to the above cemetery challenges, the Newcastle Municipality commissioned an investigation of identifying new suitable sites for cemeteries. The project was initially set to be completed by September 2012 and the planning exercise was to begin with the implementation of the Environmental Impact Assessment (EIA), and other processes.

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FREE STATE

eDumbe Local Municipality
KZ261

Utrecht Local M
KZ25

Dannhauser Local Municipality
KZ254

Newcastle LM
KZ252

Charlestown

Ingogo

Newcastle Town

Madadeni

Khathide TA

Osizweni

JBC

Kilbarchan

Ingagane

1 : 273 000

0 3 6 9 12 15 18 Kilometers

LEGEND

Other
- Airport
- Railway Line

Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Existing Roads
- Class 1
- Class 2
- Class 3

Proposed Roads
- Class 1
- Class 2
- Class 3

Cemetery
- Cemetery 15Km Radius
- Cemetery 30Km Radius

LAND USE

Structuring Land Uses
- Open space system
- Urban Built-Form

Boundary
- Newcastle Urban Edge
- Development Boundary

SDP 2024/25

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * CEMETERY FACILITIES ACCESS*

APRIL 2024

3.12. Human Settlements Development.

Newcastle is regarded as one of the growing towns within the KwaZulu Natal Province in terms of economic growth indicating the annual growth rate of between 2.8 to 5.5 % from 2011-2014. This is supported by the current development trends that are taking place within the Newcastle Municipality and coupled with this is the opportunity of being regarded as the regional centre of the Northern KZN. This is also advocated in the current municipal vision in terms of the IDP, which states that *"By 2035, Newcastle will be a Resilient and Economically Vibrant City".* In this regard, it is important to start planning for the envisaged city which will attract significant urbanisation and economic growth. This requires us to keep abreast of the development trends which will take place once Newcastle's economy experiences a boom.

To implement the housing function, it is important that the municipality has both human and financial capacity to do so. In this regard, Newcastle Municipality has got a fully fledged Housing Unit with 28 full time employees and 4 interns, and its located within the Department of Development Planning and Human Settlements. The directorate's (unit) work has been divided between a number of different business units to optimise the efficiency and delivery of human settlements within the municipality. The Housing Unit performs all the Human Settlements functions including project identification, Project/Programme Management, Beneficiary Administration, Quality Assurance, Enhanced Extended Discount Benefit Scheme, Housing Subsidy Systems, and National Housing Needs Register as well as all the other Human Settlements related projects. The housing unit is also a home to the Governments Rental Housing Tribunal and it also ensures that all the complaints by tenants are brought to the attention of the KZN Housing Tribunal as required by the rental Housing Act (Act 50 of 1999).

In September 2012, Newcastle Municipality was awarded a Level 2 housing accreditation status. This meant that Newcastle Municipality received a delegation of housing authority from the province. As a Level 2 accredited Municipality Newcastle is now responsible for the full Programme Management and Administration of the Human Settlement function within its area of jurisdiction.

3.12.1. Housing Need and Demand.

The Human Settlements Plan estimates the current demand for low cost housing at 74 981 units. The income bracket in the municipality is shown in figure 21, and according to the figures 57% of households are indigent, with 29% earning less that R800 per month, and 28% of households having access to no income. The income profile has significant implications for housing eligibility in South Africa and this is in line with the National Housing Code (2009)

Figure 21 Housing Market Segmentation (Source: adapted from HSP, 2015)

INCOME BRACKET	2001	2011	MARKET SEGMENTS
No income	19987	15196	Market (potential need) for low cost housing subsidy amounts to 58 515
R 1 - R 4800	6949	4258	
R 4801 - R 9600	13910	7318	
R 9601 - R 19 600	9880	16017	
R 19 601 - R 38 200	8398	15638	
R 38 201 - R 76 400	6278	9363	Market for FLISP and/or Social Housing.
R 76 401 - R 153 800	4196	7189	
R 153 801 - R 307 600	1728	5441	Open market addressed mainly through self-help and private sector developments.
R 307 601 - R 614 400	379	2770	
R 614 001 - R 1 228 800	83	686	
R 1 228 801 - R 2 457 600	90	207	
R 2 457 601 or more	49	187	
Unspecified	0	2	
Total	71926	84272	

A more informative and complete picture of housing need emerges from the income profile of the population. This provides a perspective into the extent of housing demand and need in the municipality within each of the programmes available for housing delivery. The following tables indicate the income bands for individual and households that can qualify for housing subsidies. The income bands do not correspond exactly with those stipulated in the official policies, but provides a good indication of the number of households that qualify for housing subsidies.

Table 36: Housing Eligibility

INCOME BRACKET	NUMBER OF HOUSEHOLDS
Households with no access to disposable income	15 196
Households who earn less than R3500/month	43 231
Households with total income between R4 800 and R9 600	16 552
Income unspecified	2
TOTAL	74 981

Furthermore, 95% of the total population resides in the urban part of the municipality. Nearly, 60% (195 216) of Newcastle Municipality's population resides within the eastern settlements along P483. These include the townships of Madadeni and Osizweni, the peri-urban settlements of Johnston, Blaauwbosch and Cavan, and the rural settlements of Khathide and AmaHlubi. Rural areas, dominated mainly by the extensive agricultural farms, account for only 5% of the population. It, therefore, follows that the housing need in the Newcastle Municipal area is concentrated in the urban areas, and occurs as follows:-

- Informal settlements located in close proximity to Newcastle Town: This entails settlements such as Siyahlalala which indicate a need to create housing opportunities close to areas with higher concentration of employment opportunities.
- Peri-urban settlements located in the JBC area: The area is poorly provided with basic services and public facilities, yet

is one of the areas that have experienced high levels of population growth over the last few years.

- Settlements located within the Ubuhlebomzinyathi area: this area is rapidly degenerating into urban slums. The majority of these are located to the north of the Osizweni Township and the JBC area.
- Organized land invasion in areas such as Tuam Farm: Again this serves to highlight a need to create settlement opportunities closer to employment opportunities.
- Other areas that require attention in terms of the development of sustainable human settlements include the following:-

- Charlestown area which includes both tenants and informal areas.
- Small mining towns, the majority of which are located along the southern boundary of the municipality.
- Isolated settlements located on agricultural land such as Ingogo.
- Settlements being established in terms of various elements of the land reform programme.

According to the Housing Sector Plan the estimated housing backlog, based on the income profile of the population residing within the NLM jurisdictional area, is sitting at approximately 74 981 households (88.97%). These are basically the households that are eligible for a housing subsidy based on the 2011 Census Data. The housing sector plan further estimates housing backlog at between 19 000 and 30 000 units and a Housing Waiting list of 35 000 people. However, the waiting list has not been updated thus to cater for the changing circumstances of those who are in the waiting list. There's also a large number of forms which have not yet been captured into the database.

The current projects indicated in the HSP, suggests that the majority of housing need is in the Madadeni/Osizweni (MBO) and JBC complex, which is currently expanding outwards. The housing need is evident in the quality of the existing structure, poor access to basic services and unsecured land tenure. It also relates to the consequences and impact of urbanization and the inflow of people into the urban areas of Newcastle. In order to address the housing need the MBO complex and Newcastle town need to be integrated and the quadrant between P483 and the N11 must be unlocked for housing development.

In conclusion, the housing backlog for Newcastle Municipality is estimated at 74 981, and households who constitute the housing demand qualify for housing subsidies based on their income profile. However, a more detailed understanding of these household units will be required in order to determine with certainty whether all these households qualify for housing subsidies, and if so, which subsidies can be appropriated. It is important to note that income is not the only determining factor when assessing the qualification for housing-related subsidies. Other typical factors include the citizenship of the household

members, their relative positioning in the housing waiting list, and whether or not the household has benefited from government assistance previously. The qualification criteria will vary across subsidy programmes, and it is essential to take this into account in human settlement projects. Housing delivery mechanisms will be discussed in the following section, whereby the possible subsidies which can be utilised in the provision of housing or incremental upgrading interventions will be explored.

Moving forward, it is of utmost importance that further studies are undertaken in order to gain statistically accurate information relating to the current housing need as determined by existing households/units as well as the projected housing need and future development potential in informal settlements/areas based on the current development trends and pressures as well as the capacity of the land.

3.12.2. Human Settlements Priorities.

The following were highlighted as key human settlements priorities in the human settlement development for the municipality:-

- **National, Catalytic and Spatial Transformative Projects** – In July 2014, Minister Sisulu announced a national shift from small-scale infills to **mega housing projects.** The aim of this shift is to fast-track delivery in human settlements and to accelerate spatial transformation. This entails the implementation of large-scale human settlements development programmes that ensure access to housing and related household level infrastructure, services and socio-economic opportunities within projects that achieve spatial and economic transformation. A total of 101 catalytic projects have been identified throughout the country, of which 8 are in KZN, with the Newcastle JBC Mega Housing project being one of them.
- **Release and Development of State and Publicly-Owned Land for Human Settlements Development and Spatial Transformation** – This entails the implementation of a once-off priority land release programme through the HDA.
- **Improving Access to Affordable Housing Finance through establishment of Human Settlements Development Bank –** To mobilise private sector financial institutions in order to increase access to gap housing at a large scale and defeat asset poverty among low income workers.
- **Upgrading of Informal Settlements –** As part of South Africa's contribution to the New Urban Agenda, eradication of slum clearance remains a key priority in government. Informal settlement upgrading is the incremental, in-situ and community led process of securing basic services and improving settlement layouts. It creates an alternative to evictions, contributes to securing tenure, and prepares a community for housing development. In Newcastle Municipality, the slum clearance programme is also a priority, and most of our housing projects under construction stage are part of Informal Settlement Upgrading (ISU).

- **Targeted Applications of the Housing Subsidies –** This is aimed at meeting the needs of the most vulnerable households (orphans, the aged and disabled) in order to enable self-reliance through incremental self-build housing initiatives, and to increase the supply of affordable urban rental accommodation and support for low income earners to access housing finance.
- **Employer Assisted Housing Schemes –** This entails the implementation of measures to unleash the large-scale impact, relevance and sustainability of employer-assisted housing schemes which includes the government employees housing scheme.
- **Military Veterans Housing –** This aims to assist all the Military Veterans with the provision of adequate houses. All applicants need to be approved by the National Department of Military Veterans before they are considered to be beneficiaries. The Newcastle Municipality has identified approximately 25 Military Veterans and submitted them to National Department of Military Veterans for verification.
- **Title Deed Restoration Programme –** The title deed restoration programme is a national program aimed at promoting land development and building tenure. The program focuses on pre-1994 and post-1994 houses. Pre-1994 entails houses that were built during the apartheid period, and current government seeks to redress the past by providing beneficiaries with title deeds. The National Department of Human Settlements has set the deadline for the post-1994 title deed program which ended on April 2019. The Provincial Department of Human Settlement and the Newcastle Municipality has embarked on a robust programme of Title Deed Restoration in order to assist residents with secure tenure. The municipality has also strengthened its efforts towards fast tracking this programme and to-date we have 279 Title Deeds that are with the municipality and ready for hand-over for areas in Madadeni and Osizweni.
- **Affordable rental housing opportunities –** This is one of the housing instruments that the current government is providing to its citizens. This housing typology seeks to assist to fill the gap between beneficiaries who earn above R3 501 but not above R7 500. Banking institutions are also part of the programme where qualifying beneficiaries are being assisted with the part of financing.
- **Social Housing and Community Residential Units (CRUs) –** These are also part of affordable rental housing opportunities, and the Provincial Department of Human Settlements has approved and gazetted three areas (restructuring zones), namely Arbor Park N11, Newcastle Central (Hospital Street), and Erf 14144 Fernwood.

3.12.3. Housing Delivery.

Over the past 10 years Newcastle Municipality and the Department of Human Settlements have actively delivered a total of 10 633 housing units. Future housing projects should go beyond the delivery of housing units and focus on the creation of sustainable communities and settlements. This includes

improving access to basic services, social/public facilities and creating opportunities for economic development. Housing projects in the Newcastle Municipality are at different stages of development with the majority being at the planning stage. In total, the projects will deliver approximately 11 341 housing units in the next coming 5 years.

The following table provides a breakdown of housing projects to be implemented by the municipality in the next 5 years. The projects are at various stages in terms of, construction and planning.

Table 30: Housing projects under Construction Phase

NO.	PROJECT NAME	TYPE OF PROJECT	WARD	NUMBER OF UNITS	IMPLEMENTING AGENT	AMOUNT COMMITTED
1.	Osizweni Section E Phase 3 Housing Project	ISU	Ward 9/ 32	606	Mpheme Developments	R 52 145 088
2.	Kathide Housing Project	Rural	Ward 6 and Ward 12	220	Siyamthanda Consultants	R 22 889 870.00
3.	Siyahlala-la Housing Project	ISU	Ward 25	1205	Umpheme Development	R 138 075 310
4.	Madadeni H 39 Housing Project	ISU	Ward 19	923	Mageba Projects	R56 600 575
5.	Charlestown Housing Project	IRDP	Ward 1	1200	Dovecall Properties	R 56 600 575
6.	Emawozeni Housing Project (Greenfield)	IRDP	Ward 30	100	Moteko Construction Cost Consultants and Project Management	R 11 476 638
7.	Madadeni Storm Damage Houses (Repair of RoofS0	Rectification Project (RP)	Ward 23	500	Umpheme Developments	-
8.	Madadeni Sinking Houses	Rectification Project (RP)	Ward 20	33	Yintwenhle Consulting Engineers	-
9.	Osizweni Replacement of Asbestos Roofs	Rectification Project (RP)	Ward 13,17 ,30,10,8,	449 in different priorities	Yintwenhle Consulting Engineers	-
TOTAL UNITS				**7016**		

Future housing projects should go beyond the delivery of housing units and focus on the creation of sustainable communities and settlements. This includes improving access to basic services, social/public facilities and creating opportunities for economic development. The municipality has submitted an application to the Social Housing Regulatory Agency for construction of 555 Social Housing Units. It is hoped

that these housing developments will play a significant role in assisting the municipality to alleviate housing shortages.

Table 35: Projects under Planning Phase

NO.	PROJECT NAME	TYPE OF PROJECT	WARD	NUMBER OF UNITS	IMPLEMENTING AGENT	AMOUNT COMMITTED
1	JBC Phase 1 Housing Project	ISU	15/16/18	2518	Moteko Construction Cost Consultants and Project Management	R 156 592 548.00
2	JBC Phase 2 and 3 Housing Project	ISU	15/16/18/12	8985	Moteko Construction Cost Consultants and Project Management	R 302 811 901.06
3	Soul City / Stafford Hill Housing Project	ISU	31	3500	Phumafu Consulting Engineer	R 2 875 108.60
4	Vezokuhle / Roypoint Housing Project	IRDP	21	900	Phumafu Consulting Engineer	R 3 155 607.00
5	Drycut Housing Project	ISU	16	1000	MasekoHlongwa and Assocites	R 3 506 230.00
6	Kwamathukuza Phase 2	IRDP	20	221	Phumafu Consulting Engineer	R 774 876.83
8.	Boschhoek Farm Housing Development	IRDP	21	2400	No IA has been appointed the funds are for the aqcuisation of land	R 53 000.000
9.	Lenville Housing Development	FLISP	25	77	Impumelolo Consulting Engineers	-
TOTAL				**15 331**		

Table 36: Proposed Pipeline Projects

NO.	PROJECT NAME	WARD	TYPE OF PROJECT	NUMBER OF UNITS
1	Ingogo Housing Project	1	IRDP	1000
2.	Normandien	25	Agri-village	300
3.	Bosworth Farm	21	IRDP	3500
4.	Wykom	1	IUP	300
5.	Amajuba Forest	1	IUP	1500
6.	Kilbachan Settlement	21	IRDP	200
7.	Soulcity Madadeni Section 3	20	Slum Clearance	100
8.	Khathide Rural Housing Project Phase 3 (Sigodiphola Settlements)	7	Rural	2500
9.	Umshenguville	9 /7	IUP	150
10.	Sunnyridge (Erf No. 9449) FLISP	2	FLISP	To be confirmed
11.	Pioneer Park (Erf No. 12155) FLISP	4	FLISP	To be confirmed

12.	Fernwood (Erf No. 14144) FLISP	3	FLISP	To be confirmed
13.	15048 and 15049		FLISP	To be confirmed
	Total Units			**9550**

Table 37: Proposed Rectification Housing projects.

NO.	PROJECT NAME	WARD	TYPE OF PROJECT	NUMBER OF UNITS	PROJECT STAGE
1.	Surryaville and Fairleigh Municipal Flats Refurbishment	3 / 25	Rectification	120	Application for funding submitted to KZN Human Settlements
2.	Madadeni Storm Damage Houses – Repair of Roofs	20/ 22 / 23 / 24 /26/ 28	Rectification	1350	Application for funding submitted to KZN Human Settlements, and the first 500 has been approved (1850-500=1350).
3.	Madadeni Sinking Houses	20	Pre 1994 Housing Stock	327	Application for funding submitted to KZN Human Settlements, 33 housing unit is allocated for the next financial year (350-33=327).
4.	Osizweni Replacement of Asbestos Houses	11/ 13 / 17 / 30	Pre 1994 Housing Stock	1600	Application for funding submitted to KZN Human Settlements
5.	Madadeni and Osizweni Intercon Houses	Various Wards in Madadeni and Osizweni	Post 1994 Housing Stock	4000	Still under sub judice
6.	Madadeni Section K Rectification Project	20 /26	Post 1994 Housing Stock	1141	Application for funding has been submitted to KZN Human Settlements
7.	Khathide Phase 1	9/7/33/ 30	Post 1994 Housing Stock	2000	Application for funding has been submitted to KZN Human Settlements
	Total Units			**10538**	

3.12.4. Rental Housing Stock.

The KZN Department of Human Settlements through the Social Housing Regulatory Authority has called in all municipalities in

the province to submit proposals for the identification and delineation of Social Housing Restructuring Zones to facilitate the development of Social Housing units. Newcastle municipality has been identified as one of the municipalities to submit proposals for the identification of Social Housing Restructuring Zones for consideration for funding the development of Social Housing units in the Municipality's area of jurisdiction.

The Department of Human Settlements is at the same time embarking on the establishment of Community Residential Units which cater for families earning an income of R3500 and less. This leaves a gap in housing provision for income groups earning between R3501 and R7500. The Social Housing project seeks to close this gap and at the same time achieving the objectives mentioned in this report. The project seeks to achieve the following objectives:

- Spatial restructuring by bringing lower income people into areas of economic opportunity;
- Social restructuring by promoting mixing of races and class; and
- Economic restructuring by promoting spatial access to economic opportunities and job creation through the building of medium density housing.

Table 38: Proposed Social and Rental Projects

NO	PROJECT NAME	WARD	TYPE OF PROJECT	NUMBER OF UNITS	PROJECT STAGE	IMPLEMENTING AGENT	AMOUNT COMMITTED
1	Newcastle-Hospital Street	Ward 25	Social Housing / CRU	1056	Planning Stage	Project Manager - Moteko Contractor to be appointed	R387 47 1 436.80
2.	Newcastle-Arbor Park	Ward 34	Social housing	555	Planning Stage	Project Manager - Moteko Contractor to be appointed	R 216 032 916.71
	Total Units			**1611**			

According to the Guidelines provided by the Department of Human settlements, for areas to be identified as Social Housing Restructuring Zones they should satisfy the following criteria:

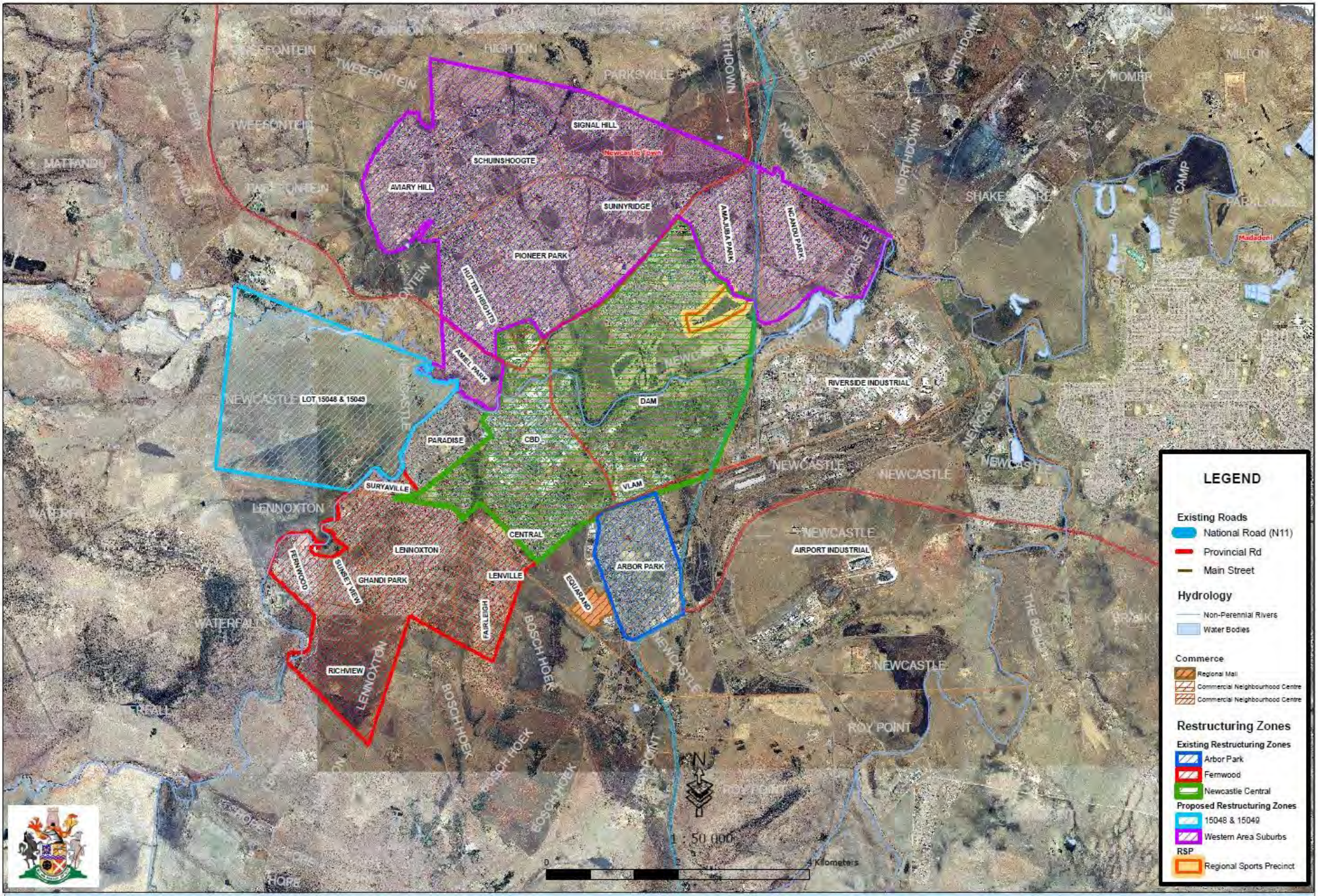
- Social Housing Restructuring Zones should often coincide with development nodes (inner-city and decentralized) and corridors;
- They should not be about regeneration or renewal in townships but could be adjacent to nodes or within corridors linking townships to the city;
- Ideally restructuring should satisfy all 3 objectives above, but either economic access or mixing of race and class each, on its own can be sufficient motivation;

- A Restructuring Zone cannot however, be motivated solely on the grounds of creating change in spatial morphology of the city e.g. just for the sake of densification/compaction.

A total of five (5) Social Housing Restructuring Zones have been identified by the Department of Development Planning and Human Settlements and two (2) out of these are prioritised. The identification of the restructuring zones is in line with the set guidelines. The five zones are as follows:

Existing Restructuring Zones

- Arbor Park **(Prioritised)**
- Fernwood **(Prioritised)**
- Newcastle Central
- 15048 & 15049
- Western Area Suburbs



SDF 2023/24 | **NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE - RESTRUCTURING ZONES** | **MAY 2024**

3.12.5. Informal Settlements.

The eradication of informal settlements is a priority for the national and provincial government. A strategy has been devised at a national level and is implemented with the support of the provincial Department of Human Settlement. Newcastle Municipality has been included among the 17 prioritised municipalities for the implementation of an Upgrading of Informal Settlements Programme (UISP).

The Newcastle Informal Settlement Strategy and Programme has been finalised and its intension is to give effect to the National Upgrading Support Programme which acts as a support vehicle to the National Department of Human Settlements in its implementation of the Upgrading of Informal Settlements Programme (UISP). The overall strategy and programme is informed by the Assessment and Categorisation of each of the informal settlements, which is the specific purpose of this report. An assessment and categorisation is conducted in order to determine the current status of the informal settlements with the aim of establishing whether or not an informal settlement is suitable for in situ upgrading, or whether a settlement will require a different type of intervention such as relocation. These different outcomes were categorised into four classes namely: Category A (full upgrade); Category B1 (Interim Basic services); Category B2 (Emergency Basic services) and Category C (Relocation).

The following areas have been classified as informal settlements within the municipality:-

	INFORMAL SETTLEMENT	WARDS	HOUSE HOLD NO	CATEGORY
1	Amajuba Forest	1	83	C
2	Wykom	1	35	C
3	Soul City	31	1 080	A
4	JBC	16	6 360	A
5	Ingogo	1	85	A
6	Drycut	15	450	A
7	Bosworth	21	350	B2
8	Roy Point / Vezukuhle	21	270	B2
9	Normandien (Agrivillage programme)	21 and 1	30	B2
TOTAL			**8743**	

The eradication of informal settlements is a priority for the national and provincial government. A strategy has been devised at a national level and is implemented with the support of the provincial Department of Human Settlement. Newcastle Municipality has been included among the 17 prioritised municipalities for the implementation of an Upgrading of Informal Settlements Programme (UISP). An informal settlement upgrading strategy for the Newcastle Municipality is being developed. It will be incorporated into the Housing Sector Plan upon its completion.

3.12.6. Affordable Housing.

Gap Housing is the affordable housing sector comprises of those households that earn between R3 500 and R15 000, which is too little to enable them to participate in the private property market, yet too much to qualify for state assistance. The term “Gap Housing” describes the shortfall, or ‘gap’ in the market between residential units supplied by the state and houses delivered by the private sector.

Newcastle Municipality has approved and allocated vacant pieces of land for the purpose of developing financial linked individual Subsidy Programme (Flisp) namely erf 14144; erf 9449 and 12155. This programme will also assist in accommodating residents in our current housing projects whose status has changed; and who no longer qualify for BNG Housing Scheme anymore. Once the terms of reference is finalized the two sites will be advertised for tender so that a private developer is awarded in order to enter into an agreement with the Newcastle Municipality and start with the delivery of houses for the GAP Market for FLISP Scheme. The FLISP Programme is also expected to address the GAP Housing as well as middle income earners.

NEWCASTLE MUNICIPALITY INFORMAL SETTLEMENTS		
ID	Informal Settlements	Estimated Households
1	Roy Point	800
2	Charlestown	1500
3	Bosworth	1000
4	Siyahlala-la	1000
5	Soul City: Madadeni Section 3	60
6	Soul City : Madadeni Stafford Hill	3000
7	Dry Cut	500
8	Ingogo	1000
9	H39	600
10	JBC	5000
11	Normandien	600
12	Amajuba Forest	300
13	Wykom	50-60

MPUMALANGA

FREE STATE

Newcastle LM
KZ252

Utrecht Local Municipality
KZ253

Dannhauser Local Municipality
KZ254

Endumeni Local Muni
KZ241

Charlestown
Ingogo
Newcastle Town
Madadeni
Khathide TA
Osizweni
JBC
Kilbarchan
Ingagane

1 : 273 000

0 3 6 9 12 15 18 Kilometers

LEGEND

Other
- Airport
- Railway Line

Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Existing Roads
- Class 1
- Class 2
- Class 3

Proposed Roads
- Class 1
- Class 2
- Class 3

Informal Settlements
- Settlement
- Dwellings

Boundary
- Newcastle Urban Edge
- Development Boundary

SDP 2024/25

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * INFORMAL SETTLEMENTS*

APRIL 2024

3.12.7. Urban Renewal.

Madadeni and Osizweni are the two main townships located within Newcastle Municipality area of jurisdiction. The area, generally referred to as the MBO (Madadeni, Blaauwbosch and Osizweni areas) is the main focus of urban renewal initiatives by the municipality. To this extent, a regeneration framework has been developed as a means to provide guidance, coordination and alignment of sectoral activities to facilitate development of MBO complex. Key performance areas with their identified strategies identified for the MBO complex include:

- Quality Living Environment: this key performance area deals with strategies to improve the quality of the environment. It includes, amongst others, strategies for conservation, environmental health, rehabilitation and reclaim of degraded areas, air quality, water resource management, waste management.
- Access to Public Services and Amenities includes strategies for road maintenance, ensuring adequate and reliable bulk resources for all services over next 20 year period site and service strategies, etc.
- Functional Local Economy: this KPA identifies strategies for recycling programmes, encouragement of home enterprises, mixed activity Economic Opportunity Zones, multi modal transport interchanges at major nodes, secondary residential property market, land tenure upgrading as part of all housing projects, etc.
- Linkages and Integration: Strategies of importance are inter-neighbourhood linkages, extension of new road linkages towards improved integration, Investment Promotion Office dealing with specifically the former township areas (now economic opportunity zones).

3.12.8. Upgrading and formalisation of the JBC Area.

The JBC Framework identifies six development units or precincts, and recommends that these form the basis of a housing development program in the area. Layout plans and development applications have already been packaged for some of these precincts. It further suggests the following initiatives for the area:

- Effective environmental management.
- Provision of bulk engineering services, particularly waterborne sewerage.
- Upgrading of main transport networks and the associated public transport networks. This includes walkways and pavements.
- Promoting local economic development through the development of a new town centre in the area.
- Introducing an effective land use management system.

It further acknowledges the importance of P483 as the primary development corridor running through the area, and a number of mixed use strips (activity streets). It also suggests at least three development nodes with the major node being the proposed JBC Town Centre.

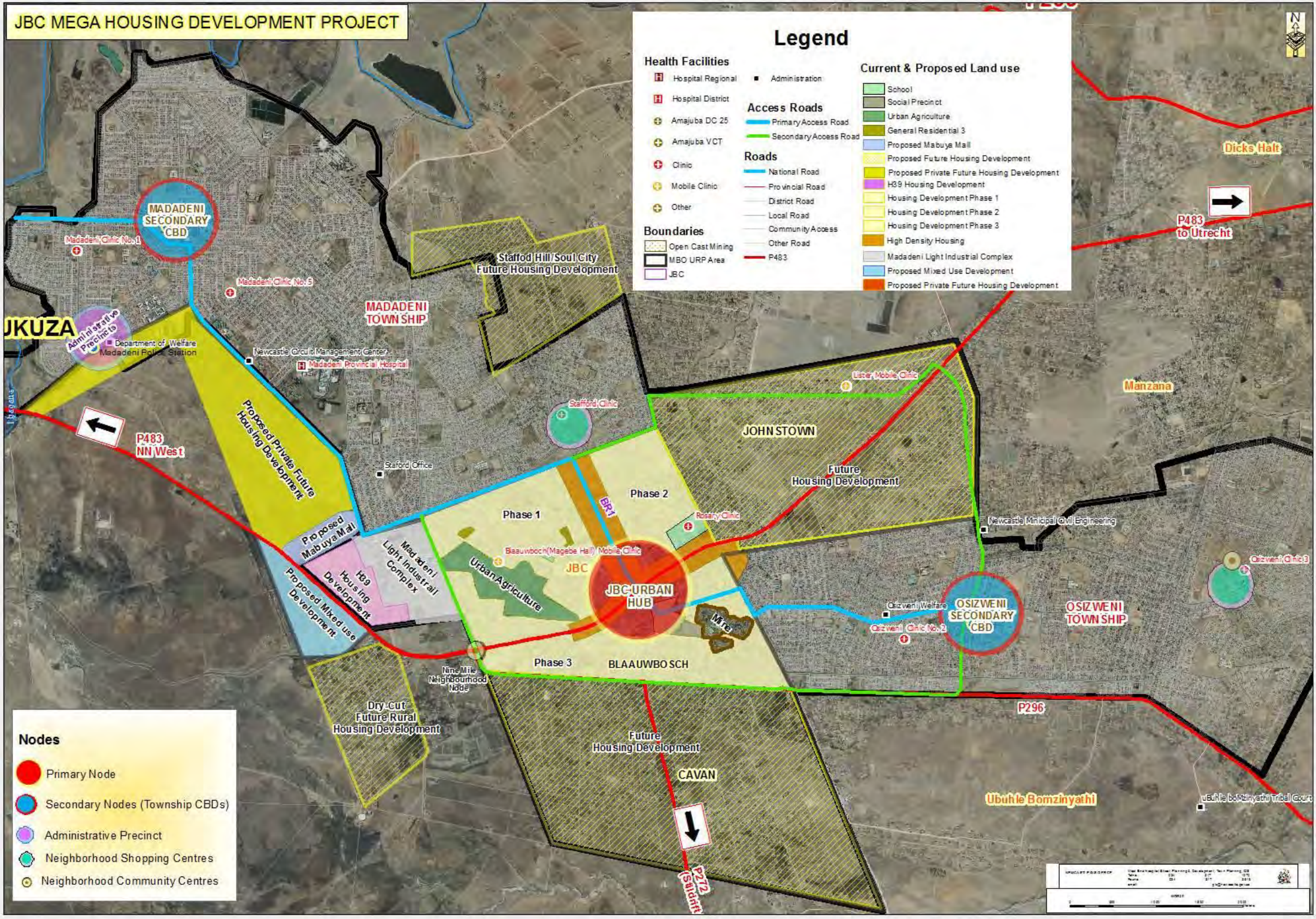
3.12.9. JBC Mega Catalytic Housing Project.

JBC (Johnstown, Blaauwbosch and Cavan) area is situated within the eastern part of Newcastle. The area is interposed by two formal Townships of Madadeni and Osizweni. It has a semi-rural /urban character and is largely informally settled with no proper infrastructure in place, unlike other parts of Newcastle. It has a very limited economic and social infrastructure. As part of ensuring livelihood and sustainability the Newcastle Municipality through the Municipal IDP and SDF has identified JBC as a key intervention area for investment and is regarded as a potential Primary CBD Node.

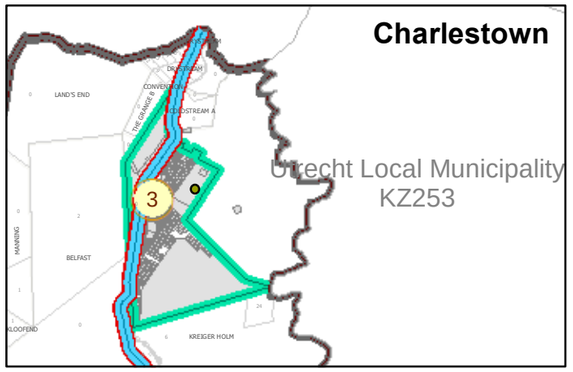
The vision for the future development of this area entails the establishment of a new CBD, with a range of housing typologies and eradication of informal settlements. Two major housing projects (JBC Phase 1 and JBC Phase 2&3) with a total yield of about 9511 mixed housing opportunities have been initiated by the municipality and province. Phase 1 consisting of 2011 units has been approved by KZNDHS and is currently at planning stage. Phase 2 and 3 is currently at prefeasibility stage.

Newcastle Municipality has received a major boost in terms of Housing/ Human Settlement delivery. Our municipality's Johnstone Blaauwbosch and Cavan housing project commonly known as JBC has received a National approval as one of the 8 Catalytic/ Mega project in KwaZulu-Natal. The JBC with a total 14 011 housing opportunities was approved together with 5 projects from Ethekwini Municipality; one from Kwadukuza in Hyde Park (4600) Units and one from Umhlathuze Empangeni(Waterstone) for 10 000 Units.

Human settlement Catalytic projects can be range from mega scale inclusionary neighbourhoods to seemingly small but high impact interventions. The underlying principle of all of these is that they are all spatially targeted interventions whose main objective is to intervene to deliberately restructure settlement patterns and impact on the environment. The intention of Government with the concept of Mega projects is to unlock the investment opportunities for big projects that will yield between 10 000 and 20 000 different typologies of housing units.


JBC MEGA HOUSING DEVELOPMENT PROJECT
Legend
Health Facilities
Hospital Regional
Hospital District
Amajuba DC 25
Amajuba VCT
Clinic
Mobile Clinic
Other
Administration
Boundaries
Open Cast Mining
MBO URP Area
JBC
Access Roads
Primary Access Road
Secondary Access Road
Roads
National Road
Provincial Road
District Road
Local Road
Community Access
Other Road
P483
Current & Proposed Land use
School
Social Precinct
Urban Agriculture
General Residential 3
Proposed Mabuya Mall
Proposed Future Housing Development
Proposed Private Future Housing Development
H39 Housing Development
Housing Development Phase 1
Housing Development Phase 2
Housing Development Phase 3
High Density Housing
Madadeni Light Industrial Complex
Proposed Mixed Use Development
Proposed Private Future Housing Development
Nodes
Primary Node
Secondary Nodes (Township CBDs)
Administrative Precinct
Neighborhood Shopping Centres
Neighborhood Community Centres
MADADENI SECONDARY CBD
Madadeni Clinic No.1
Madadeni Clinic No.5
Staffod Hill/Soul City Future Housing Development
MADADENI TOWN SHIP
UKUZA
Administrative Precincts
Department of Welfare
Madadeni Police Station
Newcastle Circuit Management Center
Madadeni Provincial Hospital
Dicks Halt
P483 to Utrecht
Manzana
Lister Mobile Clinic
Stafford Clinic
Stafford Office
JOHN STOWN
Future Housing Development
P483 NN West
Proposed Private Future Housing Development
Phase 1
Phase 2
Phase 3
BR1
Rosary Clinic
Newcastle Municipal Civil Engineering
Proposed Mabuya Mall
Madadeni Light Industrial Complex
H39 Housing Development
Proposed Mixed use Development
Blaauwboch(Magebe Hall) Mobile Clinic
Urban Agriculture
JBC
JBC URBAN HUB
Mine
Osizweni Clinic 3
Osizweni Welfare
Osizweni Clinic No.2
OSIZWENI SECONDARY CBD
OSIZWENI TOWN SHIP
BLAAUWBOSCH
Nine Mile Neighbourhood Node
Dry-Cut Future Rural Housing Development
Future Housing Development
CAVAN
P296
Ubuhle Bomzinyathi
uBuhle beMbizyathi Tribal Court
P212 (Siddnft)

1	Osizweni Section E Phase III	9
2	Osizweni Section E Phase II	9
3	Charlestown	1
4	Siyahlala-la	25
5	Khathide	6/12
6	H39	19
7	Emawozeni Rectification	30
8	Emawozeni Greenfield	30
9	JBC Phase 1	16
10	JBC Phase 2 and 3	15/16/18
11	N11 CRU's	25
12	KwaMathukuza Phase II	20
13	Vezokuhle/Roypoint	21
14	Soul City/Stafford Hill	31
15	Drycut Rural	16
16	Khathide Phase 1 (Post 1994)	7/9
17	Madadeni Section K (Post 1994)	24
18	Hospital Street Housing Project	25
19	Ncandu Extention Housing Development	5
20	Erf 15048 Housing Project	1
21	Erf 15049 Housing Project	1



Utrecht Local Municipality
KZ253

Utrecht Local Municipali
KZ253

Dannhauser Local Municipality
KZ254

Newcastle Town
Madadeni
Osizweni
Khathide TA
Kilbarchan
Ingagane
JBC
BUHLE MZINYATHI A
IMBIZANA
BRACK HOEK
ERIN
WYKOM
GORDON
SHAKESPEARE
HOWER
MILTON
CRAIG
WATERFALL
HOPE
CARRICK
LISBELLAW
DARTRY
LISNABIN
GREENWICH
GARDINIA
COLINDALE
MACALMAN
WALMSLEY
VREDA
MACCLESFIELD
BALLENGEICH
FORTS
N11

LEGEND

Households (2013 SBC)

Existing Roads

- Class 1
- Class 2
- Class 3
- Class 4

Other

- Airport
- Railway Line

Boundary

- Newcastle Urban Edge
- Development Boundary

Housing Projects

1 : 133 998

0 3 6 9 Kilometers

3.12.10. SWOT Analysis: Service Delivery and Infrastructure Assessment.

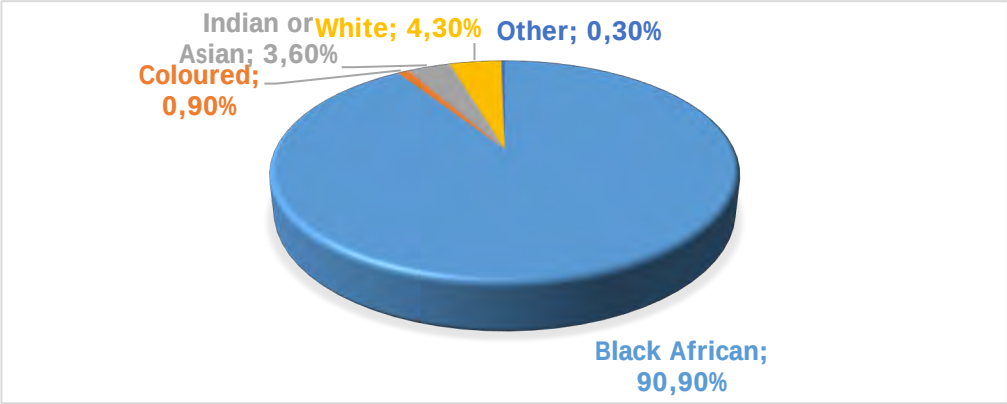
STRENGHTS	WEAKNESSES
▪ Well-developed infrastructure network. ▪ Availability of bulk infrastructure and services to support the economy and meet basic needs. ▪ Relatively well-resourced Technical Services Department. ▪ Aerodrome with potential to develop as a regional airport. ▪ Relatively good road network. ▪ Good access to social facilities and infrastructure (schools and health facilities). ▪ Level 2 Accreditation for the delivery of housing projects. ▪ Blue Drop water status (quality) ▪ Spare capacity for electricity	▪ Lack of sector plans particularly Water Services Development Plan. ▪ Ageing infrastructure particularly in the CBD and Newcastle West generally. ▪ Bulk infrastructure working at capacity (water treatment works). ▪ Water loses due to old infrastructure. ▪ Limited capacity for future development. ▪ Huge housing backlog particularly in the JBC area and informal settlements. ▪ Gravel roads in Newcastle East. ▪ Slow pace of housing projects. ▪ Lack of bulk services in the JBC area. ▪ Poor storm water management, particularly in the vicinity of Victoria Mall. ▪ Poorly located landfill site. . ▪ Illegal dumping.
OPPORTUNITIES	**THREATS**
• Urban renewal programme. • Municipal Infrastructure Grant and other conditional grants. • Informal Settlement Upgrading Programme. • Public private partnerships. • Development of the New dam (Ncandu)	• Increasing rate of urbanisation in areas where there is inadequate bulk infrastructure. • Reduction in infrastructure grants from national and provincial government. • Old infrastructure in the Newcastle west

3.13. Social Development.

3.13.1. Races existing within Newcastle.

In terms of race, the Black African group makes up the majority of the population in Newcastle at an astounding 90.9% of the total population. The White group makes up the second largest population followed by the Indian or Asian population at 4.3% and 3.6% respectively. The other 0.3% is comprised of either the coloureds and/or other racial groups.

Table 7: Races existing within Newcastle.



	2011		2022	
	Number of people	**%**	**Number of people**	**%**
Black African	333 657	91,86%	461 500	90.9%
Coloured	2 733	0,75%	4 468	0.9%
Indian or Asian	11 686	3,22%	18 423	3.6%
White	14 275	3,93%	21 776	4.3%
Other	886	0,24%	1 437	0.3%
Grand Total	**363 236**	**100%**	**507 710**	**100%**

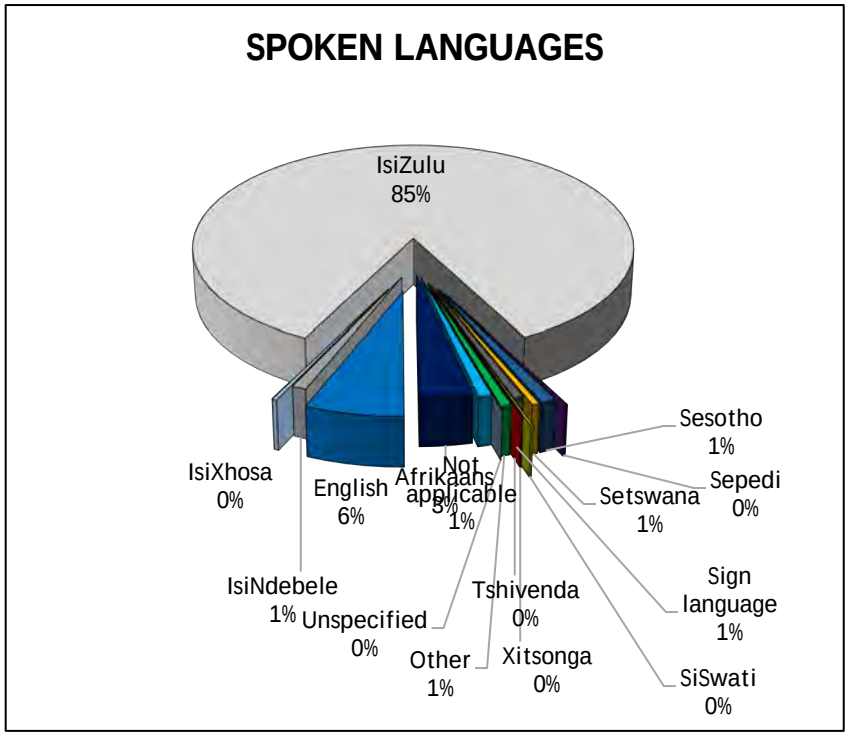
Source: Stats SA –2011 & 2022 Census Data.

3.13.2. Spoken languages.

The highest concentration of people (84.87%) have IsiZulu as their spoken language followed by English and Afrikaans at 6.33% and 3.46% respectively. 0.63% of the total population uses sign language to communicate whereas the other 4.71% is evenly distributed amongst people who either have Isindebele, IsiXhosa, Sepedi, Setswana, SiSwati, Tshivenda and Xitsonga as their spoken language. Based on the information presented below, it is clear that Newcastle is a multilingual town well-endowed with a wide variety of cultures.

Table 31: Spoken languages within Newcastle.

	Total Number of People	%
Afrikaans	12 574	3,46%
English	22 979	6,33%
IsiNdebele	3 397	0,93%
IsiXhosa	1 154	0,32%
IsiZulu	308 297	84,87%
Sepedi	607	0,17%
Sesotho	3 539	0,97%
Setswana	1 762	0,48%
Sign language	2 309	0,63%
SiSwati	554	0,15%
Tshivenda	129	0,03%
Xitsonga	264	0,07%
Other	2 524	0,69%
Unspecified	-	0,00%
Not applicable	3 148	0,87%
Grand Total	**363 236**	**100%**



Source: Stats SA – 2011 Census Data.

3.13.3. Blindness as a disability.

According to *Table 2* below, there is a small number of individuals with blindness as a disability within Newcastle's jurisdictional area. The majority of the people (80.93%) have no difficulties with seeing. Individuals who experience difficulties in this regard collectively constitute 11.27% of the total population, with a higher majority being attributed to the female population.

The other 7.80% or so either doesn't know, cannot yet determine whether or not they have difficulties with seeing, are unspecified and/or are not applicable.

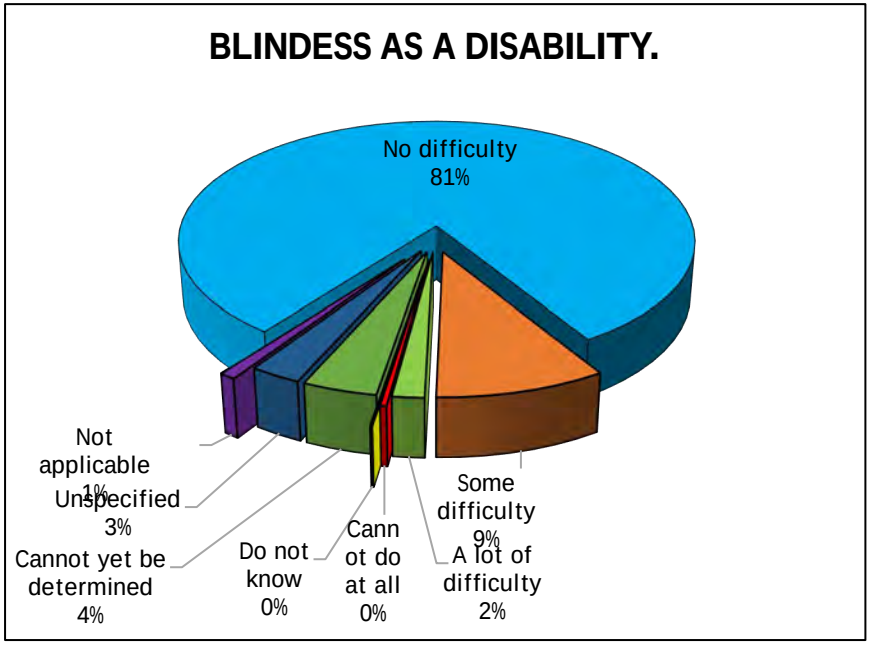


Table 32: Blindness as a disability within Newcastle.

	Male	%	Female	%	Grand Total	%
No difficulty	142 919	82,69%	151 059	79,34%	**293 979**	**80,93%**
Some difficulty	12 737	7,37%	20 701	10,88%	**33 438**	**9,20%**
A lot of difficulty	2 295	1,33%	3 993	2,09%	**6 288**	**1,73%**
Cannot do at all	587	0,33%	651	0,35%	**1 239**	**0,34%**
Do not know	209	0,13%	186	0,09%	**395**	**0,11%**
Cannot yet be determined	7 239	4,19%	7 414	3,89%	**14 654**	**4,04%**
Unspecified	4 805	2,78%	5 280	2,77%	**10 085**	**2,78%**
Not applicable	2 045	1,18%	1 103	0,59%	**3 148**	**0,87%**
Grand Total	**172 837**	**100%**	**190 389**	**100%**	**363 225**	**100%**

Source: Stats SA – 2011 Census Data.

3.13.4. Communication impairedness as a disability.

Regarding Table 9 below, a higher majority (89.21%) of the population within Newcastle has got no difficulties in communicating through speech. About 2.24% of the total population experiences difficulties in this regard with a higher majority being concentrated amongst the male population. The other 8.55% either doesn't know, cannot yet determine whether or not they have difficulties with communicating, are unspecified and/or are not applicable.

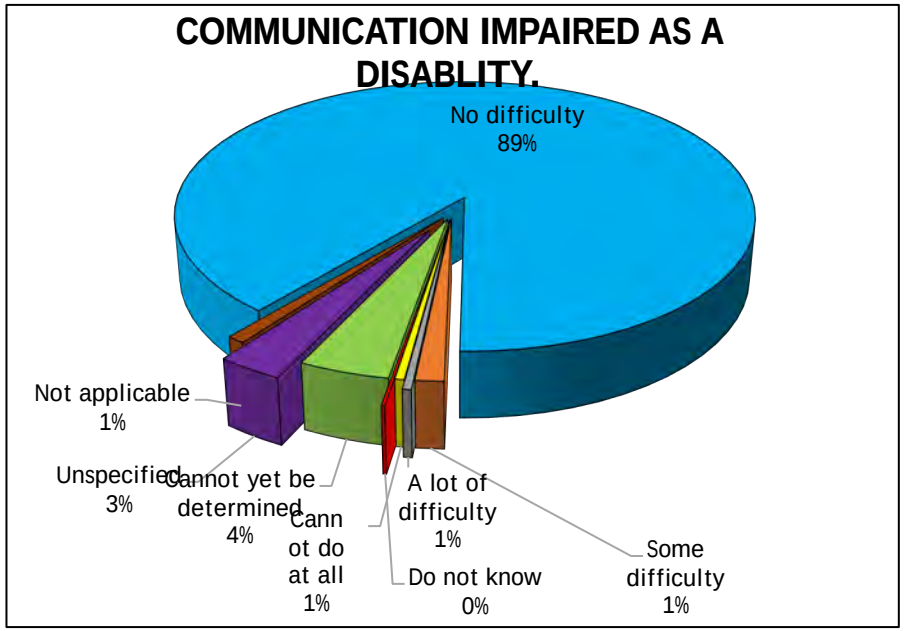


Table 33: Communication impaired as a disability within Newcastle.

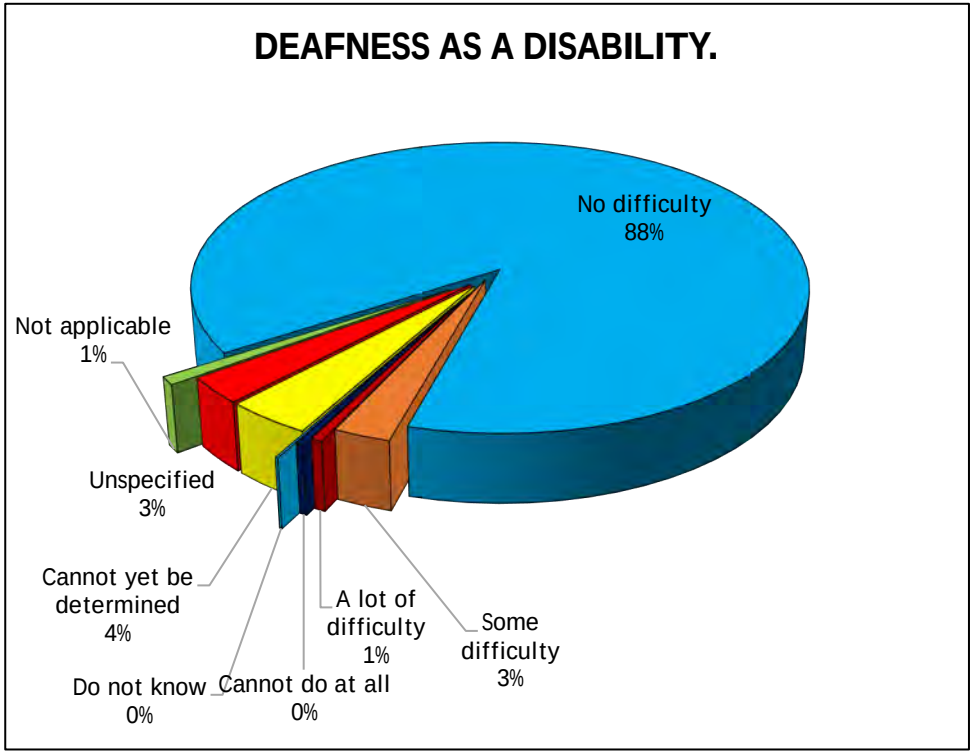
	Male	%	Female	%	Grand Total	%
No difficulty	153 216	88,64%	170 827	89,72%	**324 043**	**89,21%**
Some difficulty	2 374	1,38%	2 594	1,36%	**4 967**	**1,37%**
A lot of difficulty	802	0,47%	745	0,39%	**1 547**	**0,42%**
Cannot do at all	857	0,49%	763	0,41%	**1 620**	**0,45%**
Do not know	319	0,19%	262	0,13%	**582**	**0,16%**
Cannot yet be determined	7 776	4,49%	8 050	4,23%	**15 826**	**4,36%**
Unspecified	5 448	3,16%	6 044	3,18%	**11 492**	**3,16%**
Not applicable	2 045	1,18%	1 103	0,58%	**3 148**	**0,87%**

	Male	%	Female	%	Grand Total	%
Grand Total	**172 837**	**100%**	**190 389**	**100%**	**363 225**	**100%**

Source: Stats SA – 2011 Census Data.

3.13.5. Deafness as a disability.

Table 10 below depicts a situation which conforms to the norm regarding deafness as a disability within Newcastle. A high majority of the population within Newcastle (88.50%) have no difficulties in terms of hearing problems. 3.58% of the total population has experienced a variety of difficulties in this regard



with the majority concentrated amongst the female population. The rest of the other 7.92% either doesn't know, cannot yet determine whether or not they have difficulties with hearing, are unspecified and/or are not applicable.

Table 34: Deafness as a disability.

	Male	%	Female	%	Grand Total	%
No difficulty	152 776	88,39%	168 695	88,60%	**321 471**	**88,50%**
Some difficulty	4 039	2,34%	5 702	2,99%	**9 741**	**2,68%**
A lot of difficulty	849	0,49%	1 104	0,58%	**1 953**	**0,54%**
Cannot do at all	674	0,39%	655	0,34%	**1 329**	**0,36%**
Do not know	241	0,14%	229	0,12%	**470**	**0,13%**
Cannot yet be determined	7 141	4,13%	7 346	3,86%	**14 487**	**3,99%**
Unspecified	5 071	2,93%	5 555	2,93%	**10 626**	**2,92%**
Not applicable	2 045	1,19%	1 103	0,58%	**3 148**	**0,87%**
Grand Total	**172 837**	**100%**	**190 389**	**100%**	**363 225**	**100%**

Source: Stats SA – 2011 Census Data.

3.13.6. Walking and/or climbing stairs as a disability.

The majority of the population within Newcastle (88.81%) does not have any difficulties with regards to walking and/or climbing stairs. 3.07% of the total population may be deemed as having difficulties with walking and/or climbing stairs with the highest concentration being amongst the female population. The other 8.12% either doesn't know, cannot yet determine whether or not they have difficulties with hearing, are unspecified and/or are not applicable.

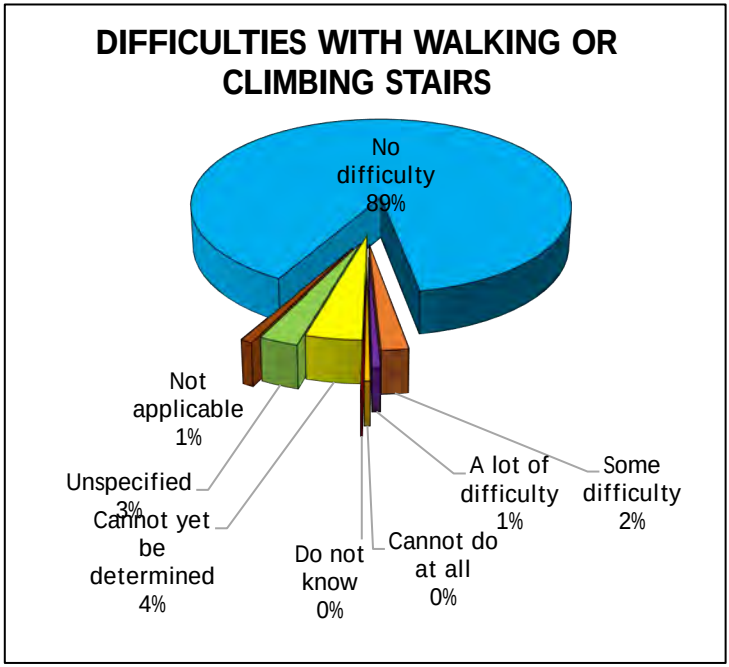


Table 35: Walking and/or climbing stairs as a disability.

	Male	%	Female	%	Grand Total	%
No difficulty	153 639	88,89%	168 962	88,74%	**322 601**	**88,81%**
Some difficulty	2 806	1,63%	4 517	2,37%	**7 324**	**2,02%**

	Male	%	Female	%	Grand Total	%
A lot of difficulty	855	0,49%	1 385	0,74%	**2 239**	**0,62%**
Cannot do at all	749	0,43%	805	0,42%	**1 553**	**0,43%**
Do not know	247	0,15%	221	0,12%	**468**	**0,13%**
Cannot yet be determined	7 505	4,34%	7 821	4,12%	**15 326**	**4,22%**
Unspecified	4 991	2,88%	5 575	2,93%	**10 566**	**2,91%**
Not applicable	2 045	1,19%	1 103	0,56%	**3 148**	**0,87%**
Grand Total	**172 837**	**100%**	**190 389**	**100%**	**363 225**	**100%**

Source: Stats SA – 2011 Census Data.

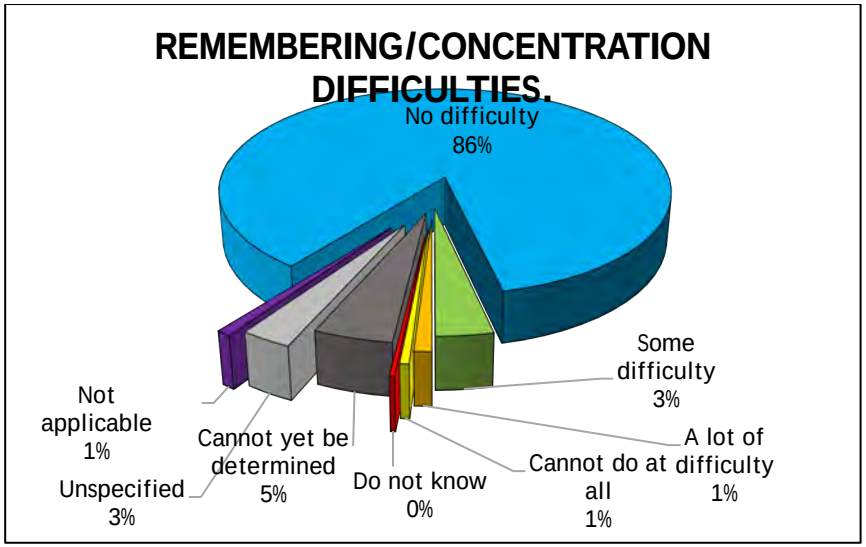
3.13.7. Remembering/concentrating as a disability.

Most of the people within Newcastle (85.96%) do not have any problems related to remembering/concentrating as a disability. Approximately 5.06% of the total population experiences difficulties in this regard whereas the rest of the 8.98% either doesn't know, cannot yet determine whether or not they have difficulties with remembering/concentrating, are unspecified and/or are not applicable. In terms of gender, the male population experiences a higher degree of difficulty with remembering/concentrating as a disability when compared to the females.

Table 36: Remembering/concentrating as a disability.

	Male	%	Female	%	Grand Total	%
No difficulty	148 613	85,98%	163 634	85,95%	**312 247**	**85,96%**
Some difficulty	5 216	3,02%	7 339	3,85%	**12 555**	**3,46%**
A lot of difficulty	1 595	0,93%	2 234	1,17%	**3 829**	**1,05%**
Cannot do at all	1 057	0,61%	955	0,50%	**2 012**	**0,55%**
Do not know	574	0,33%	531	0,28%	**1 106**	**0,30%**
Cannot yet be determined	8 487	4,91%	8 752	4,59%	**17 239**	**4,75%**
Unspecified	5 248	3,04%	5 841	3,08%	**11 090**	**3,06%**
Not applicable	2 045	1,18%	1 103	0,58%	**3 148**	**0,87%**
Grand Total	**172 837**	**100%**	**190 389**	**100%**	**363 225**	**100%**

Source: Stats SA – 2011 Census Data.

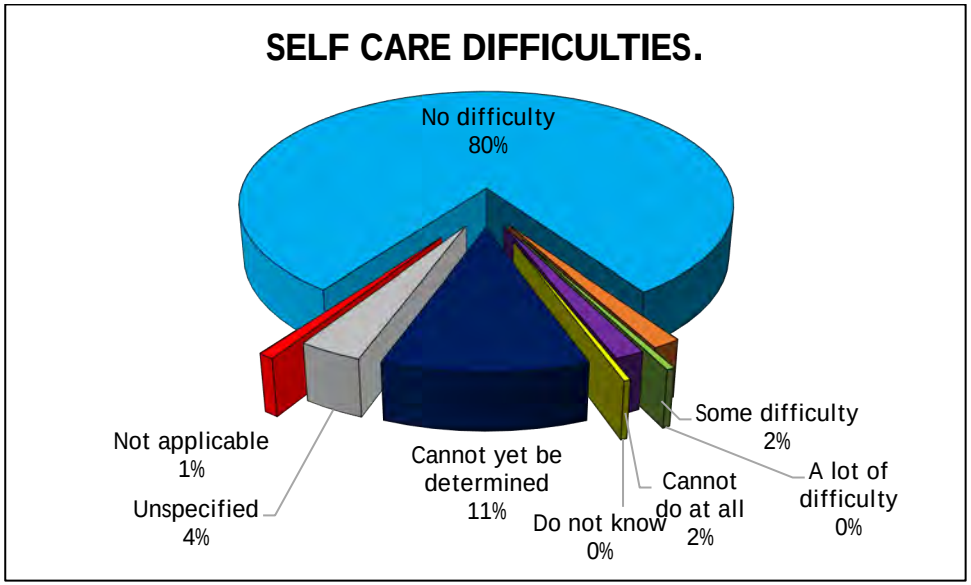


3.13.8. Self-care difficulties as a disability.

The majority of the population within Newcastle (80.44%) is not experiencing any difficulties regarding self-care. 3.61% of the total population experiences difficulties in this regard with the majority concentrated amongst the female population. The rest of the 15.95% either doesn't know, cannot yet determine whether or not they have difficulties with regards to self-care, are unspecified and/or are not applicable.

Table 37: Self-care as a disability.

	Male	%	Female	%	Grand Total	%
No difficulty	137 383	79,49%	154 759	81,28%	**292 141**	**80,44%**
Some difficulty	2 642	1,54%	2 979	1,56%	**5 621**	**1,55%**
A lot of difficulty	817	0,48%	826	0,43%	**1 644**	**0,45%**
Cannot do at all	2 977	1,72%	2 846	1,49%	**5 823**	**1,61%**
Do not know	664	0,37%	662	0,36%	**1 325**	**0,36%**
Cannot yet be determined	20 353	11,78%	20 513	10,77%	**40 866**	**11,25%**
Unspecified	5 956	3,44%	6 702	3,53%	**12 657**	**3,48%**
Not applicable	2 045	1,18%	1 103	0,58%	**3 148**	**0,86%**
Grand Total	**172 837**	**100%**	**190 389**	**100%**	**363 225**	**100%**



Newcastle is home to the only disability centre (Nil Desperandum) currently funded by provincial government, with however, numerous organizations within Amajuba attempting to

formalize their functions and status while assisting the disabled in varying degrees. Osizweni Handicraft Centre is another state-owned centre that provides services to people living with disabilities.

3.13.9. Migration patterns.

The majority of the individuals residing in Newcastle are originally from the KwaZulu-Natal Province. Based on the figures presented in Table 15 and 16 below the majority of immigrants into Newcastle emanate from the Gauteng Province with the second largest group coming from the Mpumalanga Province and subsequently Free State. In terms of race, the majority of the immigrants are Black Africans which are followed by the Whites. The cause for immigration into Newcastle may largely be attributed to the rapid development of the town as a regional services center within the Northern KwaZulu-Natal region hence employment opportunities. In terms of gender, the majority of the individuals who immigrate into Newcastle entails the female population. Since the year 2001, there has been an increase in the number of immigrants to Newcastle from Gauteng, Mpumalanga and the Free State Province at an average annual immigration growth rate of 2.76%, 0.07%, and 1.08% respectively over 10 years since 2001 to 2011.

Table 38: Immigration to Newcastle from different provinces.

	Western cape	Eastern cape	Northern cape	Free state	Kwazulu-Natal	North west	Gauteng	Mpumalanga	Limpopo	Grand Total
Black African	103	380	46	670	297 493	126	1 712	1 287	169	302 531
Coloured	57	26	24	3	2 054	-	40	24	-	2 264
Indian or Asian	44	18	-	12	9 969	9	36	30	12	10 154
White	78	112	48	168	16 515	85	515	312	54	18 037
Other	-	-	-	-	-	-	-	-	-	-
Grand Total	282	536	119	852	326 031	220	2 302	1 653	235	332 985

Source: Stats SA – 2001 Census Data.

Table 39: Migration to Newcastle from different provinces.

	Western cape	Eastern cape	Northern cape	Free state	Kwazulu-Natal	North west	Gauteng	Mpumalanga	Limpopo	Outside South Africa	Do not know	Unspecified	Grand Total
Black African	97	478	160	714	322 283	67	2 452	1 444	115	1 475	12	4 359	**333 657**
Coloured	31	21	26	6	2 474	-	34	14	-	16	-	110	**2 733**
Indian or Asian	33	18	3	24	10 933	5	140	44	5	372	3	105	**11 686**
White	93	108	63	210	12 551	46	520	270	59	79	5	272	**14 275**
Other	3	9	1	1	448	3	33	-	2	349	5	29	**886**
Grand Total	**258**	**634**	**253**	**955**	**348 689**	**122**	**3 179**	**1 771**	**181**	**2 292**	**25**	**4 875**	**363 236**

Source: Stats SA – 2011 Census Data.

3.13.10. Child-headed households.

According to *Table 34* below, out of the total number of households within Newcastle (84 272 households), 1.3% (1 128) of the total number of households is headed by a child who is either 18 years old or younger. In terms of gender, the majority of the child-headed households are headed by males (61.52% of the total 1 128 child headed households) as compared to the females. Out of the total number of child-headed households, 5.23% is employed, 4.25% is unemployed, 1.59% entails discouraged work seekers, whereas a high majority (58.59%) is not economically active meaning they may still be attending school. The other 30.34% is composed of child-headed households with children that are younger than 15 years of age.

Table 40: Child-headed households.

	Employed	Unemployed	Discouraged work-seeker	Other not economically active	Age less than 15 years	Grand Total
Male	48	27	9	409	201	**694**
Female	11	21	9	252	141	**434**
Unspecified	-	-	-	-	-	-
Grand Total	**59**	**48**	**18**	**661**	**342**	**1 128**

Source: Stats SA – 2011 Census Data.

In terms of the table below, the annual household income of the child-headed households within Newcastle, the majority is living below the lower bound poverty line of 1.25$ (PPP$) per day, which is currently R14,67 in terms of the Dollar to Rand exchange rate. The majority of the households living below the lower bound poverty line have no income what-so-ever and they constitute 48.9% (552) of the total number of child-headed households. The implications behind this alarming figure is that such households are leaving in abject poverty hence necessitating some form of intervention.

Table 35: Annual income of child-headed households.

	No income	R 1 - R 4800	R 4801 - R 9600	R 9601 - R 19 600	R 19 601 - R 38 200	R 38 201 - R 76 400	R 76 401 - R 153 800
Male	367	119	89	60	30	13	2
Female	185	64	72	48	37	15	6
Unspecified	-	-	-	-	-	-	-
Grand Total	**552**	**183**	**161**	**108**	**67**	**28**	**8**
	R 153 801 - R 307 600	**R 307 601 - R 614 400**	**R 614 001 - R 1 228 800**	**R 1 228 801 - R 2 457 600**	**R 2 457 601 or more**	**Unspecified**	**Grand Total**
Male	7	4	-	1	-	-	**694**
Female	4	2	-	1	-	-	**433**
Unspecified	-	-	-	-	-	-	**-**

	No income	R 1 - R 4800	R 4801 - R 9600	R 9601 - R 19 600	R 19 601 - R 38 200	R 38 201 - R 76 400	R 76 401 - R 153 800
Grand Total	12	7	-	2	-	-	1 128

Source: Stats SA – 2011 Census Data.

3.13.11. Special Programmes.

The Special Programmes Unit is a one-stop coordination point for all national, provincial, local and other special programmes. The benefits of this approach is that it generates efficiency and effectiveness that wouldn't have been available had these programmes been driven individually. However, it is critical to note that it is mainly about psychological empowerment of the so called target groups (men and women, children, people with disabilities and senior citizens) through Operation Sukuma Sakhe.

❖ Senior Citizens Programme.

There are five senior citizens structures in each zone and each structure entails seven members namely: Chairperson, Deputy Chairperson, Secretary, deputy secretary and three additional members. The involvement of government department is good and the forum is able to attend war room meetings and raise their concerns. The following departments are perceived as most critical to their needs: SASSA, DSD, DOH and SAPS.

According to the older persons Act no.13 of 2006, senior citizens commences at the age of sixty. The objectives of the Act are aligned to special programmes:-

(i) to maintain and promote the status, wellbeing, safety and security of older persons;
(ii) to maintain and protect the rights of older persons;
(iii) to help older persons to stay in their homes in the community for as long as possible;
(iv) to regulate services and residential facilities for older persons; and
(v) to combat abuse of older persons.

Involvement of senior citizens during the dialogue sessions was positive as older citizens actively engage and got clarifications on issues such as green cards processes. The psychological empowerment has happened in different levels including the forum acting support groups, participation in war room meetings, and the KZN senior citizens parliament.

❖ People Living with HIV/AIDS Programme.

There are five HIV/AIDS Structures in each zone and each structure consist of seven members namely: the chairperson, deputy chairperson, secretary, deputy secretary and three additional members. The departments that are active in the forum are Red Cross and the Department of Health. Notably is that most of the Red Cross staff forms part of the forum. The forum submits their monthly minutes. The predominant items are social ills,

unemployment due to stigmatization, requests to start agricultural programs, malnutrition and food parcel vouchers.

Dialogues plays a critical role in the accumulation of knowledge. The target group gets the opportunity to engage with departments such as DOH and acquire information about pick up points (MediPost), the services rendered by Philamntwana and other related services etc. Hundreds of people have been reached for HIV/AIDS screening, TB & Diabetes testing, condom distribution and health education. People have also been empowered through focus groups. This has made them to rise above the discrimination they receive within the society. One may argue that discrimination is for the past, however, it is still a burden to most of the people living with HIV/Aids.

In terms of further government assistance, Newcastle is currently home to 7 Home Community Based Care (HCBC) organisations within Amajuba. These organisations assist members of the community struggling with HIV/AIDS issues in various ways, including but not limited to the following measures:

- 96 Community Care Givers render services and refer cases to Social Workers.
- 01 Community Care Centre (Charlestown CCC) provides integrated and comprehensive services.
- Psychosocial Support services.
- Implement Social and Behaviour Change Programmes.

In pursuit of this service, provincial government allocates a budget of R 5 734 000 to the Amajuba District.

❖ People living with Disabilities Programme.

There are five People living with Disability Forum structure in each zone and each structure consist of seven members namely: the chairperson, deputy chairperson, secretary, deputy secretary and three additional members. The disability fora members have the following disabilities: mobility, blindness, albinism and deafness.

Involvement of stakeholders in this structure is poor in monthly meetings held. However the Disability Rehabilitation structure provides a platform for the target group to engage and raise their concerns and needs. This structure is championed by DOH and is specifically targeting issues relating to disability. It is critical to note that the municipality plays a fundamental role in this structure.

Twenty-five people with disabilities have studied Computer and have be awarded learnerships by the ETDP SETA. The Department of Health have provided placement for them to strengthen computer skills. The fact that the beneficiaries are placed in the community facilities; hope and social cohesion are restored to a certain extent. More importantly, it is for the benefit of the government to have a society which is able to differentiate between entitlement and accountability. Thus, the project is of psychological empowerment in nature in order to ensure that there is no member of the community who is made to feel less of himself.

❖ Women Empowerment Programme.

Since 1994 a number of important policies and legislative framework have been put into effect to promote gender equality. The National Policy Framework for Women's Empowerment and Gender Equality as approved by the Cabinet in 2002, defines roles and responsibilities related to government representation by females at all levels of government (i.e. national, provincial and local). There are five Women Forum structure in each zone and each structure consist of seven members namely: the chairperson, deputy chairperson, secretary, deputy secretary and three additional members. There is poor attendance of stakeholders in meetings held, however, stakeholders attend whenever they are invited to events/programmes. Meetings are held monthly and minutes are submitted in time. Predominant issues include unemployment for women from the age of 35 and above, gender inequality, farming projects etc.

❖ Men's Programme.

There are five Men Forum structure in each zone and each structure consist of seven members namely: the chairperson, deputy chairperson, secretary, deputy secretary and three additional members. Involvement of stakeholder's poor involvement of stakeholders in monthly meetings, however, they do attend events/programmes.

Dialogues have been held where issues such as social ills, health issues, violence against women and children, culture, moral regeneration etc. have been raised.

❖ Substance Abuse.

The Local Drug Action Committee was established on the 14th of September 2017. The portfolio is as follows: Chairperson, Deputy Chairperson, secretary, deputy secretary. Stakeholders do not attend meetings that makes the structure not functional. Stakeholders like DSD, are of high importance in this committee but very little participation is received from them.

People in the townships are now aware of rehabilitation centres, and youth engage in sports as a way of refraining from drugs.

❖ Children's Programme.

The structure was established on the 11th December 2017 and consists of four members which are – Chairperson (Crisis Centre), deputy chairperson (Child Welfare), secretary (DSD), deputy secretary (Correctional Services) as well as all structures dealing with children related issues. Kindly note that the presence of Correctional Services is highly critical in addressing the issue of juveniles and diversities. The departments and stakeholders are highly energetic and looking forward to more programmes for children.

Early Childhood Development (ECD) organisations have played an increasingly important role in the in the fight against any detrimental obstacles in the way of the development of any child in South Africa. Again, a majority of this work is undertaken within Newcastle in the Amajuba District as depicted below.

LOCAL MUNICIPALITY	NUMBER OF WARDS	TOTAL NO. OF ECD CENTRES	NUMBER OF FUNDED CHILDREN
Newcastle	34	124	4970
Dannhauser	13	50	1665
Emadlangeni	06	07	167
TOTAL	**53**	**181**	**6802**

The functions fulfilled by these ECDs include but are not limited to the following:

- Intervention is at the Prevention level, Early Intervention, Statutory and Reunification.
- Service to child abuse and eradicate the neglection of cases.
- Placement of Children in Alternative Care, Temporary Safe Care, Foster care, Child and Youth Care Facilities.
- Social Workers implement school holiday programmes.

A budget of R25 709 000 is dedicated to these organisations within the Amajuba District.

Below is the schedule outlining all the Social Development Programmes of the Municipality:

Table 41 Social Development & Intergovernmental Relations 2023/2024 Operation Plan

QUARTER	MONTH	PROGRAMME	ACTIVITY
July-September 2023	July	Social Development	-Men: Isibaya samadoda -Senior Citizen: Wellness Day -Disability: Support of project for people with disability -Fora visitation
	August	Social Development	-Women: women's Summit -For a visitation
	September	Social Development	-Substance Abuse: Anti-substance abuse programmes -HIV and AIDS: Health Education Children: Child protection programme -Fora visitation
October- December 2023	October	Social Development	-Senior Citizen: International Days of Elder Person (Sport Day) -HIV and AIDS: Local AIDS Council -Civil Society: Mental illness awareness -Fora visitation
	November	Social Development	-HIV and AIDS: Building up events -Women, Men & Children: 16 Days of Activism against the abuse of women, children, and men: Madadeni Sectiion 1 Shopping Complex (Khwezimula) - Fora visitation
	December	Social Development	- HIV and AIDS: World AIDS Day (Newcastle Taxi Rank) -Disability: International Day of Disabled Person

QUARTER	MONTH	PROGRAMME	ACTIVITY
			-Senior Citizens: Senior Citizens Honor - Fora visitation
January- March 2024	January	Social Development	-Children: Back school visitation -Women: Supporting women projects -Fora visitation
	February	Social Development Programmes	- HIV and AIDS: Local Aids Council -Men: Let talk about mental health -For a visitation
	March	Social Development IGR: OSS/DDM	- Disability: Friends and family of people with Disability Dialogue -OSS: Operation mbo: Human Rights Day -Fora visitation
April- June 2024	April	Social Development Programmes	-HIV/AIDS: Local Aids Council -Huma Right Day Awareness - Fora visitation
	May	Social Development	-Children: Child Protection Week -Disability: Disability Awareness campaigns -Fora visitation
	June	Social Development	- Disability: International Albinism Awareness Day -Substance Abuse: Drug awareness week -Fora visitation

❖ Education institutions.

Impacting educational institutions has been made easier through the Operation Sukuma Sakhe programme. The table below gives an illustration.

Table 10: Invading Education institutions

NUMBER	SCHOOL	WARD	PROGRAMME
1.	Khwezi high Duckpoint Sekusile high Dedangifunde High	22 22 23 14	Grooming Young Minds-Focus On Young Men
2.	YWCA	28	Special Olympics
3.	Mtimande Primary	16	March Against Substance Abuse
4.	Zazi High	7	March Against Crime Towards Women And Children
5.	Phendukani High	27	Disability awareness campaign
6.	Vumani Sabelo YWCA	10 28	Workshop: employment life skills Programmes
7.	Bethamoya High	24	Stationery for needy pupils
8.	Amajuba TVET Newtech Campus MTC Campus	5	Health testing and screening
9.	Thembalentsha High	11	Readiness and motivation for the year ahead. Addressing social ills
10.	St Lewis High	18	Champaign against : teenage pregnancy, substance abuse and crime
11.	Mdumiseni High	26	Champaign against : teenage pregnancy, substance abuse and crime
12.	Masihambisane High	34	Champaign against : teenage pregnancy, substance abuse and crime
13.	Thembinkosi primary	9	Champaign against : teenage pregnancy, substance abuse and crime

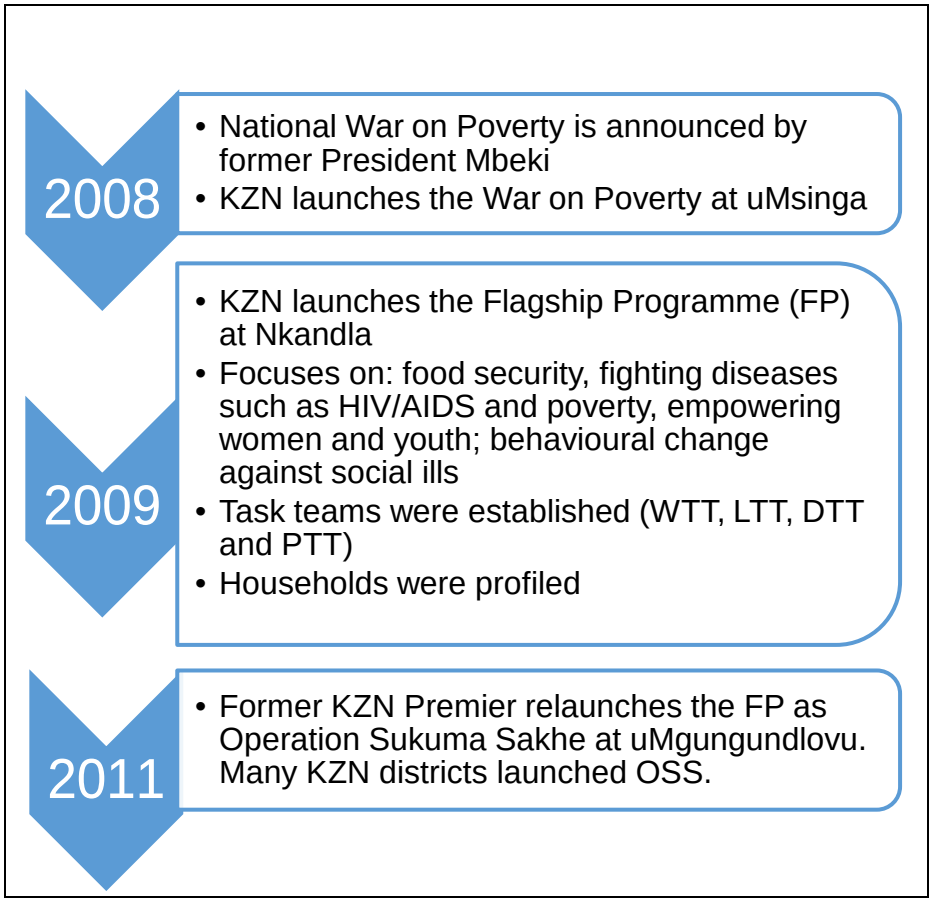
3.13.12. Operation Sukuma Sakhe.

(a) Background and Purpose.

According to the *OSS Five-Year Review* (2015:7), as from 1994, a pro-poor policy-making agenda has been the priority of government. The campaign demands government departments, non-government organisations, participation of communities, traditional structures, and other stakeholders. The first programme to institutionalise such an approach was the national 'War on Poverty' campaign, launched in 2008. Hence, the OSS programme can be traced from when former President Thabo Mbeki declared the national War on Poverty programme. This was therefore a clear mandate that all nine provinces had to align their visions with the main national Presidency War on Poverty programme. Primarily, the War on Poverty campaign is aimed at enhancing service delivery through stakeholder-collaboration. In response, the KwaZulu-Natal Cabinet resolved in July 2009 the establishment of the Flagship Programme to ensure active citizenry effective and efficient government. The Office of the

Premier (Dr Zweli Mkhize during that time) was responsible for the oversight of the programme. Figure 1.2 gives an illustration of the War on Poverty timeline. The timeline is from the national level down to the districts. The adoption of the programme was cascaded out to the districts in Kwazulu-Natal. The NLM forms part of the local municipalities under the Amajuba District Municipality (ADM). The NLM launched OSS in ward nine. Koma (2010:112) argues that the local government should be in line with the national government to ensure on more pragmatic interventions to address poverty and inequality.

Figure 1: War on Poverty Timeline



Source: KwaZulu-Natal Office of the Premier. 2015. *OSS Operations Handbook.*

Understanding the war on poverty is critical for the mechanisms used to reduce poverty. According to King and Palmer (2007:7), poverty reduction mechanisms are divided into three, namely:

poverty alleviation, lifting people out of poverty and poverty prevention. The poverty alleviation is aimed at lessening the symptoms of poverty. This implies that the poverty server is reduced. However, people are not transformed from poor to non-poor. Unlike poverty alleviation, lifting people out of poverty ensures that poor people are transformed to the non-poor level. This therefore implies that there is a lot of mind renewal that has to take place. People are to be holistically transformed from what they were used to being to what is not common to them. Thirdly, poverty prevention is aimed at empowering people not to be victims of poverty. This is done by ensuring that their vulnerability status is dealt with. Based on the above categorization, the OSS programme is a poverty alleviation mechanism.

(b) The Operation Sukuma Sakhe Programme in KwaZulu-Natal.

As illustrated above, in 2008 the 'war on poverty' programme was launched in Kwazulu-Natal. In the following year the programme's name was changed to the 'flagship programme'. Two years later in 2011 the programme was given a new name, 'OSS', in Kwazulu-Natal. The OSS Programme which is the central focus of this study has its origin from the national government.

KwaZulu-Natal's Citizens' Charter (2015:3) spells out what services will be delivered and how they will be rendered, with emphasis on service delivery efficiency and effectiveness. Furthermore, in order for the community to be self-reliant it is vital that they are not passive recipients of services. The best strategy is to participate actively in local interventions which will have an impact on their lives. The OSS programme as an integrated service delivery model, encourages the co-ordination of comprehensive services among government departments, traditional leadership, private sector and civil society. The strategy is to integrate services so that they collectively enable the communities to deal effectively with eradicating poverty.

According to the OSS Implementation Model: Guidelines for Coordination (2012:2), services are divided into three priority levels, immediate, medium and long-term, and are defined as follows:-

- Immediate: Non-negotiable services which must be resolved within 90 days;
- Medium-term: Which must be resolved within 91 to 180 days; and
- Long-term: Longer than 180 days.

As illustrated in figure above, the emblem of the OSS highlights the focus on HIV/AIDS as indicated in red. The emblem also symbolises working together in the form of different hands coming together. There are five critical areas on which OSS focuses, namely environmental care, community partnership, integration of government services, economic activities, and behaviour changes. The primary beneficiaries of the OSS are the most vulnerable groups. These groups include women, children, youth, unemployed adults who are either unemployed or earn below minimum wage, illiterate or unskilled adults, the chronically sick,

people with disabilities, and senior citizens. It is notable that these groups are diverse.

(c)Strategic goals and objectives of Operation Sukuma Sakhe.

The relevance of the OSS programme is engulfed by the OSS vision. As alluded to earlier, the vision focuses on committed leadership and sustainable livelihoods, through integrated service delivery to promote a better life for all. The vision is impact-orientated. The better life is expected to be the impact of the OSS programmer. According to the *OSS Operations Handbook* (2015:8); there are five OSS strategic goals and ten time-framed objectives. By 2020, the goals and objectives should be reviewed. The goals and objectives are listed below.

- **Goal 1: The OSS model of service delivery becoming fully coordinated and integrated.**

Objectives:-

- **To strengthen the institutionalization of OSS:**

According to the OSS Operations Handbook (2010:7), institutionalizing OSS refers to the manner in which OSS is structured and formalized to ensure maximum impact in reaching its objectives. This should be evident through the establishment of the WR with all stakeholders who should sit in the WR. Figure 1.5 illustrates the institutionalization of OSS structures at the ward level.

- **To phase-in community leaders to the role of War Room Chairperson:**

The participation of community leaders is important; these may include ward committees, spiritual leaders, traditional leaders and others. The convener or the chairperson of the war room must be someone who is a community member.

- **To integrate OSS Task Teams and AIDS Council structures at all levels:**

The integration of OSS and the AIDS Council structures must be evident. This integration should be through the WTT and the Ward Aids Committee (WAC), which is the AIDS Council structure at the ward level. This should be done firstly, through the discussions on HIV/AIDS issues at the war room. Secondly, the Local Aids Council should feature OSS issues in the agenda. As much as the Ward Aids Committee's report is a standing item in the war room, there should be evidence that the issue has been reported on. Mchunu (2016:2) mentioned the importance of strengthening the campaign on treatment adherence towards an AIDS-free society.

- **Goal 2: A single integrated M&E System to track OSS Service Delivery.**

A single integrated monitoring and evaluation system is aimed at tracking OSS service delivery. In order to achieve this goal, there are three objectives. This goal is fundamental to the extent that it depends on it whether there is impact or not. This is in accordance with the primary research question regarding to what extent OSS is addressing the needs of the community. The findings on this

goal will lead to ascertaining whether there is impact or just a compliance exercise.

Objectives:-

- To institutionalise integrated planning and budgeting for OSS through the Provincial Growth and Development Strategy: According to Mouton (2010:117) all provinces in South Africa formed the M&E forum to execute the Provincial Growth and Development Strategy. In this way, the link between the Provincial Growth and Development Strategy (PGDS) was established. This objective focuses on integrated planning and budgeting between the provincial, local and ward levels. Consequently, the IDP should indicate the WR planning for each WR. The same applies to the municipal budget in relation to WR budgeting.
- To strengthen the OSS referral system to ensure referrals are closed: The OSS referral system should be strengthened to ensure that needs are identified, opened and referred, service is delivered and referrals are closed. It is no use to report, refer and never know what happened to the case. This is explained in detail in chapter two, as the four phases of the OSS process. According to the OSS Implementation Model: Guidelines for Coordination (2012:35); the National Integrated Social Information System (NISIS) assists with processing the information. Thought NISIS, the four phases of OSS process are facilitated. Thus making it easier to monitor and evaluate the WR operations. This System is based in the Office of the Premier within the Nerve Centre.
- To develop one overarching monitoring and evaluation (M&E) system to track service delivery to strengthen the accountability of M&E for OSS: Accountability of monitoring and evaluation for OSS can be achieved through one main M&E system. This is because, OSS includes the integration of different stakeholders and each of them has a unique expertise and role to play. OSS as a programme should have elements of M&E. The motive behind M&E in OSS symbolizes accountability. The presence of M&E makes it easier to evaluate impact.

❖ **Goal 3: To have fully functional War Rooms as service delivery engines engaging with communities, departments and service providers to provide essential transversal services.**

It is critical to note that stakeholders are prerequisite for the existence and the functionality of the WR. All five categories of fieldworkers, as illustrated in chapter two, have specific duties as they visit households. All these field workers are linked to specific government departments. The collected data is the fulfilment of phase one n the OSS process. However, the collection of data does not imply that services are provided. Hence, fieldworkers must be integrated collecting data. The collected information should be submitted to the War Rooms.

Objectives:-

- To strengthen the integration of Fieldworkers for effective service provision at the War Room level: In chapter two, the

roles and five categories of fieldworkers were illustrated. These fieldworkers should form part of the WR and they should be in a position to work with each other without competing. Rather, on the basis that they serve the same community.

- To strengthen all War Rooms so they become fully functional: The functionality of WR divided into four levels namely; not functional, poorly functional, functional and fully functional.

❖ **Goal 4: To have skilled human resources for OSS at all levels.**

In order to perform the roles, as illustrated in chapter two; all WTT members must be equipped with skilled and knowledge. Being a member of the WR and knowing the role does not necessary means that one is competent. Hence the skilled human resource is fundamental.

Objective:-

- To develop knowledge and skills for OSS stakeholders at all levels.

❖ **Goal 5: To position OSS as a model for integrated service delivery.**

Objective:-

- To promote OSS as a model for integrated service delivery.

The objectives will be evaluated in chapter three. Bear in mind that the OSS vision is impact-orientated. The integral part of the impact is a better life for all. Through different stakeholders with different skills, integrated service delivery aimed at one goal of poverty alleviation is expected to be achieved.

The *OSS Operations Handbook* (2015:4) defines the War Room (WR) as the "physical space where the coordinating task team at ward level provides a direct link to the community, coordinates profiling and integrates service delivery". The OSS methodology is to gather information, develop a database of the identified needs, and take the information in a stepped approach to the ward, local, district and provincial task teams. This methodology is the integrated service delivery model because different stakeholders come together for one aim of a better life.

The OSS task teams are illustrated in Figure 1.4. Fraser-Molokai (2007:3) asserts that as much as there are multiple initiatives by the municipalities in improving service delivery, many challenges still remain. One may argue that an integrated service delivery model may uproot such challenges. The focus of the study is the War Room level. The same integrated service delivery model is implemented at the ward, in the WR, and is referred to as the War Room Model (WRM). It is used to identify, assess and prioritise needs. Once that has been done, the needs are then forwarded to the designated focal referral persons at the different departments for action. The structure is called the War Room, and if the issue is not addressed at the war room which is at the ward level, it is escalated to a higher level. It is important to monitor the progress of the prioritised needs taken forward, to ascertain the progress

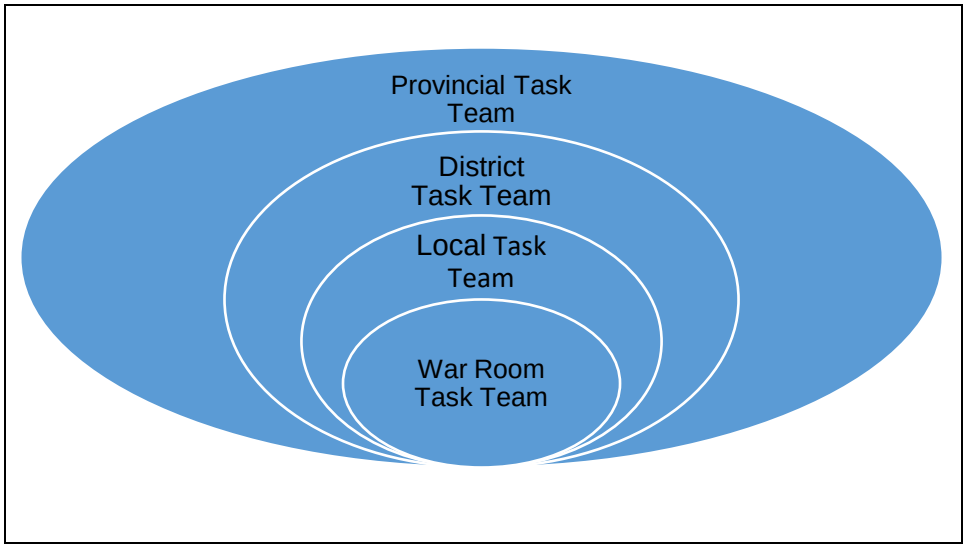
made with the cases and to provide feedback to the communities at ward level.

(d)The OSS Task Teams.

Macwel (2014:41) argues that OSS is a "multidimensional vehicle for integrated service delivery", with structures and a methodology. The first one is the structural existence for the functionality of OSS. These structures are the vehicles towards the OSS critical success factors. As illustrated in Figure 2.2, these structures are the Ward Task Team (WTT), at the ward level; Local Task Team (LTT), at the local level, District Task Teams (DTT), at the district level and the Provincial Task Team (PTT). This therefore implies that the absence of these structures implies OSS dysfunctionality.

All the structures from the ward level to the provincial level are championed by the politicians. However, the chairpersons are from the government departments. This is critical for the integration motive. For these structures to be operational, effective communication of the members in each structure is important. This also calls for each member to know and understand his or her role in OSS. A failure in this regard may lead to issues such as duplication. Duplication is a sign of dysfunctionality in OSS; the sharing of resources to achieve a similar goal is encouraged.

Figure 5: OSS Task Teams



Source: KwaZulu-Natal Office of the Premier. 2015. *OSS Operations Handbook*

For the purposes of the research, the focus is on the WTT, as illustrated in Figure 5 These task teams are expected to work hand in hand. In some instances where the issue cannot be handled by the WTT, it should be referred to the LTT. However, Nzimakwe and Mpehle (2012:285) warn that key elements of bureaucracy are not helping in the delivery of better services to the citizens. The argument is that the responsibility is normally left with the leaders. Some of the needs which should be addressed by the OSS programme, may demand quicker interventions. Table 1 illustrates the legislative framework for OSS.

Table 1: Legislative framework.

LEGISLATIVE FRAMEWORK	OSS ALIGNMENT
Constitution of the Republic of South Africa 1996	It is the supreme law and it plays a crucial role in setting rights and duties of citizens. In addition, it gives direction regarding government structures. This will also influence the programmes which are adopted but the structures.
White Paper on Transforming Public Service Delivery (1997)	The *Batho Pele* principles give direction as to the manner in which the community should be treated.
KZN Citizens' Charter (2015)	It serves as a social contract to promote efficient and prompt service to the people of KwaZulu-Natal. OSS is one of the programmes to respond to the needs of the community.
Sustain*able Development Goals (SDGs) (2015)	The SDGs are the commitments by United Nations Member States to transform the world for the 2030 Agenda for Sustainable Development.
Five Priorities of Government (2014)	In the 2014 State of the Nation's Address, the President announced the following five priorities. a) Improving education. b) Improving healthcare. c) Creating decent work. d) Fighting crime and corruption. e) Rural development and land reform.
National outcomes (2009)	An efficient effective and development-orientated public service and an empowered, fair and inclusive citizenship.
The National Development Plan (NDP)	The NDP aims to eliminate poverty and reduce inequality 2030.

- **Structures.**

STRUCTURE	CHAMPION	MEMBERS
1. War room	Ward Councillor	Ward councillor, government departments, civil society
2. Local Task Team	Local Mayor	Government departments, civil society
3. OSS Steering Committee	Special Programmes	Municipal departments, LTT, EXCO
4. District Task Team	District Mayor	Government departments, civil society

Table 3.4: Evaluation criteria: War Room functionality

1. NOT FUNCTIONAL	
ITEM	**INDICATORS**
(a) Venue	Venue identified but not operational at times, no permanent venue available
(b) WR structure	The coordination structure in place but not operational and integrated
	Field workers available but not integrated and coordinated
(c) Meetings and Reporting	Never held meetings
(d)OSS activities/ initiatives/ programmes/ campaigns	No OSS activities coordinated
2. POORLY FUNCTIONAL	
ITEM	**INDICATORS**
(a) Venue	Venue identified and permanent
(b) War room structure	War room structure is in place but partial operational
	Some integrated activities/ programmes are coordinated at times

	Database of Field workers not in place
	Community Leadership is not fully represented, if represented at all
	Civil Societies are not fully represented, if represented at all
	Fewer than three government departments participate in the war room
(c) Meetings and Reporting	No schedule of meetings in place; war room meet as and when they want to meet
	No minutes of the meeting available; if available, it is irregular
	No attendance register
	No monthly reports
	No interventions reports
	No evidence of interventions by government department if there are any
(d) OSS activities/ initiatives/ programmes/ campaigns	Unstructured household profiling is done, if done at all
	Few interventions rendered, if rendered at all
	Few economic Development Programmes
3. FUNCTIONAL	
ITEM	**INDICATORS**
(a) Venue	Venue is identified and known
	Accessible to the community at all provided times
	War room does have minimum office requirements
(b) WR structure	War room coordinator structure is in place and functional (Champion / Chairperson /Convener /Secretary and Field workers)
	Civil Society is fairly represented, eg: CBOs, NGOs, SGBs, CPSs
	Government Departments do participate but not fully; more than three government departments participate in the war room
	Some fieldworkers report at the war room
(c) Meetings and Reporting	Schedule of meetings is available
	Minutes of the meeting are available
	Attendance register in place

	Interventions reports available, though they are not consistent
	Monthly reports are in place, though they may be irregular
(d) OSS activities/ initiatives/ programmes/ campaigns	Household profiling is done and there is reporting on it
	Walk-ins Service Request Register is in place
	Economic Development Programmes are in place
	Youth Ambassador's Youth Clubs
	One Home One Garden
	Government Departments provide interventions on regular basis
	Economic Development Programmes are in place
4. FULLY FUNCTIONAL	
ITEM	**INDICATORS**
(a) Venue	Venue is identified and war room operates at the identified place
	The venue is well known by community members.
	The venue has minimal resources, furniture, OSS Implementation Model & Stationery etc., relevant posters displayed and pasted on the walls of the war room
	Coordinating war room organogram displayed on the wall
(b) WR structure	WTT structure in place fully operational (Champion, Chairperson, Deputy Chairperson, Secretariat and LTT Representative)
	Government Departments are represented, at least more than five are accounted for, in the war room
	Community Leadership is fully represented
	All fieldworkers are coordinated and report at the war room
(c) Meetings and Reporting	War room holds formal meetings at least twice a month
	Schedule of meetings is well structured
	Minutes of the meeting are up to date and in place

	Attendance registers are up to date and in place
	Interventions reports are up to date and in place
	Walk-in service request register is in place
	Data base of OSS Stakeholders in place
	Monthly reports are submitted timeously and in accordance war room reporting tools
d) OSS activities/ initiatives/ programmes/ campaigns	Household profiling is well done, material/resources are readily available
	Ward profiling used accordingly to the profile in the place
	Community Profiling is done and in place
	Youth Ambassador's Youth Clubs
	One Home One Garden
	Ward Aids Council
	Operation MBO (Integrated Interventions)
	Siyadlala programmes
	Dialogues (Community Intergenerational Youth Dialogues)
	Awareness campaigns
	Change agent tracking and support
	Empowerment and employment opportunities
	Government Departments provide interventions on regular basis
	Economic Development Programmes are in place

- **Challenges:**
  - Poor attendance from government departments.
  - Special Programs Unit is having a challenge of getting students and interns that are temporary, and when they leave there is no continuity.
  - There's a general delay of feedback on the reported issues.
  - Shortage of resources in the war rooms (such as laptops).
  - Some war rooms do not have secretaries who are CDW.
  - Shortage of CCGs in war rooms.
  - War rooms venues that cannot be branded such as schools and churches.
  - No stipend for war room secretaries.

- **Solutions:**
  - War room secretaries should be offered a stipend.
  - All war rooms should have Community Development Workers (CDW).
  - Local Municipality should assist in providing war room venues for war room meeting to be held at. This can be done by providing park homes at each ward.
  - The DTT Chairperson can assist by communicating with department heads and ask them to release at least one official who will be attending war rooms.
  - Permanent staff should be placed in Special Programmed Unit.
  - Departments should have a 7-day turn around period and should stick to it.
  - CCGs must be evenly distributed to all the war rooms.
  - All war room secretaries should be provided with all the necessary resources such stationery and laptops.

(e) The status and progress with the roll out of Operation Sukuma Sakhe in the Newcastle Local Municipality.

The KwaZulu-Natal Department of Cooperative Governance and Traditional Affairs (Cogta) has been helpful in the assessment of the service delivery structures such as the war rooms. The war room verification assist in ensuring that the Operation Sukuma Sakhe (OSS) programme achieve its goal as an integrated service delivery model; thus, avoiding community unrests.

Section 16(1) of the Municipal Systems Act of 2000 stipulates that "a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance". In addition to the conducive climate, the municipality should be in a position to monitor. Hence, section 40 of the Municipal Systems Act of 2000 stipulates that "a municipality must establish mechanisms to monitor and review its performance management system". The war room champions (Councillors) have been responsible to ensuring that war room reports are submitted and cases reported are addressed accordingly.

- Newcastle Local Municipality's OSS Strategic Plan (2020/21).

During the Municipal 2020 strategic plan, community unrest was identified as high risk and the customer dissatisfaction as the core. This therefore, propelled the municipality to come with the following recommendations:

- To approach COGTA to provide the Municipality with park homes as war rooms. The war rooms will ensure that people access services at the ward level. Thus, improving community involvement and participation.
- To establish the Municipal OSS steering committee. This will assist the municipality to work as a team in addressing community issues.
- To approach Cogta for an automated overarching referral system. In the interim a manual system to be used. The automated system will help to track the issue and ensure that there is no duplication. Thus, establishing trust on the impact of the integrated service delivery model.
- To develop a pragmatic OSS framework to be implemented in 2020-2023. The framework will be reviewed in 2023. Through the framework, all stakeholder will play the role adequately without overlap. It will also ensure that the war based needs become the daily business.

- **War Rooms as Service Delivery Engines.**

Goal three of OSS stipulates as follows "To have fully functional War Rooms as service delivery engines engaging with communities, departments and service providers to provide essential transversal services". Consequently, this calls for permanent war room structures. Annexure A constitute the issues from the war room, while annexure B highlights the war room submissions. Table 1 gives an illustration on the status of war room structures.

- **War room venues:**

WAR ROOM VENUES	NUMBER	WAR ROOMS
Own structure	4	3, 4, 11 and 24
Churches	6	8,9,12,13,15 and 16
Schools	15	5, 6,7,10,14,17,19,20,22,26,27,28,29,31 and 32
Early Childhood Development Center	1	30
Government building	2	1 (Charlestown and Ingogo)
Civil society building	1	18
Shopping building	1	21
Nonfunctional taxi rank	1	33
Municipal building	3	25(Fairleigh hall) and 34 (transit camp and the recreation center)
None existence	2	2 and 23

3.14.Local Economic Development.

STATUS OF THE LED STRATEGY

The LED Strategy was developed and adopted for 2022/23 to 2026/27. It is anticipated that the next review of the LED Strategy shall be during the 2024/25 financial year to consider the current economic changes in Newcastle.

The key challenges for LED is as follows;

- The shrinkage in the manufacturing sector and Tourism sector;
- Insufficient budget;
- Lack of control in buying and selling commercial land for development purposes;
- Poor alignment or cooperation between local, district and provincial departments;
- Lack of demarcated areas for informal traders resulting in illegal occupancy;
- Undiversified foreign direct investment;
- Lack of by-law and law enforcement for the removal of illegal traders;
- Insufficient budget to carry our research and development;

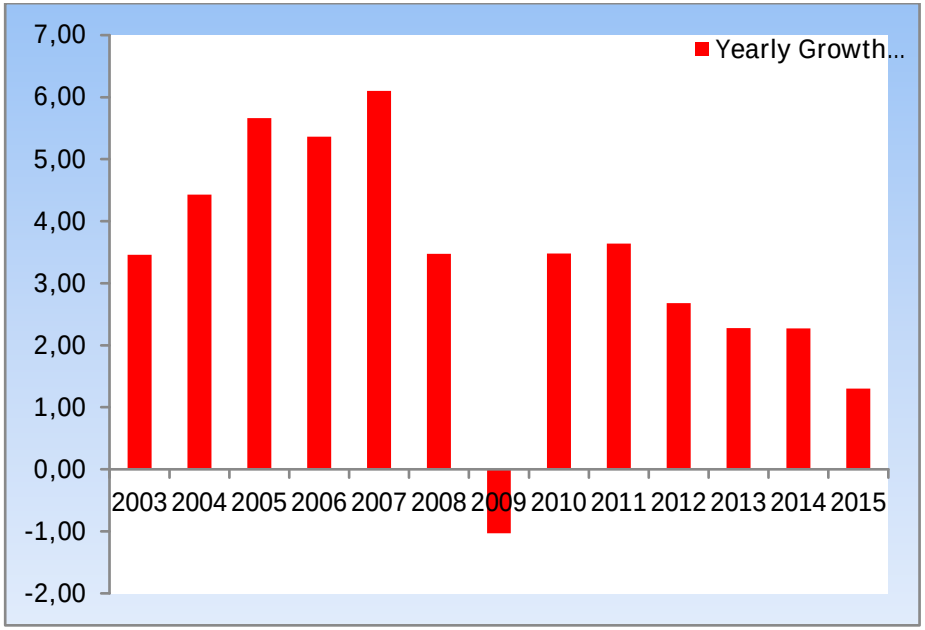
3.14.1. Local Economic Analysis.

(a)Local Economic Analysis.

The 2022 national census estimated the population of the Newcastle Local Municipality at 510 710 people, with the majority living in Madadeni and Osizweni townships (Statistics South Africa). The Newcastle Local Municipality is the main economic hub in northern KwaZulu-Natal, and it forms part of the Johannesburg-Richards Bay-Durban corridor. This location provides an advantage to Newcastle, in terms of attracting businesses especially from Johannesburg. The local economy of Newcastle has experienced relatively better growth when compared to other towns within the Province.

The diagram below provides a snapshot of the performance of the local economy over a period of ten years. The local economy peaked at 6% in 2007 and has since declined. The decline was not represented in all the sectors in the local economy as some sectors did in fact experience growth whilst others were negatively affected in terms of the global economy.

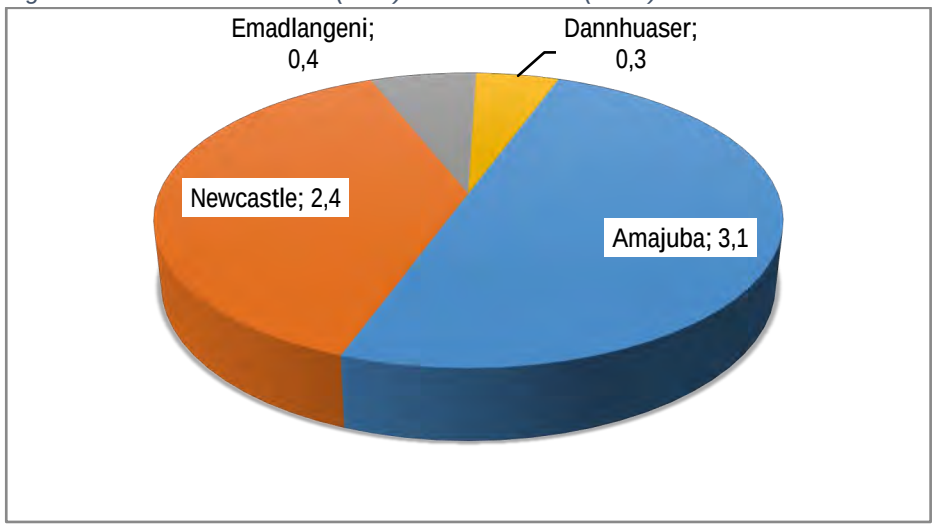
Figure 19 GVA for Newcastle over a Ten-Year Period



(b)Gross Value Added.

The figure below indicates that Newcastle Municipality accounts for the majority share of the Gross Value Added for Amajuba District. This confirms the dominance of Newcastle in the region and its role as the main economic hub.

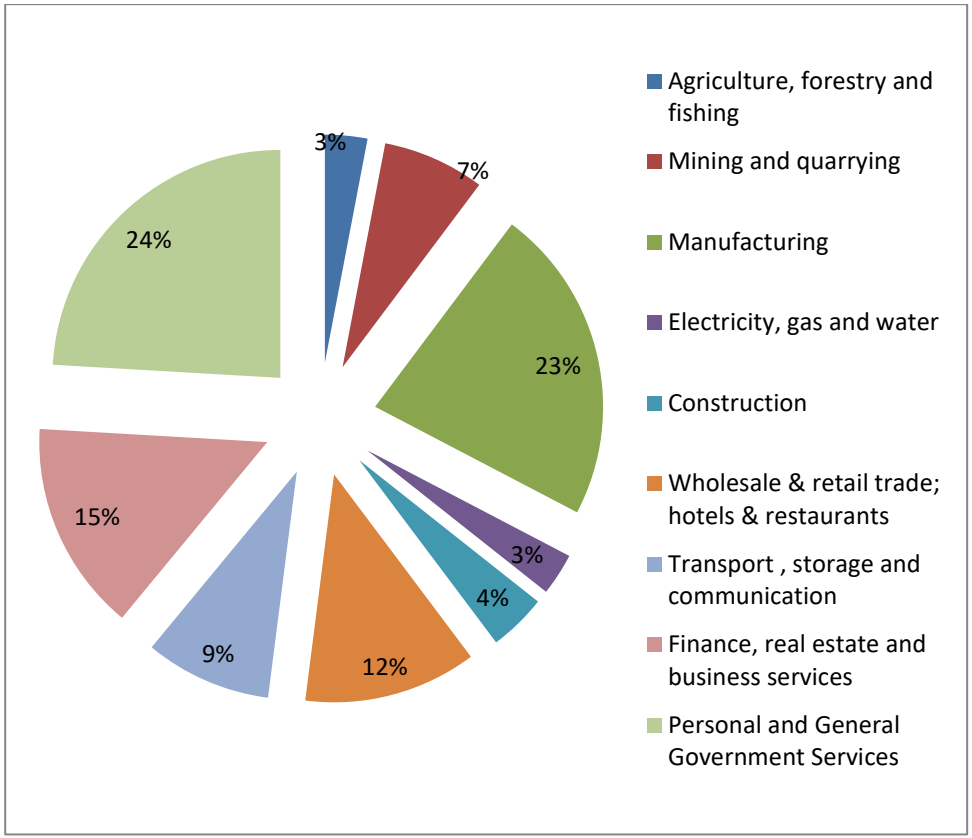
Figure 20: Gross Value Added (GVA) - Current Prices (R000)



Source: Global Insight 2012

The economy of Newcastle is largely driven by the manufacturing sector, which contributes approximately 27% to total GVA. This equates to almost R2,9 billion of the total R10,5 billion GVA generated within the district. This is higher than both the district GVA in relation to its contributions within KZN, and the provincial GVA contribution within the country which is approximately 25% and 22% of total GVA respectively. The manufacturing sector has only experienced modest growth in the past decade (2000 – 2010), with an average real annual GVA growth rate of 0.6%, in comparison with the provincial average growth of 2.2%.

Figure 21 Economic Sector Contribution to Gross Value Added



Other key sectors in terms of GVA contribution are the general government sector; wholesale and retail; and finance and business services sector. GVA generated through general government services is approximately R1,8 billion, which contributes 17.6% to total GVA. This sector has experienced average annual real growth of 2.6% per annum. Just over 17% of GVA can be attributed to finance (6.9%) and business services (10.2%), which collectively generate R1.8 billion worth of GVA to the Newcastle economy.

These have also been the fastest growing subsectors, with finance and insurance services growing at an average rate of almost 9% per annum since 2000, and business services growing at 6.2% over the same period. Wholesale and retail trade contributes R1.4 billion to the local economy, which accounts for almost 14% of total GVA. Wholesale and retail trade have been growing at a modest rate of 2.63% per annum from 2010-2015.

3.14.2. Key Economic Drivers.

(a) Agriculture.

The recently adopted Provincial Growth and Development Strategy (PGDS) for KwaZulu-Natal identified the Agricultural sector as a key driving sector for the creation of employment and economic growth and development within the province. The sector also plays a major role in ensuring growth within rural communities and is crucial for the safeguarding of food security within South Africa as a whole. Essentially, the agricultural sector within KZN, if appropriately harnessed, has the potential to create a substantially higher number of jobs in a shorter time frame. Over the short to medium term the agricultural value chain can support labour-intensive activities generating large-scale employment.

The sector however currently faces severe constraints which have resulted in a significant decline in production and has experienced increased job losses within the Province. Major constraints within the sector provincially include:-

- Inadequate access to funding for infrastructure;
- A lack of agri-industries;
- Ineffective linking of graduates to commercial farms;
- Increased competition due to subsidisation of international farming;
- Slow finalisation of land reform processes; and
- Access to Ingonyama Trust Land for agricultural production.

In addition, a dramatic decline in the scientific base within the agricultural sector has led to a position where the province is under-capacitated to undertake scientific research and identification of agricultural potential. At a district level, Amajuba has experienced a decline within agricultural production which can be attributed to a number of factors including:-

- Uncertainty about the large number of pending land claims (70% of agricultural land is under claim in the Emadlangeni Municipality);
- Lack of support for small-scale and informal farming operations;
- Lack of relevant skills and training programmes;
- Access to markets;
- Access to funding for investment into new machinery and equipment;
- Increasing input costs and competition;
- Poor institutional support and assistance in the region.

With regards to potential, the Amajuba District Agricultural Development Plan notes that the main agricultural potential in order of priority in terms of optimum land use, revolves around intensive farming, irrigation, dry land farming and stock farming. Potential intensive farming and irrigation projects therefore need to receive first priority when allocating land for agricultural use. In addition, irrigation has been identified as a major constraint to agricultural development within both the province and the district, while the provision of fencing, dip-tanks, and access to the road network are major constraints to the development of emerging farmers.

The agricultural sector accounts for approximately 2.2% of total GVA in the Amajuba District, while the contribution of this sector to total formal employment is 2%. The Dannhauser Local Municipality contributes almost 40% to total agricultural production in the district, and has experienced the smallest decline of -2%. Newcastle and Emadlangeni contribute 36% and 25% respectively to total agricultural output in the district, and have both experienced a decline in growth of -6% from 2005 – 2009. The table below provides an indication of the quantity and average annual growth rate of employment and GVA in agriculture for the Province, District and Newcastle Local Municipality.

Table 42: Annual growth rate of unemployment and GVA in the agricultural sector

	Employment in 2010[1]	Average Annual Growth (2000 - 2010)	GVA (Current Prices) in 2010	Average Annual Growth (2000 - 2010)
KwaZulu-Natal	108838	-9.7%	R 16 943 958 727	1.93%
Amajuba	2182	-15.3%	R 315 735 912	-5.11%
Newcastle	800	-16.0%	R 107 044 841	-6.07%

Source: Quantec Data (2012)

The provincial agricultural sector employed close to 109,000 people, and generated a GVA of close to R17 billion in 2010. The sector experienced almost a 2% average annual GVA growth since 2000, while employment within the sector declined at almost 10% per annum. Within both the district and Newcastle, both the number of people employed in the sector and the GVA output declined since 2000. Newcastle contributes 36% to total employment within the district agricultural sector, with employment declining at a high rate of 16% per annum since 2000. Additionally, GVA growth has declined at over 6% per annum since 2000. This indicates that there is a dire need to regenerate the agricultural sector within the District, and especially within Newcastle, in order to boost economic growth and employment.

With regards to agricultural potential, the map below displays the potential of agricultural land within the Newcastle Local Municipality.

LAND POTENTIAL

AMAJUBA DISTRICT MUNICIPALITY
NEWCASTLE LOCAL MUNICIPALITY

NOTES

SCALE

1:260,000

SCALE BAR

0 5 10 15 20
Kilometres

LEGEND
Land Potential Classes

1
2
3
4
5
6
7

LOCALITY MAP



IBHONGO CONSORTIUM
Tel: 031 261 4225
Fax: 031 261 4229
E-mail: ibhongo@telkomsa.net

MAP 016

It is clear that the south western portion of Newcastle, west of Chelmsford, has the highest agricultural potential. Most of the central portions of land have good agricultural potential. In terms of distribution of land-uses, the table below displays the breakdown of agricultural activity within the Amajuba District, as extracted from the Amajuba Area Based Plan (2007).

Table 43: Land-use of Agricultural Land (2007)

Category	Area (ha)	%	Category	Area (ha)	%
Bushland and Bushland Thicket	88,626	12.8 %	Plantation	17,590	2.5%
Cultivated, Commercial, Dryland	42,127	6.1 %	Primary Grassland	417,792	60.2%
Cultivated, Commercial, Irrigated	6,014	0.9 %	Residential	12,709	1.8%
Cultivated, Subsistence	23,404	3.4 %	Secondary Grassland	58,791	8.5%
Eroded/Degraded Areas	3,218	0.5 %	Water bodies	5,825	0.8%
Indigenous Forest	6,777	1.0 %	Wetlands	7,683	1.1%
Industrial/Mines/Quarries	3,213	0.5 %	**Total**	**693,769**	**100%**

Source: Amajuba Area Based Plan (2007)

Of the 693,769 hectares, 552,977 ha can be estimated as agricultural (after deducting, education, state land, conservation areas, traditional authority areas, water bodies etc.). Of the 552,977 ha, just over 6,000 ha (0.9% of total area and 1.1% of agricultural area) is irrigated and 42,127 ha cultivated under dry land (6.1% of total area and 7.6% of agricultural area). Plantations make up some 17, 590 ha (2.5% of total area and 3.2% of agricultural area).

These figures clearly show the limited potential of the area for dry land field cropping. In addition, irrigated agriculture at 1.1% of the total agricultural area is also small. Development of irrigation schemes to increase the irrigable potential will contribute significantly to the intensification of agricultural production.

❖ **Agriculture within the context of the Newcastle LED.**

There is great potential for the creation of sustainable employment within Newcastle through implementation of identified agricultural projects. Although the contribution of the sector to total output is likely to remain relatively small in comparison with manufacturing and tertiary sectors, there is potential to create community farming units that are sustainable and enhance the livelihood of these communities. Creation of value-chains within Newcastle through the agricultural sector is also crucial.

A number of challenges have however been identified during consultation with agricultural stakeholders, which pose a threat to LED. Of critical importance is the lack of water for irrigation. There is very little excess water available for agricultural development and this needs to be addressed as a matter of priority with the relevant stakeholders to ensure that sufficient infrastructure capacity is developed to support further expansion of the sector.

Creating strong relationships with both the national and provincial agricultural departments, as well as stakeholders such as Water Affairs and Land Reform will be essential for the success of the sector. Private sector should be encouraged to drive investment into sustainable agricultural interventions with strong support from the local municipality. There are a number of concerns from the private sector with regards to implementation of agricultural LED projects, and these are as follows:-

- A perceived misunderstanding towards farmers from the public sector;
- A lack of clear and defined land ownership;
- The proposers of projects (predominately farmers) are often omitted from motivating the proposals and funding processes;
- Junior officials are often allocated to drive projects without the relevant experience;
- Corruption and a lack of accountability (financial and management);
- FET institutions within Newcastle are not currently producing the relevant skills;
- A lack of reasonable prices fencing and support for emerging farmers; and
- Land reform process which does not integrate skills transfer.

The Newcastle Local Municipality is incorporated into the Amajuba District Agricultural Development plan which incorporates all 3 Local Municipalities for Amajuba District. The biggest challenge identified with regards to Agrarian Reform is the issue pertaining to the lack of funding.

MPUMALANGA

MPUMALANGA

MPUMALANGA

FREE STATES PROVINCE

FREE STATE

Charlestown

Ingogo

Newcastle Town

Madadeni

Khathide TA

Osizweni

JBC

Kilbarchan

Ingagane

Newcastle LM
KZ252

Emadlangeni LM
KZ253

Dannhauser LM
KZ254

N

1 : 273 000

0 3 6 9 12 15 18 Kilometers

LEGEND

Other
- Airport
- Railway Line

Mixed Activity Corridor/ PSEDS Secondary Corridor (SC12)

Existing Roads
- Class 1
- Class 2
- Class 3

Proposed Roads
- Class 1
- Class 2
- Class 3

LAND USE

Structuring Land Uses
- Open space system
- Urban Built-Form

Boundary
- Newcastle Urban Edge
- Development Boundary

HYDROLOGY

Agriculture
- Irreplaceable
- Threatened
- Primary Agriculture
- Secondary Agriculture
- Mixed Land Use

Environment
- Main River
- Biodiversity Corridor
- Protected Areas

The strategy will draw on these LED related challenges to ensure that interventions are developed to combat these challenges. In conclusion, a SWOT analysis is presented for the agricultural sector:-

STRENGHTS	WEAKNESSES
• Good existing agricultural base (especially dairy farming). • Good basic infrastructure in place. • High and good potential agricultural land throughout Newcastle (variety of soil types). • Abundance of underutilised land suitable for cultivation and grazing. • Large domestic market. • Location between the Gauteng, KwaZulu-Natal and Free-State markets. • Strong support for agriculture from the Provincial Growth and Development Strategy.	• Lack of agri-industries. • Ineffective linking of graduates to commercial farms. • Decline in the scientific base within the agricultural sector. • Uncoordinated and badly managed agricultural LED initiatives. • Lack of support for small-scale and informal farming operations (fencing, dip-tanks, and access to the road network). • Reduction in protection from government and financial assistance to farmers. • Lack of access to markets. • Land reform and related challenges. • Poor institutional support and assistance in the region (relationships with national government such as agriculture, land reform, environmental affairs and water). • The proposers of projects (predominately farmers) are often omitted from motivating the proposals and funding processes.

STRENGHTS	WEAKNESSES
	• Junior officials are often allocated to drive projects without the relevant experience. • Township farming seems to be on an increasing trend. • Delayed response to positive community economic initiative (Theku Mall –surrounding informal activities).
OPPORTUNITIES	**THREATS**
• Community farming and growth of rural communities. • Ensuring food security. • Development of agricultural value-chains through agri-processing. • Intensive farming. • Tunnel farming. • Irrigation. • Dry land farming. • Livestock farming. • Regeneration of vacant farms. • Commercial Land Ownership by local black Africans. • Strategic use of municipal land and effective land disposal to PDIs.	• Access to funding for infrastructure. • Supply of water. • Increased competition due to subsidisation of international farming. • Increased reliance on mechanisation at a high cost. • Slow finalisation of land reform processes and pending land claims. • Access to Ingonyama Trust Land for agricultural production. • Increasing input costs and competition (electricity, transport, capital and equipment). • Corruption and a lack of accountability (financial and management). • FET institutions within Newcastle are not currently producing the relevant skills (low skills base). • A lack of reasonability prices fencing and support for emerging farmers.

STRENGHTS	WEAKNESSES
	• Price-setting by large-scale food producers. • Land degradation through uncontrolled gracing and poor management. • Appointment of less qualified and less capable individuals to drive economic agenda of the town.

(b) Manufacturing.

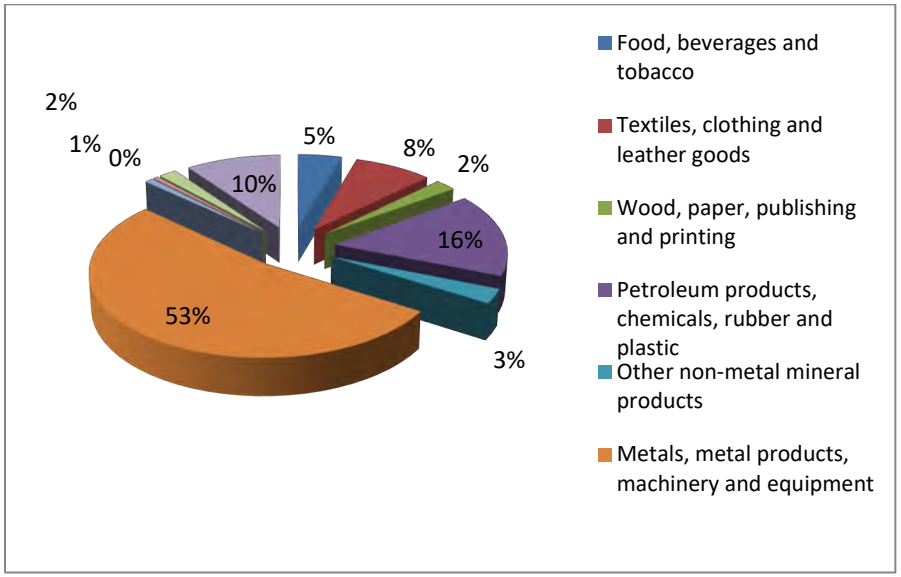
Manufacturing is the largest contributing sector within the district economy, contributing approximately 25.2% to total GVA. Manufacturing activities in Amajuba include metal production, chemicals and plastics, pharmaceuticals, clothing and textiles, food and beverages, leather and footwear. Most large industry is located within Newcastle, which accounts for over 83% of total GVA in the Amajuba manufacturing industry, followed by Dannhauser with 12.7% and Emadlangeni with 3.8% of GVA.

Newcastle has a strong base of existing infrastructure geared towards manufacturing and is considered an important node within the wider provincial manufacturing sector. Although the Arcelor Mittal steelworks and the Karbochem synthetic rubber plant (which covers an impressive 500 000 m² of manufacturing space), dominate the Newcastle industrial portfolio, there is a wide range of manufacturing undertakings sharing in the economic growth of the region as well as new challenges being faced. There has been significant change in the manufacturing space within Newcastle Jurisdictional area, the major industries whom previously dominated the Manufacturing Sector, such as Arcelor Mittal and Karbochem has since endured severe financial constraint due to the Global Market shift in terms of the exchange rate and competitiveness of pricing. The result of these factors has since severely impacted Karbochem which has resulted in the closure of one of the dominating manufacturing industries. Additionally, Arcelor Mittal has undergone a *Section 189 Retrenchment* process which resulted in the closure of the Saldana Bay facility and the capacity reduction which directly impacts job loss in the Newcastle Operation.

The manufacturing sector consists of strong clusters of manufacturing industries, and has historically attracted a large number of foreign (mainly Chinese and Taiwanese) manufactures due to incentives offered. The sector is however dominated by a few large firms, which presents the opportunity to diversify the manufacturing base to promote the growth of SMME's within the sector.

The graph below displays the breakdown of the manufacturing sector in terms of contribution to total manufacturing GVA within Newcastle. Overall, the manufacturing sector has only experienced modest growth since 2000, with the average annual growth floating around 0.6%.

Figure 22: Distribution of Manufacturing GVA in Newcastle (2010)



Source: Quantec Data (2012)

The 'metals, metal products, machinery and equipment' industry contributes 53% to total manufacturing output within Newcastle, followed by 'petroleum products, chemicals, rubber and plastics' with 16%. This is largely due to the contribution of major manufacturers such as Arcelor Mittal, Siltech, and Karbochem. The metals industry has also experienced the greatest average annual growth since 2000 of 2.5%. 'Transport equipment', although only contributing around 2% to GVA experienced an average annual growth rate of 1.5% since 2000. Furniture and other manufacturing contributes 10%, while the 'textiles, clothing and leather goods' industry contributes 8% to total GVA within Newcastle. Both these sectors have experienced negative growth, with average annual growth at -0.57% and -1.5% respectively. Other less significant contributors are 'food, beverages and tobacco (5%)' and 'other non-metal mineral products (3%)', with 'transport equipment' and 'wood, paper, publishing and printing' both contributing 2%. The 'non-metal mineral product' and 'wood and paper industries' experienced the most negative growth rates with -3.3% and -3.1% per annum on average since 2000 respectively.

The textile industry is the largest contributing employment sector, with over 42% of total employment in manufacturing. This is despite the industry only contributing around 10% to total GVA, which indicates that textiles has the potential to create large amounts of employment. This industry has however experienced one of the highest negative average annual growth rates since 2000, of -6.7% per annum.

Newcastle accounts for approximately 86% of all textile and footwear manufactures in the district. The industry is however under threat, with a large number of textile manufacturers recently being closed down due to non-compliance with labour regulations. This has significantly reduced the size of the textile industry, over and above the decline already experienced over the past few years due to the dominance of Chinese textiles, with thousands of jobs being shed in the past few months already. Many textile manufacturers who cannot afford to comply with labour regulations have reverted to using their factory space as storage for imported textiles from China, while

others are relocating to Lesotho and Mozambique. These countries present low labour costs as their competitive advantage. A major concern on the side of textile manufactures is that there has been little to no support for them during these bargaining council discussions. This issue is a complex one, especially because it results from National labour regulation, and therefore cannot be resolved through local initiatives. The worrying factor is that this industry accounts for over 40% of employment in the municipality, which is estimated to have declined by at least half since the end of 2010.

The metals industry, despite contributing the greatest to total GVA, only contributes 27.7% to total employment. This indicates that the industry is less labour-intensive than industries such as textiles. Other significant contributing industries are 'furniture and other manufacturing' with 8.7% of total formal employment, and 'petroleum products, chemicals, runner and plastic' with 7.3% of formal employment. Of concern is the decline in employment within all industries of the manufacturing sector since 2000. The sector has declined at an average annual rate of -5.1%, which represents a loss of over 8000 jobs within this sector between 2000 – 2010. The strategy must ensure that job losses are addressed as a priority while taking steps to reverse the recent situation through the creation of new manufacturing jobs within key industries.

Due to the Global Pandemic, COVID-19 it has since severely impacted the Clothing and Textile industry which has resulted in a further loss of 8000 jobs which have been shed within the sector.

❖ **Manufacturing within the context of the Newcastle LED.**

Some of the key constraints highlighted by manufactures in the context of LED, which have had an impact on employment and output of the sector are:-

- Increasing input costs (electricity, water, labour and capital goods);
- Collapse of the rail network and unreliability of the current rail service;
- Underinvestment into electricity and water supply infrastructure;
- Lack of available, zoned industrial land (Special Industrial Zones);
- Red-tape barriers creating an administrative burden for industry;
- Lack of maintenance and provision of roads and other bulk services;
- Restrictive labour legislation;
- Declining competitiveness due to a lack of new investment (and technology);
- Vulnerability to international market prices (particularly within the steel industry);
- Lack of coordination between public and the private sector;

- Lack of support for industry by local government (in terms of lobbying with provincial and national government and SOEs);
- Impact of HIV/AIDs on the working age population.

Manufacturing is key to ensuring local economic development within Newcastle. Given that close to 30% of GVA is generated from the manufacturing sector, and given the potential of labour-intensive industries such as textiles and clothing, there is a need to ensure support and promotion of the manufacturing sector within Newcastle. The decline in both employment and GVA in the past decade is a cause for concern as the manufacturing sector plays a critical role in creating a strong economic base of which economic growth and development can be stimulated. Ensuring the prevention of further job losses must become a priority focus for local government, with supporting business expansion programmes to ensure that barriers to entry and existing constraints are addressed to stimulate further growth.

In conclusion, a SWOT analysis is presented for the manufacturing sector:

STRENGHTS	WEAKNESSES
• Strong existing manufacturing base (largely metals and metal products, textiles and clothing, and chemicals, plastics and rubber). • Good basic infrastructure in place.	• Large decline in employment within the sector since 2000 (over 8000 jobs). • Lack of available, zoned industrial land. • Too much red-tape creating an administrative burden for industry.
OPPORTUNITIES	**THREATS**
• Diversification of the manufacturing sector and value-adding. • Development of a clear vision with regards to manufacturing. • Promotion of SMME development within the manufacturing sector. • Business retention and expansion programme. • Strengthened investment promotion through development	• Bargaining council threat of more textile factory closures. • Increasing input costs (rates, electricity, water, labour and capital goods). • Threat of mechanisation due to labour regulation. • Electricity surplus charge is disproportionate. • Collapse of the rail network and unreliability of the current rail service.

STRENGHTS	WEAKNESSES
• Central location to major markets by road (N11 and N3 network). • Organised agricultural sector linking into agro-processing manufacturing expansion. • Some examples of good working relationships between local government and industry.	• Lack of maintenance and provision of roads and other bulk services. • No local government support for the textile industry. • Declining competitiveness due to a lack of new investment (and technology). • Lack of coordination between public and private sector. • Lack of support for industry by local government (in terms of lobbying with provincial and national government and SOEs). • Lack of promotion for industrial development. • Length of environmental regulation processes. • Distance from markets limits export potential. • Lack of knowledge from officials to access national incentive schemes.
OPPORTUNITIES	**THREATS**
• Diversification of the manufacturing sector and value-adding. • Development of a clear vision with regards to manufacturing. • Promotion of SMME development within the manufacturing sector. • Business retention and expansion programme. • Strengthened investment promotion through development	• Bargaining council threat of more textile factory closures. • Increasing input costs (rates, electricity, water, labour and capital goods). • Threat of mechanisation due to labour regulation. • Electricity surplus charge is disproportionate. • Collapse of the rail network and unreliability of the current rail service.

STRENGHTS	WEAKNESSES
of a strategy providing incentives. • Development of inland logistics hub with supporting industrial development for export-orientated manufacturing (use of existing under-utilized infrastructure). • Manufacturing of renewable energy products (solar panels, geysers, etc). • Support for industry to provide internships, apprenticeships and skills training and development.	• Underinvestment into electricity and water supply infrastructure. • Vulnerability to international market prices (particularly within the steel industry). • Impact of HIV/AIDs on the working age population. • Lack of relevant and suitable skills being produced by FET and tertiary institutions (engineering). • Out-migration of skilled persons.

(c)Tourism.

Although Newcastle is not perceived to be a major tourism destination within KZN due to its historical association with industrial activities, the tourism sector presents opportunities for local economic development. Tourism within the municipality has grown over the past years, which is justified by the growing number of accommodation facilities and activities offered within the region. These facilities include eco-tourism (hiking, birding, etc.), natural, cultural and historical attractions (battlefields, nature reserves, etc.), arts and crafts, events and festivals, adventure sports, as well as hunting and fishing. Newcastle has a large number of accommodation facilities, which range from lodges, to B&B's, to self-catering facilities and hotels.

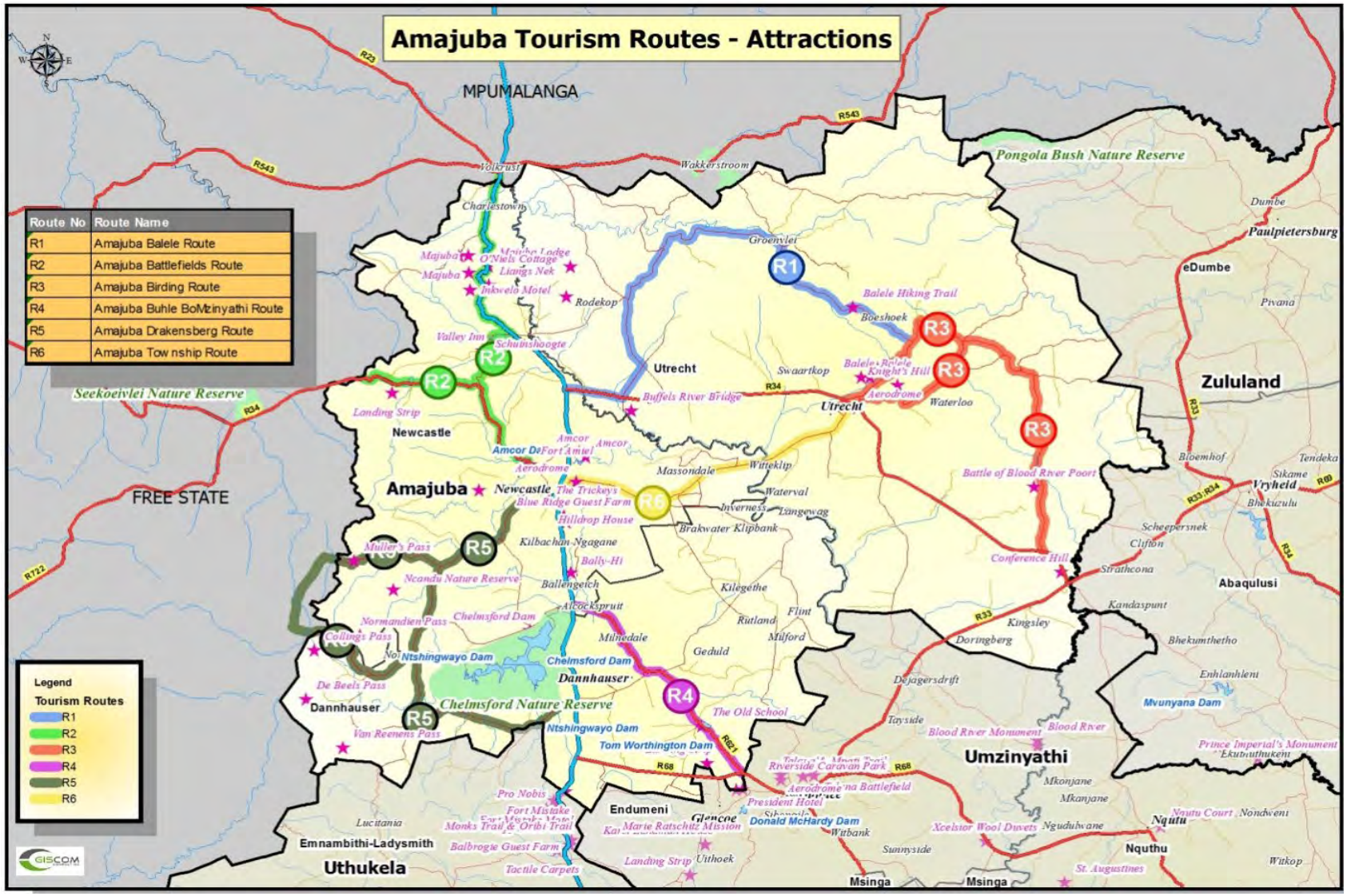
It is however difficult to measure the contribution of tourism to local economy as GVA from the tourism industry is spread across a number of other sectors. However, catering and accommodation within Newcastle contributed 0.7% to total GVA in 2010, which is almost 80% of total catering and accommodation output within the District. This indicates the significance of Newcastle as a tourism location within the wider Amajuba District. Although this contribution is small, it is expected that this is only a small portion of the total GVA generated from the industry, with spin-offs of tourism largely cutting across the wholesale and retail sector.

The contribution of this sector to total employment is 1.56%, which equates to approximately 1002 employed persons, and accounts for almost 82% of total employment within the District catering and accommodation sector. The extent of this sector on the economy of Newcastle can be noted by the Vodacom Newcastle Winter Festival, which attracts over 35,000 people, and has a significant impact on the local economy. Other events held annually within Newcastle include:-

- Chelmsford Challenge;
- Battlefields 5-in-1;
- Newcastle Air Show;
- SANBS & Round Table Blood Buddies Walk;
- Chinese New Year Celebration;
- Vulintaba Cycle Challenge;
- SPUR school sports week; and
- Regular flea markets.

Given that the Amajuba Tourism Strategy has recently been completed, the key findings and strategies will be assessed to ensure that the NLM LED Strategy is aligned to the wider view of the tourism sector. The following map depict a spatial representation of the attractions in the Amajuba District.

Figure 23: Amajuba Tourism Routes and Attractions



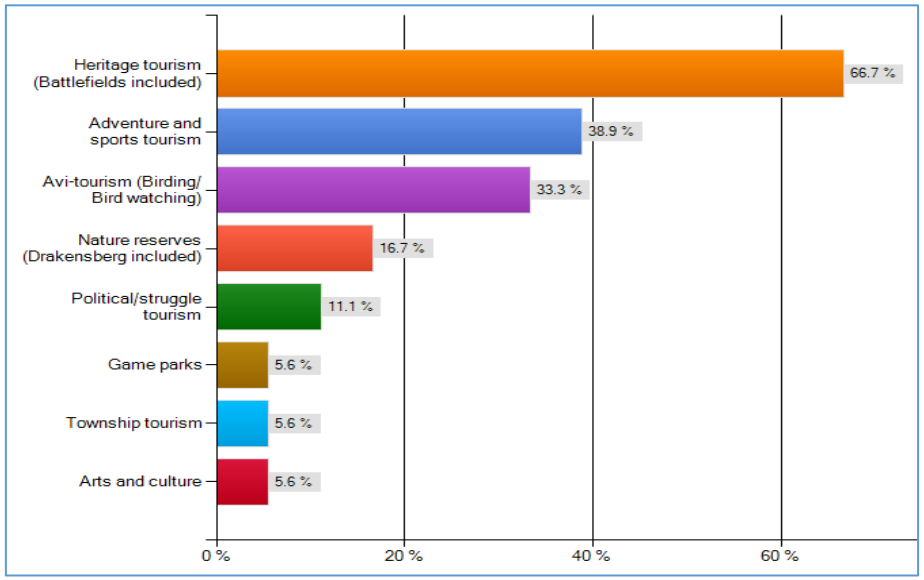
Map 45: Amajuba Tourism Routes.

From the map it is clear that the majority of the attractions are Battlefields and fall within Newcastle. It also shows the importance of the routes which link Newcastle to outlying attractions in Dannhauser and Emadlangeni. Marketing for tourism attractions revolves around the Amajuba Routes. Each of the routes emphasizes a unique tourism offering in Amajuba, and between them they cover the majority of attractions, which is displayed in a brochure. The appeal of the routes is that they can be followed without a guide as there is information in the brochure and each route is signed from beginning to end. The downside is that the brochure is not up-to-date and, perhaps, over-sells the activities and accessibility of the sites along the routes:-

- **Amajuba Battlefields Route:** The Battlefields Route stretches from 1877 - 1902, which includes the First Anglo-Boer War (1877-1881), the Zulu War (1879) and the second Anglo Boer War (1899-1902). The majority of the sites in Amajuba relate to the first Anglo-Boer War but the route connects up with others in the battlefields region. The one guide for the route sees under 50 tourists a month, and sites require maintenance. The route serves to attract sports clubs and enthusiasts into the area and adds to the cultural significance of Newcastle.
- **Amajuba Drakensberg Route:** This route takes visitors along the western border of Amajuba through the foothills of the Drakensberg and includes Chelmsford Dam. The foothills require further development and will be benefitted by the completed development of Vulintaba.
- **Amajuba Township Route:** This route takes people through Madadeni to Osizweni and through to Utrecht. This route doesn't attract many tourists, there is not always a guide available, and crafters are not always present along the route due to lack of business.
- **Amajuba Balele Route:** The Balele route winds along the escarpment on the eastern side of Amajuba, and borders with Mpumalanga at times. It has beautiful scenery and abundant bird life. Unfortunately, it is quite difficult to contact attractions along the route. The must-do attraction called 'Balele Adventures' had not had more than a handful of enquiries in years which is indicative of the success of the route and brochure.
- **Amajuba Bivane Route:** This route runs south of the Balele route and game reserve through the Blood River Poort. It lies in the Bivane wetland reserve and therefore is very scenic (including waterfalls) and offers many fishing opportunities.
- **Amajuba Buhle-Bomzinyathi Route:** This route cuts across from the Drakensberg eastwards along the southern side of the Chelmsford Game Reserve to cross the N11 and pass through the town of Dannhauser and the village of Hattingspruit.

Interestingly, 39% and 33% of service providers respectively felt that sports/adventure tourism and avi-tourism (bird watching) best promotes Amajuba as a tourist destination. Notably, these are all niche markets. The graph below displays these results:-

Figure 24: Top Tourism Products as per Service Providers



Regardless of the above-mentioned results, the majority of tourists that visit the Amajuba region are business tourists, therefore the primary focus of the tourism strategy for Amajuba is business tourism. The secondary focus is events which attract large numbers of tourists from within Amajuba, the surrounding districts and also the surrounding provinces. As a tertiary focus, Amajuba's tourism strategy focuses on heritage, arts and culture, and nature based tourism.

Due to the COVID-19 Pandemic, there has been severe pressure placed on the Tourism Sector within the Newcastle area. This has since severely impacted the Industry which was already in distress. Due to the Lockdown Regulations which were instated Nationwide which entailed travel and leisure restrictions, the Tourism products and services offered were restricted to trade which resulted in temporary and permanent business closure due to financial stress.

The Tourism Sector within Newcastle is currently operating at a 36% occupancy level since the Lockdown Regulations have been eased compared to the previous occupancy of 78%. The major decline has impacted the locals within Newcastle whom have since been retrenched, placed on short-time, household income reduction and overall job loss.

The LED Unit has offered support and guidance to the affected business owners in the form of source funding through grants made available and special loans. Additionally, there were special payment plans which were offered by the Newcastle Municipality to locals to offer business relief.

With the aim of recovering from the major impact suffered by the Pandemic, the LED Unit is currently in the process of developing marketing material in the form of a promotional video and an investment brochure to attract new investment, development and business retention and expansion to the Newcastle area.

In conclusion, a SWOT analysis is presented for the tourism sector:

STRENGHTS	WEAKNESSES
• Network of roads and location that is very central to Durban, Gauteng and Bloemfontein. • Drakensberg Foothills on the south western border are very scenic. • Several active sports clubs, and sportsmen as well as high quality sporting infrastructure. • Fort Ameil museum and an art gallery (third largest in KZN) with dedicated curators. • Several large events attract thousands of people to Newcastle yearly. • Twin cities program. • Many B&BS and lodges providing accommodation options. Also several conference and function venues with more popping up all the time. • Thousands of business visitors a year. • Majuba Mountain.	• Historical association of Newcastle as a mining and industrial centre. • Run-down of tourism attractions and assets – including Battlefields sites and sports infrastructure. • Art gallery does not have enough space to operate properly and is hidden in the centre of town. • Accommodation places do not cater adequately for business visitors. • Lack of recreational areas and activities in Newcastle. • Low standard tourism information centre hidden in the centre of town. • Failure to market the Black Rock Hotel and casino effectively. • Accommodation facilities in township areas such as Madedeni and Osizweni do not experience the same demand as places in Newcastle. • Lack of CTO.
OPPORTUNITIES	**THREATS**
• Expansion of Vulintaba Resort. • Upgrading and increased capacity of the N11. • Targeting and attracting, national, provincial and regional sporting events. • Arts and culture – unique crafting and art work being produced and collected, Lucky Dube's grave and daughter – multi million rand arts and culture centre in Osizweni. • A host of famous people who come from Newcastle. • Functions and conferences. • DEDT project that plans to upgrade municipal airports across KZN. • Links to Memel and Vrede. • Targeted marketing of Majuba Mountain.	• Continued run-down of sporting facilities such as the swimming pool. • A lack of communication with the Free State leads to continued degradation of the R34. • Possibility of mining in the D96 valley. • Decreasing visitor numbers to Battlefields across the province. • The art gallery does not get a new space and lack of promotion leads to continued drop in production of local crafters and artists. • Lack of resources for marketing leads to insufficient demand for attractions, and the image of Newcastle as a mining town remains unchanged. • Airport upgrade leads to business men spending shorter time in Newcastle. • Continued inequality in demand between Newcastle town, and Madedeni and Osizweni leads to the closure of many SMMEs and lack of transformation in tourism.

(d)Gap/needs analysis.

The research has identified a number of key constraints that act as a threat to LED within Newcastle, as well as opportunities that can be leveraged off these constraints. The SWOT analysis undertaken above highlights that various weakness and threats are currently tainting the municipality. However, there are various strengths possessed by Newcastle and opportunities available to ensure that LED can become successful. In order to translate the key findings of the situational analysis into meaningful strategies that can be implemented and monitored & evaluated, the report presents a GAP or Needs analysis which will draw out the key areas that require intervention. This will

assist by providing a base off which strategies can be developed.

In order to identify the key gaps or areas of need, the various strengths, weaknesses, opportunities and threats were sorted according to their overarching theme, and thereafter organised into the categories. These categories represent the major focus areas of the municipality, and specifically, the areas that most require intervention to ensure that LED is stimulated within Newcastle.

❖ **Agriculture.**

- Development of dams and supporting water infrastructure.
- Redevelopment/regeneration of under-utilised farms.
- Encouraging the growth of agri-processing industries.
- Need for better relationships and improved understanding of farming.
- Improvement of coordination between all parties critical to agricultural development.
- Support for small-scale and emerging farmers.
- Need for greater support mechanisms for farmers.
- Intensive and tunnel farming, dry land farming and livestock farming.
- Fast-track land reform processes.

❖ **Manufacturing.**

- Provision of zoned industrial space.
- Assistance and support to the textile industry to reduce and reverse job losses.
- Leveraging of national incentives and funds to encourage industrial development.
- Development of a clear vision for the manufacturing sector.
- Promotion of investment into new technology.
- Diversification of the sector.
- Manufacturing of renewable energy products.
- Regeneration of vacant or under-utilized industrial space.
- Skills development and training for the increase in local skilled labourers
- The development of a training facility with equipment for up-skilling Cut, Make and Trim (CMT) workers.
- Department of trade industry and competitions (DTIC) has committed 50 million rand to revamp and revitalize the Ithala Industrial Estate which will assist in the development of a mini Special Economic Zone (SEZ) as a part of the Industrial Parks Revitalization Programme.

❖ **Tourism.**

- Need for a one-stop information centre.
- Need for more funding for tourism (maintenance, infrastructure upgrades, and new facilities).
- Encouraging development of tourism activities within Madadeni and Osizweni.
- Need for comprehensive tourism research.
- Expansion of business and event tourism.

- Marketing of the region.
- Source funding of available Tourism grants and funding
- The Municipal subsidy grant to be reinstated
- The development of frequent marketing and promotional tourism material
- Nationwide advertising campaigns
- Exposure to Global markets
- Increased participation with the Battlefields Route Drives

❖ **Cross-cutting gaps or needs.**

- Access to funding for implementation of LED interventions.
- Improvement of intergovernmental relations and coordination (between national, provincial and local government, SOEs and traditional authorities).
- Strengthening of public-private partnerships.
- Effective investment promotion and facilitation (including incentives).
- Business retention and expansion programme.
- Efficient project and financial management for LED initiatives (project management unit to run LED projects).
- Reduction of red-tape and the collective administrative burden.
- Reduction of corruption and ensuring accountability.
- Ensuring tertiary institutions are producing skills aligned to industry demand (especially manufacturing and agriculture).
- Need for private and public sector apprenticeships and internships (including support for companies currently undertaking skills development and training).
- Retention of skilled residents in Newcastle.
- Upgrade and increase the capacity of the N11 and R34.
- Encourage regeneration of the rail network for both passenger and cargo transport.
- Development of bulk services (including dams and water capacity).
- Inland logistics hub with supporting industrial development for export-orientated manufacturing.
- Improve access to land for development (public land, private land and Ingonyama Trust Board land).
- Upgrading of the Newcastle Airport.
- Continued maintenance and development of recreational facilities.
- Assistance in the provision of infrastructure for small-scale farming such as fencing and dip-tanks.
- Growth of sustainable SMMEs in areas such as Osizweni and Madadeni.
- Enhancing local procurement (including proper management thereof).
- Business support and financial assistance to SMMEs.
- SMME development through linking to value chain of manufacturing, tourism and agriculture.
- SMME training and development.

(e) Skills Development and Early Childhood Development.

❖ **Current programs on ECD:-**

There are 139 schools in the Amajuba that offer Grade R in all our eight circuits. We have 9337 Grade R learners that have been registered. There are 261 Grade R teachers, and 62 state paid Grade R teachers. Current programmes towards enhancing early childhood development include the following:-

❖ **Current challenges with respect to ECD:-**

- We have child-headed households due to the social ills, and due to such learners don't attend school properly.
- There is a shortage of water and proper ablution facilities that are age appropriate.
- There is a general lack of proper classes for learner accommodation for effective teaching and learning.
- There is a shortage of resources like carpets and educational charts for aiding in learning.
- There is also a shortage of outdoor resources e.g. jungle, gyms, balancing beams, sand trays and slip and slides for physical growth.

❖ **Private Sector CSI:-**

- AfriSam is currently completing an ECD Centre in Ngagane.
- NPC is currently revamping the block yard in Madadeni which will be used for training and skills development for the provision of start-up materials to block makers.
- Future Coal have already established Tunnel Farming for food production, and they have also established a sewing project for the manufacture of overalls and other PPE items.

(f) Newcastle Agricultural Food Initiatives.

The Newcastle Municipality has been involved in various food initiatives which are driven by the Agricultural Sector. The following table stipulates food production initiatives noted from the Amajuba District such as the following:-

Food production	No. of beneficiaries
Livestock production	12 292
Poultry Production	17 042
Grain and food crops	7326
Industrial Crops	61
Fruit Production	7013
Vegetable Production	19 201

(g) National Framework.

The latest populous which has been incorporated into the National Framework has been noted in the LED strategy for Local Economic Development in the next review. The framework is anchored on six Core Policy Pillars that will

influence the design, development and implementation of LED, and these are follows:-

- Building diverse & innovation-driven local economies;
- Developing inclusive economies;
- Developing learning and skilful economies;
- Enterprise development and support;
- Economic governance and infrastructure;
- Strengthening local systems of innovation.

3.14.3. Tourism Development Strategy and Implementation Plan (2013).

The Newcastle Local Municipality developed a comprehensive Tourism Development Strategy and an Implementation Plan in 2013 and was reviewed in August 2019 for a period of (5) five years. The NLM Tourism Strategic Objectives, Targets and Vision are aligned with the District's targets. The tourism sector is currently a small contributor to the region's economy but holds a number of opportunities that can be explored. It is estimated that NLM generates approximately R116m in tourism related business per annum, with tourism related establishments generating R165m and creating 1 066 jobs in the municipality (Tourism Sector Report: 2015).

The main emphasis with regards to the development of the tourism sector within Newcastle relates to business, sports and events related tourism. This shall be done through deliberate efforts towards the development of higher order sports facilities and also the attraction of high impact events as calendar events. Newcastle will strive to make itself known for periodic gatherings attracting people locally and outside in order to exploit the economic spin-offs for the benefit of the town. Upon analysis of the proposed direction towards the development of the tourism sector within Newcastle, it was decided that there is feasibility solely based on the ideal spatial positioning of the town relative to the wider region which makes such events sustainable.

Table 44: Summary of the district's strategic clusters.

Strategic Cluster	Strategic Thrust
Marketing – tourism growth & development (demand)	• Market Amajuba's strength: Meetings, Incentives, Conferences and Events. • Expand and improve tourism information outlets and tools. • Branding and route development**.**
Product Development and Planning	• Meetings, conferences and events product development. • Heritage, avi-tourism and nature based tourism product development. • Other niche markets, accommodation and recreational product development Infrastructure and support services development.
People in tourism	• Ensure quality experiences through service excellence. • Ensure transformation in the tourism industry Increase tourism awareness
Policy, strategy, governance, research & knowledge management	• Improve tourism management through institutional and policy arrangement. • Improve tourism management through improved research and knowledge management. • Entrench responsible tourism principles

monitoring & evaluation	

The vision for tourism in Newcastle was developed based on inputs from key stakeholders, as well as considering alignment issues with the vision for tourism in KZN. The vision for the Newcastle tourism destination takes the following elements into consideration:-

- **Nature and outdoor** – there are a variety of protected areas, conservancies and nature reserves in the area, which is important for the type of tourism to be developed in the area;
- **Adventure –** the abundance of outdoor and rural experiences lend the area towards adventure tourism;
- **Heritage** – there are a number of important heritage assets, experiences and historical events associated with the Newcastle area;
- **Friendly, welcoming people** – the warmth and friendliness of the local people is a major component of the destination's attractiveness based on feedback from visitors to Newcastle;
- **Prosperity** – to emphasise the fact that a properly developed tourism industry can result in prosperity for the stakeholders in the Municipality; and
- **More than just a place to do business** – to indicate that the study area is a destination that is also attractive for leisure and other purposes of visit.

STRATEGIC GOAL 3: DEVELOPMENT AND SUPPORT FOR THE TOURISM SECTOR		
Diversification of Tourism Attractions and Activities	Although there are a fairly wide range, the tourism activities within Newcastle, potential exists to enhance the sector through development of new activities and attractions. Sports tourism, in particular, has the potential to attract a wide range of visitors to the area throughout the year, and it is suggested that the municipality continue to work closely with tourism operators to identify new sporting events that could be established within Newcastle. Various tourism opportunities have also been identified during the Amajuba Tourism Strategy (2012) of which those key to the Newcastle area have been pulled through into the strategy.	Development of the Battlefileds as part of the Amajuba Tourism Route (including cultural tourism). Action plan and funding to support establishment of business tourism and event tourism (particularly Sport Tourism). Development of opportunities along the MR483 Corridor linking the Newcastle CBD to Madadeni and Osizweni. Promote the development of Avi-Tourim (birding). Development of Ncandu River Dam Tourism.
STRATEGIC GOAL 4: IMPROVING THE INSTITUTIONAL AND POLICY ENVIRONMENT TOWARDS EFFECTIVE LED		
SMME Participation within the Tourism sector	The tourism sector comprises mainly of small business, from single-owned accommodation facilities to one-man tour guide services. The inclusion of small business is therefore critical to the success of tourism and, in particular,	Continue support for the Tourism Ambassador Programme and create linkages with established operators. Provide Tour Guide and Site

	the development of informal and micro-tourism operators. This programme deals with the development of small business within the sector, focussing on the Tourism Ambassador programme, development of tour guide and site management training and capacity, identification of potential funding sources for tourism start-ups.	Management Training. Identification of potential funding for Tourism start-ups.

3.14.4. SMME Development.

The necessity for radical economic transformation is becoming more and more urgent and the Municipality must play its part in ensuring that it supports and promotes economic transformation. The following interventions are being implemented to ensure increased participation of the Previously Disadvantaged Individuals in the mainstream economy: -

- **Preferential Procurement Policy for SMMEs:**

A policy has been developed and adopted on the 6th of March 2019 where specific percentages of capital and operational budgets have been set aside for SMME's, and this has been approved by Council. SMME's are not clearly identified by SCM Policies, however a database should be supplied to the SCM directorate by LED. SMME's should be encouraged to register on the CSD Database from where SCM will ring fence a certain amount of funds to encourage procurement from that particular sector.

- **Development of the contractor programme:**

Previously the municipality initiated a programme for developing local contractors called Sebenzel' Ekhaya which has since been revived and is now called Sukuma Sakhe which is being officiated by EPWP, CWP and technical services.

- **Establishment of the construction incubator:**

The Municipality has taken a resolution to partner with SEDA Incubator for the establishment of the construction incubator which will assist small businesses with technical and business skills to manage their businesses effectively and deliver on their projects. The will had anticipated to implement this initiative once the budget becomes available, however it has not been established due to budget constraints.

- **Targeted Expression of Interest to cater for local contractors and service providers:**

CIDB has indicated that it is possible to earmark certain projects to be done by local contractors without any breach of law. This mechanism will support both the contractor development programme and the incubator programme.

- **Skills development and training:**

Training workshops are being held periodically in response to training needs of SMMEs. However, the Municipality needs to

establish a strategic partnership with the FET College and other accredited training institutions to uplift and formally develop the skills of all contractors and service provider doing business with the municipality. Every competitive bid must budget for the training and development element. The LED Unit of Newcastle Municipality currently conducts regular SMME training of which 45 beneficiaries have been trained to ensure business continuity and economic recovery.

- **Coca-Cola Project:**

The project started in 2018, where the youth of Amajuba District was invited to pitch their businesses. Applications received totalled +350 applicants. Eliminations were conducted in the form of pitching your business, interviews and boot camps. The process continued in different levels until the final selection of 50 beneficiaries. Among the things that Coca-cola is assisting our SMME's with is the following:

- Coca-Cola container;
- Equipment;
- Furniture;
- Grocery supplies/Stock; and
- Funding.

Regarding the Coca Cola Project, where 50 beneficiaries benefited, currently there are 30 containers which have been installed. As part of the initiatives, beneficiaries also received start-up capital and equipment to start and grow their businesses. 39 full time jobs have been created to date.

- **Informal Trade sector:**

This sector deserves more focus and it is for that reason that an Informal Trade Policy and By-law's have been developed for the sector. The Informal trade policy was developed in June 2014 and is currently in review for 2022/26. The LED unit has established a business licensing unit which aims to regulate, permit and enforce the Bylaws of operating as a legal business.

- **Database of SMME's and Co-operatives:**

One of the critical aspects of SMME development is to have a data base of all SMME"S and Co-operatives and it is for this reason why the Municipality has started with a dual process to extract local SMME service providers and contractors from the National Treasury Data base (CSD). An advertisement has also been placed to request all SMME's and Co-ops to register with the Municipality. The implementation of the above mentioned is ongoing.

- **Red tape reduction:**

One of the critical aspects leading to the failure of SMME's is the number of laws and requirements that they must comply with. Depending on the type of business there can be up to 48 pieces of legislation that businesses and SMME's must comply with. Unfortunately, most of these legislative requirements are the prerogative of the National and Provincial Government, and, although we serve on various Provincial Committees that address Red Tape Reduction, we cannot always influence National and Provincial legislation. As a Municipality we have

however simplified our Business Licence requirements and we only expect 4 categories of businesses to apply for licences. The LED Unit attends regular Provincial and District Red-Tape Reduction Workshops and Forums to be well informed on the latest developments surrounding the ease of doing business which will inform the agenda of the LED Forum which takes place on a by monthly basis.

- **Incentive Scheme and Rates Rebate:**

Commercial/Industrial Development		
Criteria	This benefit is meant for new businesses/commercial developments who will be investing in the Newcastle area and where the property has/will have a market value of at least R 50 million at the start of business, in the establishment of newly improved sites. • From years 0 – 4 = 40% rebate • From years 5 – 6 = 25% rebate • From years 7 – 8 = 10% rebate • From year 9 onwards = 0% rebate	
	(a)	Application must be submitted to the Chief Financial Officer before or within the first three months of the new financial year (July to September) in the first year of application.
	(b)	An annual application must thereafter be made by 30 May preceding the start of each new financial year for which relief is sought.
	(c)	The applicant must attach to their annual application, a copy of their current Business Licence as well as a set of the company's audited financial statements.
Rebate Granted	Percentage Rebate	The above rebate may be applied at the Council's discretion, dependent on budgetary affordability factors.

The following strategies and policies have been completed and/or approved by Council, and these will help thus to enhance Red Tape Reduction: -

- **The Investment Promotion Policy:** The Investment Promotion Policy was developed and adopted in March 2021 by the Newcastle Municipality aims to provide policy advice through a flexible and non-prescriptive approach aimed at creating a conducive environment that is attractive to local and foreign investors. This will enhance the benefits of investment to the Newcastle Municipality. Investment by both foreign and local entities is recognised as one of the key components of economic growth and sustainable development. The policy aims to stimulate overall investment which will have a positive effect on local job creation and GDP growth of the town.
- **The Business Retention and Expansion Strategy:** Is developed in June 2020 and reviewed in 2021 to proactively connect with existing businesses in order to understand and respond to local business needs. Special attention is given to small businesses who aim to expand, develop and gain access to global markets.

3.14.5. Informal Trading.

- **Informal Trade ByLaws:**

The main objective of the Informal Trade ByLaws is to regulate informal trading activities in all areas within Newcastle municipal boundaries, for the purposes of:-

- Ensuring that informal trading in Newcastle Municipality is conducted within the context of environmental conservation; Guiding safe and responsible use of public land;
- Safeguarding the safety and health of the public;
- Alleviating poverty and creating employment through supporting responsible informal trading; and
- Coordinating healthy relationships between the informal trade, the formal economy and Newcastle Municipal Council.

- **Progress on the Implementation of the Informal Trade Policy:**

As part of the municipality's commitment in addressing poverty and unemployment, a need to regulate informal trade arose, hence an informal trade policy was developed and approved by Council in 2014 and is currently in review in 2022. Since the development of the policy, there has been progress on the following areas:-

- Occupation of market stalls, shelters and containers provided by the municipality by permit holders.
- Informal traders have permits which regulate the trading activities undertaken at informal trade sites.
- A new system initiated by EDTEA for license and permit applications and renewals called "e-BUSINESS Licencing" has been embraced and rolled-out by the municipality since 2019.
- The system allows for informal trade permits to be renewable annually on the e-licensing portal.
- Each permit and license has a unique barcode that can be verified using a Lightening QR Scanner.
- All traders occupying stalls, shelters and containers owned by the municipality in the CBD have been issued with lease agreements for a period of a year, in line with the duration of permits.
- As part of revenue enhancement, all permits have a once-off initial fee and an annual renewal fee payable to the municipality.
- In consultation with the Department of Home Affairs, all applications for permits from foreign nationals are verified by the department prior to being issued, and conditions in line with validity of the passport or asylum seeker permit be stipulated on the permit.

- **Municipal Owned Informal Trade Facilities:**

No	Locality	Consist of	Capacity
1.	Cnr Allen & Scott Sts	Concrete tables under roof built of corrugated iron sheets	30
2.	Alllen Street extension (adj Abdul's Butchery)	Concrete tables under roof built of corrugated iron sheets	24
3.	Cnr Allen Street extension and Terminus Sts (SBDC shelter)	Concrete tables under roof built of corrugated iron sheets	34

No	Locality	Consist of	Capacity
4.	Terminus Street- Newcastle Taxi Rank	Individuals stalls built of brick and mortar and iron roof sheets	23
5.	Terminus Street- Newcastle Taxi Rank	6m long shipping containers	7
6	Jordan Carpark off Voortrekker Street	Concrete tables under one roof	32
7.	Jordan Carpark off Voortrekker Street	Free standing stalls built of bricks , mortar and iron roof sheets	2
8.	Kirkland Street at Suryaville	Built of iron sheets & roll-up door	10
9.	Erven 5380 & 5381 Osizweni A (Empompini / eBhareni)	Built of iron sheets & roll-up door	10
10.	Erven 9325 Madadeni G, Madadeni CBD	Built of iron sheets & roll-up door	24
11.	Erf 8129 Osizweni A, Osizweni CBD	Concrete tables under roof built of corrugated iron sheets	29
12	Theku Mall	Stalls built of bricks, mortar and iron roll-up door Open plan –concrete tables	18 14

- **Challenges and Solutions to Informal Trade Issues:**

CHALLENGES	POSSIBLE SOLUTIONS	STAKEHOLDERS
Overcrowding of the CBD by informal traders	Identification of suitable site for informal trade market within the CBD	Town Planning Housing and Land
Wrongful allocation of sites for informal trade	Formalisation of steering committees for the allocation of trading sites	LED Informal Trade Associations
Illegal traders- those who trade without permits	Institution of fines- the Act and By-laws for informal trade does not allow anyone to trade without a permit	Law enforcement unit
Dilapidated state of hawker shelters in the CBD	Maintenance of hawker shelters to encourage traders to pay rental fees	Local Economic Development
Illegal erection of shacks in the CBD and adjacent to hawker shelters as well as on pavements	Prohibition for erecting shacks and removal of all illegal shelters Issuing of fines for non-compliance	Law enforcement unit Informal trade association
Untidiness of informal trade sites resulting to the bad state of the town	Constant engagements with informal traders to instil the culture of cleanliness	LED Informal Trade Associations
Non-occupancy of stalls at Osizweni CBD	Allocation of stalls to traders on the database	LED Informal Trade Association
Unregistered, illegal sale of expired foodstuff, non-compliance with Business Regulations	Inspections conducted on a quarterly basis- DICOREF Revival of the MICOREF- to conduct regular inspections on issues of compliance	LED/Business Licensing Town Planning Building Inspectorate Traffic Law Enforcement Environmental Health Home Affairs Dept of Labour SAPS

CHALLENGES	POSSIBLE SOLUTIONS	STAKEHOLDERS
Taxi drivers forcefully occupying shelters designed for informal trade	Approach and removal of taxi drivers from informal trade shelters	Law enforcement SAPS
Trading on the walkways and sidewalk thus threatening business in the CBD	Traders not to block walkways and limit competition with shop owners	LED Law Enforcement Informal Trade Associations
Trading on prohibited areas- areas near bank institution	Removal of all traders in Scott Street, between Allen and Voortrekker Streets, as these areas are high risks because of bank institutions in the area	Law Enforcement Informal Trade Associations
Impact of job losses in major industries around Newcastle, create a need for alternative source of income thus mushroom of informal traders	LED to create an environment to assist job seekers with skills to venture in other avenues other than informal trade	LED

- **Status Quo on the E-Licensing System as at May 2024.**

ITEM	KZN PROVINCE	AMAJUBA DISTRICT	NEWCASTLE MUNICIPALITY
Licenses	7 239	1 853	1 710
Permits	19 247	2 955	2 477
Jobs created-Permanent	131 621	29 694	28 308
Jobs created-Temporal	26 799	1 890	1 697

3.14.6. Mining.

Mining forms an important component of the economy of Newcastle and the history of organized mining in the municipality which has generated associated industries. Mining activities includes coal mining, brick clay, Iron Oxide, dimension stone, aggregate and sand. Particularly two areas are of interest, namely KIB and the MBO area.

a) Coal Mining.

Mintek (2007) estimates that 23% of the coal resources still remain within the Klip River coalfield, of which 51% are found in the Top seam and 49% within the Bottom seam. The coal reserves can (and probably will) be increased with additional coal exploration. It is also estimated that there are approximately 4.5Mt of *in situ* coal within the Klip River coalfield – a large portion of which is located within the Newcastle Local Municipal area. The vast majority (87%) of this coal is considered to be thermal (or steam) coal with a minor portion (8%) of anthracite and 5% of metallurgical coal. The only coal mining and associated operations that appear to be taking place within the municipality are related to dump/stockpile reclamation along the N11 outside Newcastle and to the east near the old Ngagane Colliery, as well as a char plant and siding stockpiles (for coal from outside the Newcastle area) within the Ballengeich area.

There are a number of areas where mining has ceased through decommissioning or abandonment, but rehabilitation has either not taken place or is incomplete. These include the following:-

- Macalman Walmsley.
- Tendeka North Opencast (Osizweni area).
- Ballengeich / Natal Cambrian Colliery.
- Kilbarchan Colliery.
- Horn River Colliery – Gardinia.
- Witklip Colliery near Charlestown.

This has implications for environmental management in terms of water, ground stability and issues of safety. Many of the operations were underground with a number of audits (underground access points) that were linked to a single mining entity or operation. This has an impact on potential land use, however the footprint of the workings cannot be determined from the surface.

According to the DMR, there are several prospecting projects that are currently being carried out within the NLM. The accuracy of this data is questionable as there are duplicate holders of prospecting rights over the same farms and farm portions. Nevertheless, coal applications are located north-south and east of the N11.

b) Iron oxide.

Iron oxide potential is concentrated east of Newcastle within the Madadeni / Osizweni areas. Two mines appear to have been operational to the far east of Osizweni, with a number of abandoned areas of mining or with mining potential. However, field verification of these areas show no latent evidence of mining, with most being within areas that are now built up. It is now unclear whether surface disturbance within these areas is from mining or construction activities. In general, it would appear that the deposits are small and may have been mined out. Mining of weathered dolerite within the area may be a source of iron oxide for pigment; however much of this may also be used in the construction industry.

c) Bauxite (Al).

Several bauxite occurrences have been reported from within the Newcastle LM. These can be found to the west and southwest of the town, but are all considered to be of insufficient scale and / or grade to be economically viable at this stage. However, further detailed exploration may well prove otherwise. At this stage, bauxite is unlikely to be mined within the LM therefore the potential environmental risk is low.

d) Dimension stone.

In the Newcastle area, there is an abundance of dolerite and sandstone, which both have potential as sources of dimension stone. The dolerite is commonly very dark in colour – due to its fine grain size and enrichment in magnetite – with the result that

it is often commercially attractive and is marketed as “Black Granite”. Despite this, there do not appear to be any dimension stone mines within the Newcastle LM. Dolerite outcrops throughout the LM, primarily west of the N11. Although the quality of these deposits for use as dimension stone is currently unknown, there is significant potential.

e) Aggregate.

AfriSam has closed their operation in Newcastle. They are currently in the process of Section 189; Retrenchment process. The Quarry has been confirmed closed since December 2020. AfriSam has agreed to continue with their Early Child Development (ECD) Centre, despite the closure of the AfriSam Quarry in Newcastle. This includes the refurbishment of the mobile clinic in the Imagine community. The originally proposed R2 million has reduced to R950 000 due to Covid-19 Pandemic.

f) Sand Winning.

There are plenty of quaternary deposits along stream and river courses for sand winnowing (such as along the Buffels, Horne and Ngagane Rivers) In the Newcastle area. Much of the sand mining within the Newcastle LM is associated with the wetland areas adjacent to water courses. Sand mining was prevalent east and southeast of Newcastle town. According to the DMR there is only one sand application (mining permit) northeast of Osizweni, however this information appears to be questionable as there are more areas where sand mining takes place. This could have serious environmental implications.

g) Brick clay.

There is a large number of clay deposits in the Newcastle Area which can be utilised for brick clay manufacturing.

3.14.7. Social and Labour Plans.

The following tables entail the Social and Labour Plans (SLPs) from the Future Coal (Pty) Ltd mine in Chelmsford, known as the Chelmsford Colliery:-

Mine Name:	Future Coal (Pty) Ltd				
Background:	A need was identified for the upgrading and maintenance of existing ECD Centres in the Haig, Gijimani, Ballengeich and Ncandu areas. These facilities currently have little infrastructure and are in desperate need of repair. Through this project, the mine would like to ensure that these centres receive the necessary equipment, educational resources, as well as invest in teacher development to the pre-school children the opportunity to increase their knowledge and increase their knowledge and grow in a child friendly environment.				
Project Classification:	The project aims to establish better educational facilities for pre-school children.	**Geographical Location:**	Newcastle Local Municipality	**Community:**	Ward 21 Community:- - Haig. - Gijimani. - Ballangeich. - Ncandu.
Responsible Entity:	Future Coal (Pty) Ltd	**Number of Beneficiaries:**	206 pre-school children	**Budget:**	R400,000.00
Classification of jobs:	5 jobs will be created	**Comments:**	Future Coal will not only renovate and repair these ECD Centres, but will also ensure that one staff member at each of the centres obtains a formal qualification through offering a learnership in Early Childhood Development.		
Completion Date and Exit Strategy:		Project management structures and mentoring processes will be implemented to allow the handing over at the end of the project.			

Mine Name:	Future Coal (Pty) Ltd
Background:	Kadwa High School is located in Ballangeich. The school has an excellent pass rate and reported 95% of pupils passed in 2018. Currently they do not have sufficient space for all the children attending the school and has classes with 68 children in class. The Department of Education has committed to employ more teachers at the school if the school gets more classrooms. Future Coal with therefore supply the school with three (3) additional prefabricated classrooms which will reduce the number per class.

Project Classification:	The project aims to establish better educational facilities for high school pupils.	**Geographical Location:**	Newcastle Local Municipality	**Community:**	Ward 21 Community:- - Ballangeich.
Responsible Entity:	Future Coal (Pty) Ltd	**Number of Beneficiaries:**	350High School Children	**Budget:**	R510,000.00
Classification of jobs:	3 jobs will be created	**Comments:**	Future Coal plans to supply three (3) fabricated classrooms.		
Completion Date and Exit Strategy:		Exit on delivery of the classrooms which will be the property of Kadwa High School.			

Mine Name:	Future Coal (Pty) Ltd				
Background:	Future Coal mine is located 25km outside the town of Newcastle and transport to town is not readily available to transport community members to town. Due to the distance and limited transport to town, the community has requested a facility which will allow them access to computers, the internet and printing. Schools will also able to use the centre for research and projects. Extra Life Science and Mathematics classes will be held for school children requiring additional tuition. The plan is to get the centre accredited as a private training provider to offer Basic Computer Skills courses and other skills training. A high speed internet line will be installed which will also allow for data to be sold cheaply. Income will be generated through printing, training, selling of data bundles etc. This centre will contribute to the income of the community as the centre will be registered as a Co-operative.				
Project Classification:	The project aims to establish a facility which is open for learning which allows access to computer technology.	**Geographical Location:**	Newcastle Local Municipality	**Community:**	Ward 21 Community.
Responsible Entity:	Future Coal (Pty) Ltd	**Number of Beneficiaries:**	The entire community of ward 21.	**Budget:**	R660,000.00
Classification of jobs:	5 jobs will be created	**Comments:**	Future Coal will supply a prefabricated building which will be located on the same land as Chelmsford Village. The building will be equipped with all furniture, computers, printer, and be an Internet Hotspot. Community members working at the Centre will receive a formal qualifications as they will be attending a learnership in New Venture Creation (SMME).		
Completion Date and Exit Strategy:		A Co-operative will be registered and formalised. Mentorship and guidance will take place on a continuous basis. On exit the project will be handed over to the community to run as a sustainable business unit.			

Mine Name:	Future Coal (Pty) Ltd

Background:	The management of waste, more particularly plastic and glass, is a major global concern as it has a huge impact on the sustainability of the environment. Future Coal would like to contribute to the environmental sustainability and create a socio-ecological environment. Corporate businesses located within the Newcastle Local Municipality will, as part of their CSR, provide the plant with waste that will go through a process to produce building blocks. Through this jobs will be created and blocks will be sold to ensure an income for community members involved in this project. The project will also include all other waste (apart from plastic and glass), to form a compost business which will be bagged and sold.				
Project Classification:	The project aims to establish a facility which will make use of recyclable material to produce building blocks.	**Geographical Location:**	Newcastle Local Municipality	**Community:**	Ward 21 Community.
Responsible Entity:	Future Coal (Pty) Ltd	**Number of Beneficiaries:**	The entire community of ward 21.	**Budget:**	R2,800,000.00
Classification of jobs:	10 jobs will be created	**Comments:**	Future Coal will supply all equipment, prefabricated office building, vehicle to be used for collection of material, training and mentoring.		
Completion Date and Exit Strategy:		A community trust will be registered and the business will be handed over to the community. Mentorship and guidance will take place on a continuous basis.			

Mine Name:	Future Coal (Pty) Ltd				
Background:	The community requested the erection of a protected waiting area at which the elderly can wait to access the mobile clinic. Currently they have no shelter from the elements while waiting.				
Project Classification:	To provide a facility for the elderly to protect them from the ailments.	**Geographical Location:**	Newcastle Local Municipality	**Community:**	Ward 21 Community. - Kilbarchan. - Vezubuhle.
Responsible Entity:	Future Coal (Pty) Ltd	**Number of Beneficiaries:**	The elderly and sick from Kilbarchan and Vezubuhle Communities.	**Budget:**	R100,000.00
Classification of jobs:	4 jobs will be created	**Comments:**	Future Coal will supply materials and erect a structure that will be a shelter for the elderly. They will also provide adequate seats for them.		
Completion Date and Exit Strategy:		Will be handed over to the community upon completion.			

Mine Name:	Future Coal (Pty) Ltd				
Background:	In consultations with the communities and the Newcastle Local Municipality it was suggested that the mine provide assistance with setting up an agricultural project at which vegetables can be planted for resale. Community members involved in the project to be self-sustainable and to create food security.				
Project Classification:	Agriculture – Plant Production.	**Geographical Location:**	Newcastle Local Municipality	**Community:**	Ward 21 Community.

Responsible Entity:	Future Coal (Pty) Ltd	**Number of Beneficiaries:**	The whole community of ward 21.	**Budget:**	R3,200,000.00
Classification of jobs:	5 jobs will be created	**Comments:**	The project has been successfully executed.		
Completion Date and Exit Strategy:		The project will continue under the guidance of the Department of Agriculture and SEDA through regular monitoring.			

Mine Name:	Future Coal (Pty) Ltd				
Background:	In consultations with the communities and the Newcastle Local Municipality it was suggested that a sewing project be started in order to manufacture overalls and school uniforms. The project will ensure that the community members that participate in this project will gain a skill and will become self-sustainable by earning income.				
Project Classification:	Clothing Manufacturing.	**Geographical Location:**	Newcastle Local Municipality	**Community:**	Ward 21 Community.
Responsible Entity:	Future Coal (Pty) Ltd	**Number of Beneficiaries:**	The whole community of ward 21.	**Budget:**	R3,200,000.00
Classification of jobs:	10 jobs will be created	**Comments:**	The project has been successfully executed.		
Completion Date and Exit Strategy:		Monitoring and evaluation is currently taking place on a continuous basis and will continue until the project is a profit-making business.			

Below are other Social and Labour Plans which are implemented by other mining activities within the jurisdictional area of the Newcastle Local Municipality: -

CURRENT SLP PROJECTS IN KZN (COMMITTED AND IMPLEMENTED)				
Company Name	**Projects**	**District Municipality**	**Local Municipality**	**Community**
Afrisam (South Africa) Properties (Pty) Ltd	Renovation of Ingagane Early Childhood Development Centre and Extension of the Centre to Multipurpose Centre	Amajuba	Newcastle	Kilbarchan

Moving forward, the Newcastle Local Municipality will be establishing an SLP Forum which will have the following key stakeholders: -

- Newcastle Local Municipality;
- EDTEA;
- DMR;
- Mining companies operating within the jurisdictional area of the Newcastle Local Municipality;
- KZN-COGTA; and
- Any other relevant key stakeholder which is deemed as being necessary to serve in the proposed structure.

The intension of the proposed is to ensure that there is effective and efficient implementation of the SLPs in line with the relevant legislative prescripts (MPDRA). Through the structure, the municipality aims to reposition itself and have control over the mining activities taking place within our jurisdiction, and also control the development, planning and the implementation of the SLPs through participation in monitoring. Some of the mining activities are taking place within the neighbouring local municipalities. And in most instances, such activities are placing a burden on bulk infrastructure that's within the jurisdictional area of Newcastle, and, to a certain extent, leading to environmental impacts within Newcastle (i.e. air pollution, water pollution, noise pollution etc). Due to such, it is also imperatives that we strengthen planning mechanisms with neighbouring municipalities in order to ensure the implementation of meaningful Social and Labour Plans. However, the establishment of the Forum is currently challenging due to the availability of stakeholders, hence the delay thereof.

3.14.8. LED Forum.

Newcastle Local Municipality has revived the LED Forum through having the first meeting whereby the Terms of Reference in this regard were approved. The LED Forum which has the following key stakeholders: -

- Newcastle Local Municipality;
- Local Chambers of Business;
- EDTEA;
- Amajuba District Municipality;
- Organised groups within the various economic sectors such as manufacturing, trading, services, SMME's and Tourism Sectors operating within the jurisdictional area of the Newcastle Local Municipality;
- TIKZN; and
- Any other relevant key stakeholder which is deemed as being necessary to serve in the proposed structure.

The aim of the LED forum is to facilitate and stimulate the development of Trade & Industry across all sectors in accordance with the principles of sustainable development within the Newcastle Municipality. The establishment of the LED Forum is aimed at encouraging partnerships and aligning trade and industry institutions and sectors. The forum has been

divided into different sectors with nominated representation from relevant stakeholders.

The following entails the objectives of the LED Forum: -

- To develop greater awareness and understanding within the local community and institutional structures on the significant opportunities and contributions available within the commercial environment of Newcastle.
- To promote and facilitate equal access to opportunities for all the sectors of the economy.
- To ensure that the full value of the natural and cultural environment are taken into account in all development decisions, so as to create opportunities for employment and income generation.

With the absence of the ADM LED Forum, and the ADM District Development Agency, we hope that the NLM LED Forum will also help thus to bridge the gap in that respect. In as much as the LED Forum is an initiative by Newcastle Municipality, we also seek to utilise it towards enhancing tourism and investment within Newcastle.

The LED Forum is hosted bi-monthly and is categorized in themes for each meeting held. The selected themes arise from the key objectives for the LED Department which may be indicated in the LED Strategy. It is key that all relevant stakeholders provide input towards the chosen subject matter to accumulate information pertaining to challenges and possible interventions for consideration from the relevant sectors for information purposes of the Local Municipality. The LED department prepares presentations with quantitative and qualitative data that represents key activities and progress on the catalytic and operational projects for the Newcastle Municipality, furthermore, invites guest presenters to discuss relevant subject matter pertaining to the current economic climate.

During the 2023/24 financial year, the Municipality has had the LED Forum Meetings on the following dates to deliberate on issues that affect local business in Newcastle:

a) 21 September 2023
b) 04 April 2024

STRATEGIC GOALS/ OBJECTIVES FOR LED

The Newcastle Local Municipalities vision “By 2035, Newcastle will be a resilient and economically vibrant city” translates by the LED strategy of creating a conducive environment for economic development to take place. In the efforts to achieve the vision for 2035, the strategic objectives, interventions and programmes and projects are as follows:

Local Economic Development strategic objectives and goals are as follows;

- To facilitate job creation;

- To stimulate local and foreign investment;
- To support and regulate local informal trade;
- To create a conducive environment for local economic development to take place;
- To strengthen relationships with business and governmental sectors;
- To support and develop local SMMEs;
- Local market research and development;
- Local business retention and expansion;
- To align skills to the demand driven skillset;
- To provide accurate local economic data;

Strategic interventions:

- Bi-monthly LED Forum
- SMME training and development
- Investment promotion policy
- Business retention & expansion policy
- Municipal Investment directory
- Tourism Development strategy
- SMME Preferential procurement policy
- Informal Trade policy
- Incentive Policy

Programmes and projects:

- SMME training programme
- Coca-Cola Business in a box
- NPC manufacturing block yard skills development and training
- AfriSam Early Childhood Development Center (ECD)
- Revitalization and revamp of informal trade infrastructure (Hawker shelters)
- Industrial Economic Hub for textile skills development hub
- The Establishment of the Techno Hub
- Revamp of the Airport infrastructure

3.14.9. Economic Regeneration Strategic Thrust.

Key strategic thrusts have been identified within the NLM's LED Strategy as a framework for the Economic Regeneration Strategy within Newcastle Municipality. These strategic thrusts serve as a direct response in addressing the key challenges identified during the situational analysis phase. Furthermore, these strategic thrusts seek to respond to the economic vision of the municipality thereby allowing the formulation of proactive strategic thrusts that will guide future intervention and related growth and development thereof.

These strategic priorities have been identified by partners after taking into account weaknesses, challenges, strengths and opportunities facing the local economy in order to achieve future growth. These priorities or strategic thrusts will support delivery of the Newcastle Economic Partnership vision for the area and further realize outcomes as articulated under each strategic priority. They are underpinned by a series of intermediate

outcomes and key actions which provide a detailed articulation of our aspirations for the local economy.

- Strategy 1: Land Release and Development Strategy.

Outcome 1: Improved land availability and its access thereof to Black Africans in particular and blacks in general.

The rationale for the strategy states that the growth and development of Newcastle is entirely dependent on land availability, and a willingness of investors to take advantage of available space and broader opportunities offered by the town. However, it is noted with concern that, while the prospects for city growth are evident, the participation of Black Africans in the mainstream economy of the city remains a pie in the sky. Therefore, this strategy seeks to sway and influence land related decision-making within Council, so as to remain biased towards affording a black man an opportunity to own land within the CBD, industrial areas, farmland and prime residential sites. Undoubtedly, access to land should be a priority and it calls for a proper land release strategy guided by the desire to bring black people to the pole position economically. As it stands the municipality is working on the land release strategy for Equarand area within the CBD. The release of this piece of land will prove the commitment and seriousness of Council towards black economic empowerment and further shape the economic history of Newcastle for generations to come.

- Strategy 2: Infrastructure Development Strategy.

The rationale for the strategy is premised on the fact that the economy requires reasonably developed infrastructure for it to grow and develop. Again, the attraction of inward investments is mainly dependent on a conducive environment for business. Hence, the prioritization of infrastructure improvement remains central to the economic regeneration programme of Newcastle. The strategy's focus asserts that improved physical infrastructure investment will be required in Newcastle as a primary economic hub for Northern KwaZulu-Natal. The availability of suitable infrastructure is just one of the key factors in the investment attraction and business retention programme. Therefore, local authorities need to be a step ahead in terms of achieving broad based infrastructure satisfaction for the business fraternity.

- Strategy 3: Agricultural Development Strategy.

Outcome 3: Accessibility and a vibrant agricultural sector that promotes primary production, agri-processing and creating sustainable economic opportunities for local residents.

The strategic focus of this strategy is that the agricultural sector in Amajuba district faces a number of challenges, the most significant of which relates to underinvestment in bulk infrastructure (predominantly road infrastructure and water for agriculture), a lack of diversification, a need for stronger

relationships between stakeholders, limited small-scale farmer support and assistance, and the need for redevelopment of vacant farms. In order to address these challenges, a number of strategic interventions are required that specifically target to assist both commercial and emerging farmers. This includes significant investment into infrastructure such as access roads, identification of new potential agricultural opportunities, improving and strengthening the institutional relationships and partnerships between stakeholders, and provision of support and assistance to the agricultural sector, particularly small-scale farmers. To this end, strategic programmes have been conceptualized which pave the way for the identification of related projects aimed to tackle the challenges. The programmes identified within this strategy, will require a concerted effort from the stakeholders to ensure their implementation thereof.

- Strategy 4: Industrial Development and Investment Strategy.

Outcome 4: Industrialization of Newcastle through active and potential economic sectors. In addition, the attraction of investments will be central to this outcome.

The rational of the strategy indicates that the need for the industrial development strategy emanates from the National development plan and IPAP2 that encourages the creation of rural industries. Furthermore, the current potential of green economy in Newcastle provides a marvellous platform to initiate green industries. Without a doubt the area of Newcastle stands to boom out this sector as well as agro-processing. The rationale stems from existing resources that call for smart and strategic thinkers from the economic partners of Newcastle to see a bigger picture and be fond of the possibilities.

- Strategy 5: Public Works Improvement and Job Creation Strategy.

The rationale of the strategy asserts that job creation remains central to socio-economic emancipation of a black man in South Africa. In the main, poverty levels perpetually increase without any proper response from both public and private sectors. Undoubtedly, Newcastle Local Municipality requires immediate proactive actions to address unemployment in the region. Hence, this strategy advocates to capacitate the municipality to implement its infrastructure projects internally thereby enhancing and improving employment potential for local job seekers at all levels.

- Strategy 6: SMME and Green Sector Development Strategy.

Outcome: Creating sustainable economic growth through the green economy.

South Africa has committed itself to reducing its emissions below a baseline of 34% by 2020 and 42 percent by 2025. “The approach to mapping out the transition to a low-carbon economy

is informed by the need to reach broad consensus on the challenges and trade-offs involved in implementing South Africa's climate policy" (NDP, Ch5). The transition to a low-carbon and resilient economy requires a capable state to lead, enforce the regulation of GHG emissions, and respond to the impacts of climate change. The transition to a low-carbon economy depends on the country's ability to improve skills in the workforce, at least in the early phases of the transition. The policy framework indicates a high level of willingness from South African government to transform the economy and cease the opportunity while the window is still open. Interestingly the proposals on localization of solar geysers and panel manufacturing and improvement of investment climate within the industrial set-up of the green sector are surely gaining the momentum. The objective of this strategy seeks to promote sustainable economic growth within the municipal area through the introduction of green opportunities for local companies and creation of green jobs for local people.

The Key Action Areas of the strategy are as follows:-

- Encourage companies and the municipality to develop a Directory of Green Products that can be produced locally and mobilize necessary investment for implementation purposes.
- Partner with Industrial Development Corporation Green Fund to implement strategic green projects.
- Prioritise local manufacturing of Solar Geysers and Solar Panels to support government initiative of installing more solar geysers in low cost housing
- Educate and promote the development of culturally, environmentally and economically sustainable projects relating to the protection and conservation of wildlife, eco-sensitive areas and natural resources.

A high quality natural environment and green infrastructure are integral to the health and well-being of sustainable local communities in order to meet their environmental, social and economic needs. Open space and recreational facilities make a fundamental contribution to the quality of an area for both residents and visitors alike, and supporting the development of these as well as cultural and heritage assets ensures an appealing environment for both people and wildlife to prosper.

Funding must be acquired for the provision of solar panels (photovoltaics) on rural homes to decrease the electricity burden. Although solar energy is a more costly upfront, the long run costs as well as the impact on the environment prove worth its initial cost. It is therefore suggested that exploration of large scale solar photovoltaics take place. Interventions which address flood alleviation and the enhancement of land for biodiversity and recreation conserve the quality of the environment, and contribute to wider economic benefits. Climate change presents a major challenge for any area, and acknowledging responsibility for future generations means

protecting the environment by creating more energy efficient, and sustainable communities. This includes reducing energy consumption by developing alternative energy sources, ensuring buildings use resources more efficiently and have an impact on ultimately decreasing the municipality's ecological footprint.

The following is a list of some of the green initiatives with which the municipality has initiated, and/or has been involved in. Most of them relates to environmental conservation through waste management, and they entail the following:-

- **Newcastle Clean-Up Campaign:**
- Clearing illegal dumping sites.
- Partnered with Department of Environment, Forestry, Fishers, YCOP (Youth Community Outreach Program) to clean-up the tower at Signal Hill.
- Ground water chemical & microbiological cleaning project.

- **Newcastle Taxi and Bus Rank Clean–Up campaign:**
- Partnered with Coco Cola in cleaning up the rank.
- Partnered with Thuma Mina Good Green Deeds beneficiaries aimed at raising awareness regarding the importance of a clean & well maintained town.
- Educating the public on proper waste management practises.
- Covid-19 response project (sanitising the taxi rank).

- **EPWP and CWP cleanliness Programs:**
- Cutting of trees.
- General cleanliness in the CBD.
- General cleanliness in the residential areas.
- General cleanliness in the industrial areas, farms and schools.

- **Public Participation Unit and the Sukuma Sakhe Programme:**
- Community members are briefed on waste related issues and also raise their concerns which are then attended to.

- **Environmental Awareness Program:**
- Supported DEFF clean-up campaigns and community clean-up campaign e.g. Ingagane (Chamacha recycling company).
- Support Educational programmes like SEEP and Eco-Schools with partnership with EDTEA.
- Support local schools by conducting Eco-Bricks competition in primary schools.

- **Private Programmes:**
- Mpilenhle Buy-Back Centre separating of waste project.

❖ Strategy 7: Institutional Enhancement Strategy.

The economic function in Newcastle has been constrained and extremely over undermined over a period of time. Hence, the representation of relevant bodies to participate in LED programmes was not prioritized. The level of willingness and

enthusiasm from the local partners necessitates the formalization of the relevant forum and execution of the programme as per conditions of the Partnership Agreement.

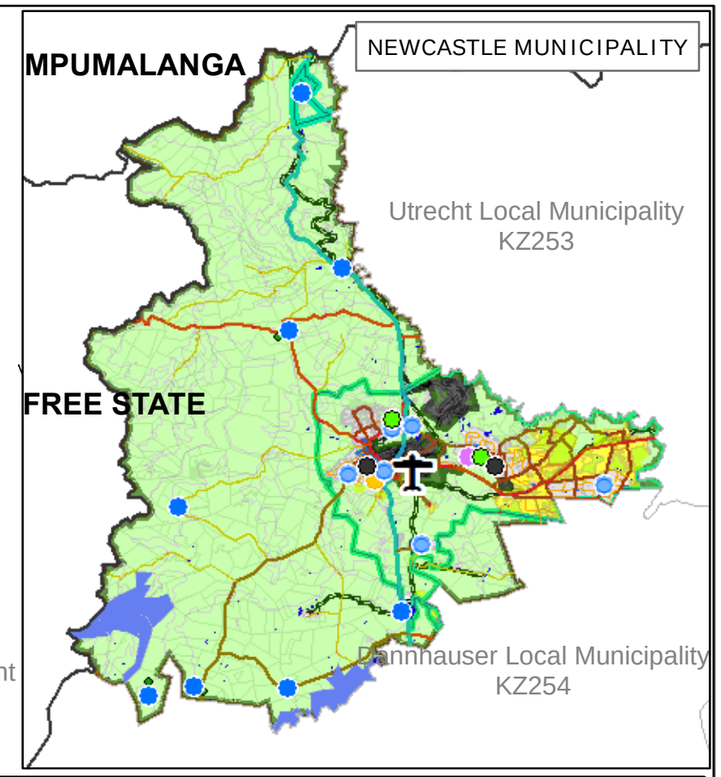
3.14.10. LED IMPLEMENTATION PLAN

trategic Goal	Intervention	Programme/Project	Location	Timeframe	Estimated Budget	Budget Availability	Funded / Not Funded	Funder/ Potential Funder	Lead Implementing Agent	Supporting Partners	Status of Project
Land Release and Development	Facilitating easy access to land for development , Maximise and ensuring land availability and accessibility to Black Africans, Encouraging domestic investments through access to prime land of various types, Correcting the imbalances of the past through bringing African community into the mainstream economy of the city,	Land Profiling and Packaging	Newcastle	Ongoing	N/A	N/A	N/A	Human Settlements	Human Settlements	Newcastle Municipality	Ongoing
	Strategically repackage land parcels thereby allow the reasonable flow of investments to the city,	Land Release and Ownership Strategy	Newcastle	Ongoing	N/A	N/A	N/A	Human Settlements	Human Settlements	Newcastle Municipality	Ongoing
	Utilizing farming spaces to develop emerging farmers and improve food security	Access to Farmland	Newcastle	Ongoing	N/A	N/A	N/A	Human Settlements	Human Settlements	Newcastle Municipality	Ongoing
Infrastructure Development	Revitalizing and revamp the ageing infrastructure within the CBD , Encouraging sector based investments through improved infrastructure development, Setting the tone for re-industrialization through world class infrastructure requirements,	CBD and Industrial Road Improvement	Newcastle	Ongoing	N/A	N/A	N/A	Technical Services	Technical Services	Newcastle Municipality	Ongoing
	Ensuring access to sustainable water, sanitation and electricity supply for business community	Integrated Human Settlement									
		Expansion and Servicing of Industrial Sites									
		Provision of water for Agriculture									
		Improved Public Works and Job Creation									
		Provision of Bulk Infrastructure for all									

trategic Goal	Intervention	Programme/Project	Location	Timeframe	Estimated Budget	Budget Availability	Funded / Not Funded	Funder/ Potential Funder	Lead Implementing Agent	Supporting Partners	Status of Project
		active economic sectors									
Strategy 3: Agricultural Development	Stimulating Growth and Development in Agriculture thereby creating sustainable jobs, income and eradicate poverty, Maximizing full potential of agricultural sector thereby bring African communities into the mainstream economy, Fostering and promote food security and sustaining , retain and expand current agricultural activities in local sector	Strategy 2.1: Improvement of coordination between all parties critical to agricultural development Strategy 2.2: Commodity development and agro - processing Strategy 2.3: Improve the food and drink supply chain Strategy 2.4: Encourage the development and expansion of the agriculture sector; Adopt Value Chain, Localization of Agri-processing (Agri-based industries), Strategic partnerships in Agriculture, Adopt Agri-Park and Mechanization Centre	Newcastle	Ongoing	N/A	N/A	N/A	Department of Agriculture	Department of Agriculture	Newcastle Municipality	Ongoing
Strategy 4: Industrial Development and Investment	Promoting industrial driven and based investments, Creating local jobs based on local resources, Improving local skills base and attract foreign skills to Newcastle and Encouraging inward investments in Newcastle	Strategy 4.1: Industrial Land Availability Strategy 4.2: Infrastructure Provision for Industrial Sites LED Programmes and projects - Communication and coordination of LED Stakeholders through LED Forum Investment Promotion Policy, Business Retention Expansion Strategy, Development of innovation through	Newcastle	Ongoing	R2 000 000 (airport lighting revamp) R470 000 (Techno Hub furniture)	N/A	N/A	EDTEA	EDTEA, SEDA, NYDA, DTIC, CHAMBERS, BUSINESS FORUMS, INDUSTRY AND TIKZN	Newcastle Municipality	Ongoing

trategic Goal	Intervention	Programme/Project	Location	Timeframe	Estimated Budget	Budget Availability	Funded / Not Funded	Funder/ Potential Funder	Lead Implementing Agent	Supporting Partners	Status of Project
		Techno Hub, Incentive scheme; Airport Precinct development and revamp									
Strategy 5: Public Works Improvement and Job Creation Strategy	Improvement of employment capacity of the municipality thereby absorb local labour force, enhance revenue for the municipality through cutting on services of external service providers, Improvement the capacity of the municipality to maintain its projects using savings from grants received in each financial year, Improvement city engineers department capacity to manage all infrastructure projects internally, Minimising corruption possibilities that occurs and takes place through collaboration of service providers and administrators	Strategy 5.1: Capacity Building of Infrastructure Programme Management Unit Strategy 5.2: Public Works improvement Strategy 5.3: Infrastructure Funding and Development Finance	Newcastle	Ongoing	N/A	N/A	N/A	LED	EDTEA, SEDA, NYDA, DTIC, CHAMBERS, BUSINESS FORUMS, INDUSTRY AND TIKZN	Newcastle Municipality	Ongoing
Strategy 6: SMME and Green Sector Development	Encourage companies and the municipality to develop a Directory of Green Products that can be produced locally and mobilize necessary investment for implementation purposes, Partner with Industrial Development Corporation Green Fund to implement strategic green projects, Prioritise local manufacturing of Solar Geysers and Solar panels to support government initiative of installing more solar geyser to low cost housing and Educate promote the development of culturally,	SMME Development - Skills development and training of SMMEs annually; Revamp of Informal Trader infrastructure; Business Licencing E-System and Developing the Green Industries To promote sustainable economic growth within the municipal area through the introduction of green opportunities for local companies and creation of green jobs for local people	Newcastle	Ongoing	SMME Training annual - R35 000 Revamp grant of informal trader hawker shelters - R1 000 000	N/A	N/A	LED and EDTEA grant for revamp	DTIC, EDTEA AND LED	Newcastle Municipality	Ongoing

trategic Goal	Intervention	Programme/Project	Location	Timeframe	Estimated Budget	Budget Availability	Funded / Not Funded	Funder/ Potential Funder	Lead Implementing Agent	Supporting Partners	Status of Project
	environmentally and economically sustainable projects relating to the protection and conservation of wildlife, eco-sensitive areas and natural resources										
Strategy 7: Institutional Enhancement	To formalise stakeholder engagements thereby allow them to find common economic ground for Newcastle, To extend the area of responsibility to all people with vested interest of growing Newcastle to be a home for all races and address collaboratively all existing social ills, To understand the scope of planned economic initiates beyond the public sector or government driven initiatives	Strategy 7.1: Establishment of Functional LED Desk Newcastle Economic Partnership Agreement and Structured Partnership with the Business Chamber	Newcastle	Ongoing	N/A	N/A	N/A	LED	EDTEA, SEDA, NYDA, DTIC, CHAMBERS, BUSINESS FORUMS, INDUSTRY AND TIKZN	Newcastle Municipality	Ongoing



Newcastle Town
HOMER
NORTHDOWN
SHAKESPEARE
Madadeni
Khathide TA
NEWCASTLE
N11
Osizweni
JBC
Kilbarchan
Ingagane

LEGEND

Existing Roads
- Class 1
- Class 2
- Class 3
- Class 4

Built Environment
- Existing Built-up Areas
- Airport Precinct
- Commercial Agriculture
- Administrative Precinct
- Big Mixed Use Node
- Small Mixed Use Node
- Protected Areas
- Stewardship Sites
- Dams

Other
- Airport
- Railway Line

Boundary
- Newcastle Urban Edge Development Boundary

Major Nodes
- Rural Nodes
- Educational Nodes
- Medical Nodes
- Commercial Nodes
- Neighbourhood Node
- Regional Social Facility Nodes
- Mixed Use Nodes

N

1 : 130 000

0 3 6 9 Kilometers

SDF 2024/25

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * ECONOMIC DEVELOPMENT

MAY 2024

3.14.11. Newcastle Airport Techno-hub.

The Newcastle Airport Techno-hub concept is based on the dynamic and integrated trio of institution, enterprise and business, whose main aim is to generate innovation. The institutional sphere involves knowledge generation through students and research activity which feeds into the enterprise sphere associated with business support, idea generation and training and technology transfer to develop small businesses to eventually expand to become medium to large establishments. These spheres combined, result in innovation and a sustained knowledge economy. The techno-hub is defined as “an enterprise associated with research, development, design and related activities in the high technology sector which is accommodated in a park-type work environment specifically created for the industrial needs of the enterprise concerned.”

The main attributes of a technology hub include:-

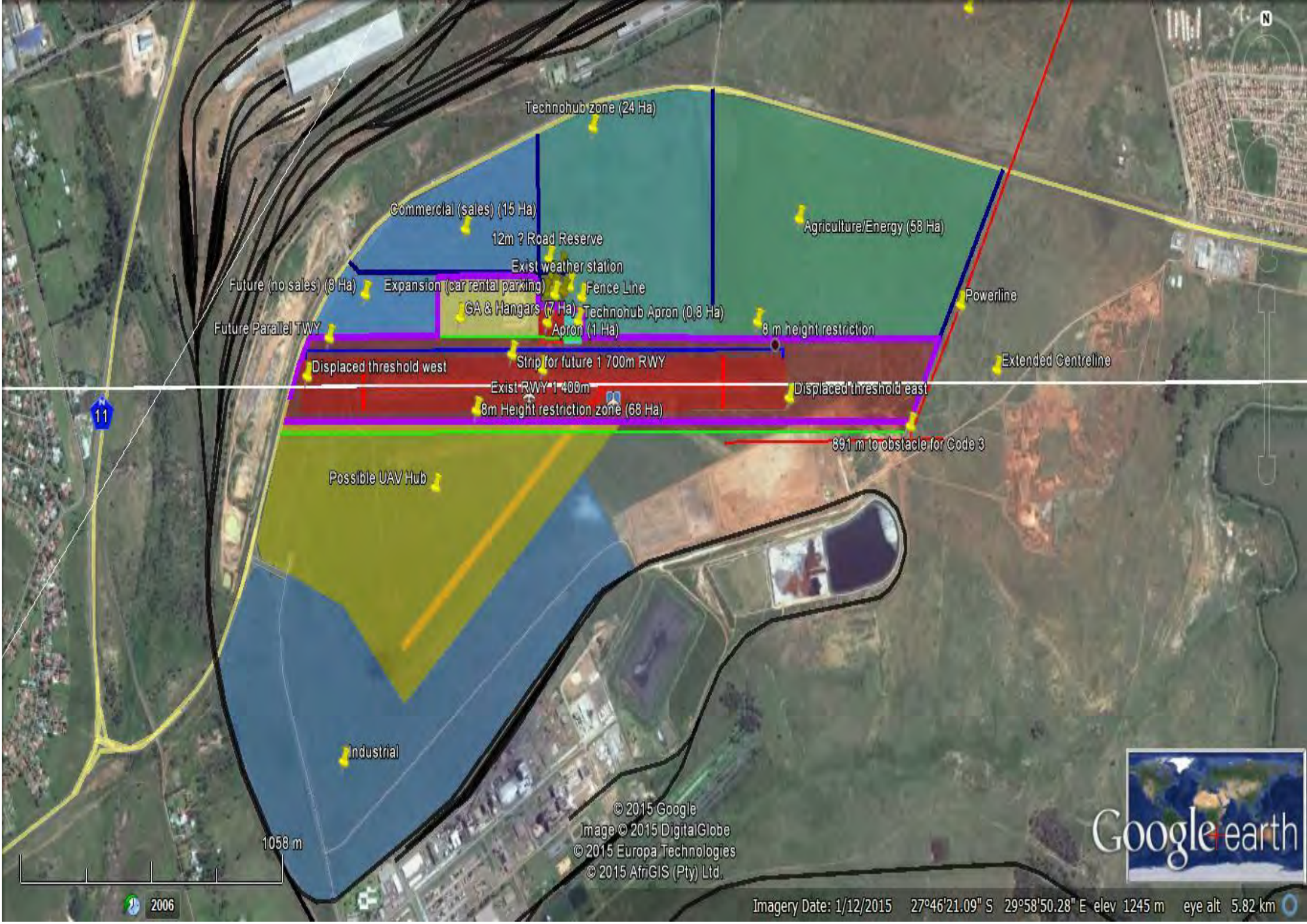
- Specialised Business Park with tenants focused on technology, and scientific research;
- Close alignment to tertiary institutes, and their academic staff;
- Parks linked to wider innovation and collaboration between formal educational institutions;
- Research firms and the end user business;
- Business incubation and support and technological capacity building;
- Creating business synergies;
- Should have good physical infrastructure, steady power, communal services like security and management and often shared business administrative services; and
- Facilities should include, manufacturing, high level training, technology and business incubation, financing institutions, standardization and calibration laboratories, and testing.

The main aim of a techno-hub is the commercialisation of innovative ideas through which products, processes, strategies, and services are formulated to create jobs and to generate wealth in Newcastle. The notion of a techno-hub is supported by all business chambers within Newcastle. Such support is mainly vested upon the anticipated job opportunities which will emanate through the hub. This will have an advantage in terms of the existing pool of advanced wireless and IT companies that are within Newcastle. The benefits of establishing a techno-hub are not only limited to job creation only, but also to investment opportunities and skills development.

The Project will be executed over a two (2) year period starting from March 2015, and the techno-hub site will be owned by the Municipality as an asset and managed preferably by a separate Municipal Entity. The revamp of the Airport facility to accommodate the TechnoHub was completed in 2019. Currently the facility has two (2) tenants who operate as a Flight school and the other as a car hire service. The airport was identified as an integral part of the hub, and the hub entity will be required to include services to the hub such as security,

cleaning and other operating facilities. Training facilities will accommodate the National Development Skills Plan (SDPS), and the hub will be in a state that will enable it to compete with other International techno-hubs.


INDUSTRIAL AIRPORT: PRECINCT PLAN
N
1 : 10 200
DAM
Transnet Hub
P483
1759.731749 m
1924.754534 m
1523.879144 m
515.662442 m
Transnet Zone B
Transnet Zone B
ARBOR PARK
AIRPORT INDUSTRIAL
KARBOCHEM
EQUARAND
Legend
Airport Fensing
Section 1
Section 2
Section 3
Section 4
Newcastle Suburbs


Technohub zone (24 Ha)
Commercial (sales) (15 Ha)
12m ? Road Reserve
Exist weather station
Agriculture/Energy (58 Ha)
Future (no sales) (8 Ha)
Expansion (car rental parking)
Fence Line
Powerline
GA & Hangars (7 Ha)
Technohub Apron (0,8 Ha)
Future Parallel TWY
Apron (1 Ha)
8 m height restriction
Displaced threshold west
Strip for future 1 700m RWY
Extended Centreline
Exist RWY 1 400m
Displaced threshold east
8m Height restriction zone (68 Ha)
891 m to obstacle for Code 3
Possible UAV Hub
Industrial
1058 m
© 2015 Google
Image © 2015 DigitalGlobe
© 2015 Europa Technologies
© 2015 AfriGIS (Pty) Ltd.
Google earth
2006
Imagery Date: 1/12/2015 27°46'21.09" S 29°58'50.28" E elev 1245 m eye alt 5.82 km

With the development of the Techno hub, the old Airport will undergo a series of improvement such as fencing, sewer upgrades, and the upgrading of the terminal building. The following entails an outline of the objectives as raised by the stakeholders of the project, including those of the Department of Science and Technology, through various engagements with the municipality:-

- Ensure that the Techno Hub meets the National Development Plan, Regional and Local IDP Development Plans;
- Envisaged as a mechanism of Innovation and knowledge development;
- Important that the Newcastle Municipality and Treasury emphasize the purpose of the hub to their stakeholders, it is not meant to be a Business Park;
- Meant to bring together Academia/Business/Government in order to generate knowledge and R&D as a balanced approach;
- Must be representative of the community with a forum to manage the hub with independent and neutral stakeholders;
- Training facilities to accommodate the National Development Skills Plan (SIPS);
- Require the hub to be a Balanced Playing Field with realization of dis-quality;
- Be able to compete with International Techno-Hubs; and
- Revive the economy through the development of the hub.

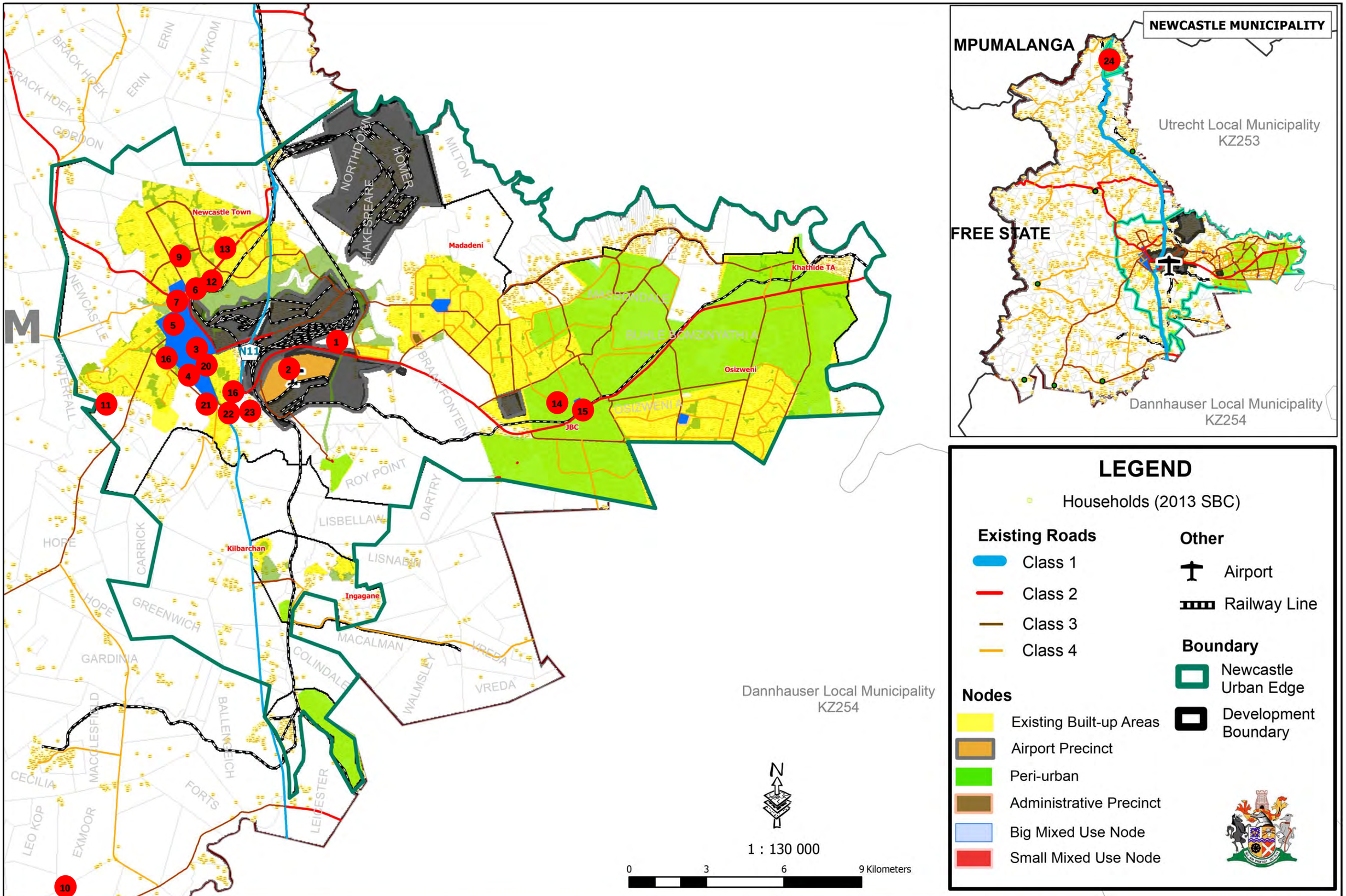
In addition to the abovementioned objectives, some other issues to be taken into cognisance and which are essential to establishing a world class techno-hub were raised by the stakeholders and these are as follows:-

- Request for free wifi at the techno-hub;
- Investigate the student facilities required for the transfer of skills towards skills development for the community;
- 67% of the Newcastle industry is within the manufacturing sector;
- The entire hub precinct detailed in Spatial Development Plan of municipal site to be called techno hub site;
- Adopt a techno hub that will suit South Africa, as other countries models not suitable;
- Should have a separate Municipal Property Entity formed to own and manage the precinct;
- Due diligence should be performed on any Business/Tenant entering the hub; and
- Techno-hub to create development for Skills Science and Technology.

In terms of the airport, the municipality is currently awaiting the final approval of the Global Navigation System from the Civil Aviation Authority (CAA). This is a very lengthy process which requires the provision of a lot of in-depth data towards ensuring that the airport is “fail safe”.

The following table indicates the current activity taking place with regard to the functionality of the Airport:

Subject Matter	Progress of subject
Expression of Interest (EOI)	The expression of interest to invite aircraft carrier companies to come forward to offer scheduled flights to and from Newcastle, Johannesburg and Durban has been completed and will be published on the relevant platforms to the public when SCM processes have been completed.
Supply of fuel Bid (BID)	The process has been completed and the successful bidder has been awarded. There is now a service provider for the supply of fuel who is in the process of upgrading the existing infrastructure.
Fuze Air Flight School	Discussion indicate that the facility at Newcastle Airport is ready to accommodate flight training. Fuze Air Flight School passed the CAA (Civil Aviation Association) audit in January 2021 and are now awaiting for the authority to issue the training certification. The certificate is scheduled to be received by the first week of April 2021 as per the advised from the CAA inspector.



SDP 2017/18

NEWCASTLE LOCAL MUNICIPALITY/UMASIPALA WASE NEWCASTLE * CATALYTIC PROJECTS*

MAY 2017

3.14.12. Newcastle Municipality EPWP.

Newcastle Municipality's IDP is formulated in line with the strategic directives of the KZN PGDS, and is also fully aligned to the national development goals. Amongst other things, the PGDS gives focus to the delivery of infrastructure and basic services in order to address the identified backlogs. It also places emphasis on intervention towards socio-economic well-being within KZN. The status of the physical and economic development of a community is measured based on the provision of quality infrastructure for technical services i.e. quality of roads, access to electricity, access to water and sanitation. Within Newcastle this has proven to be a huge challenge evident in the form of the contrast between the need for maintaining existing roads within the urban areas and the provision of new roads in rural areas, including basic services. The challenge is further exacerbated by the need to attend to the various needs of the community whereas there are limited financial resources.

To address such challenges, the Newcastle Municipality has successfully adopted and implemented the Expanded Public Works Program. Massive progress has been made in addressing the development challenges and, in the process, has made progress towards socio-economic transformation through the provision of employment opportunities that also advocate for skills development through the in-house development and implementation of the EPWP Policy Phase 4 which was reviewed in the 2020/21 financial year. The NLM EPWP Policy vision is in line with the overall Vision 2035 and Mission of the Municipality, and seeks through its goal to:

"Enhance the delivery capacity of Newcastle Municipality on EPWP through addressing its challenges, providing integrated and coordinated approach to support the implementation of EPWP for the holistic development of the society".

Through this policy the NLM is aimed to achieve the following objectives: -

- To have EPWP as an approved delivery strategy for projects implementation, employment creation and skills development by ensuring that EPWP guidelines and principles are adhered to in the implementation of any Municipal project across all the EPWP sectors inter alia, the Infrastructure, Social, Environmental & Culture and Non-State Sectors;
- To develop skills within communities through EPWP training programmes, by accredited training providers;
- To maximize the percentage of the Council's annual total budget spent and retained within local communities in the form of wages and by promoting the procurement of goods and services from local manufacturers, suppliers and service providers;
- To adopt and align cluster and departmental annual business plans to the EPWP in-line with prioritized socio-economic objectives;

- Using clearly defined key performance indicators to monitor, evaluate and report all EPWP initiatives, including those being implemented using Provincial and National Government budgets.
- To inform all Departments and Units within the Council on how their functions should contribute towards achieving the EPWP objectives;
- To entrench the EPWP methodology within the Council's Integrated Development Plan;
- To capacitate SMME's and emerging contractors within local communities by facilitating the transfer of sustainable technical, managerial and financial skills through appropriate Learnership Programmes and SMMEs development initiatives;
- Re-engineer how the planning, design and implementation of projects within Newcastle Municipality maximize greater employment opportunities per unit of expenditure.

The Phase 4 policy draws upon the following legal framework:

- The Constitution of South Africa (Act No.108 of 1996)
- The Public Finance Management Act (PFMA, 1999).
- Public Service Act (PSA, 1994).
- Municipal Finance Management Act (MFMA, 2003).
- Division of Revenue Act (DORA, 2006)
- The Municipal Systems Act (Systems Act, 2000)
- The Basic Conditions of Employment Act (BCEA, 1997).
- Skills Development Act (SDA, 1998)
- Cabinet Memo 2003 approving the implementation of EPWP
- EPWP Phase 2: Consolidated Programme Overview, 2009.
- Ministerial Determination 4: Expanded Public Works Programme No. 35310 Gazetted 4 May 2012
- Code of Good Practice for employment and conditions of work for Expanded Public Works Programme. No 34032 Gazetted 18 February 2011.
- Expanded Public Works Programme (EPWP) Institutional Arrangement Framework, (2012).
- National Development Plan 2011
- New Growth Path 2010

At a National level, the Minister of Public Works and Infrastructure has been mandated by Cabinet to champion the EPWP, and thereby is responsible to provide leadership on the policy, design and implementation of the EPWP The coordination of the EPWP within the Local Sphere of Government, is spearheaded by the Executive/Mayor who provides leadership and direction on the implementation of the EPWP in the municipality. The Executive/Mayor appoints a

Member of the Mayoral Committee (MMC) to champion and lead the EPWP in the Municipality. The appointed MMC must also ensure that EPWP aligns with IDPs and key policies and programmes within the municipalities and also ensure the effective coordination and monitoring of the implementation of the EPWP within the Municipality; assist and mobilise departments within the Municipality to meet their targets.

The Municipal/City Manager (MM) appoints the Executive Director (ED) and or delegate functions of the coordination of EPWP to a particular Unit. The Executive Director has to ensure that the EPWP is incorporated in the development plan of the Municipality and also ensure that the Municipal departments incorporate EPWP FTE targets into their programme plans.

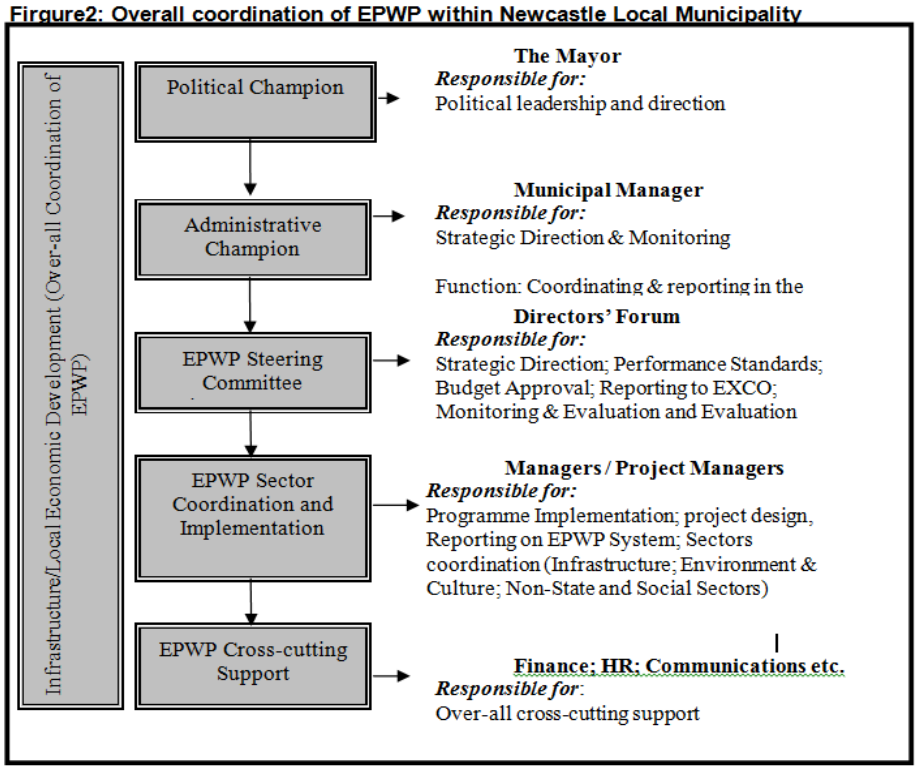


Figure 25: Overall coordination of EPWP within NLM.

All Departments within the municipality have a responsibility in the implementation of EPWP. All the Departments and their Heads have EPWP Targets in their Business Plans and Performance Agreements, which will cascade down to officials of the departments. Amongst other things the Departments are responsible for:-

- The appointment of a dedicated EPWP "Champions";

- The selection of suitable projects for inclusion in the NLM's EPWP Projects Plan;
- Participating in setting task rates for workers to be employed on labour intensive projects;
- The identification of projects which are suitable for inclusion in the NLM's Learnership programmes;
- Ensuring that the planning, design and contract administration of labour intensive works are carried out by consultants who have completed the necessary skills training i.e. NQF Level 7;
- Monitoring and reporting on the implementation of EPWP projects.
- Ensuring that there is labour intensive component in all the projects and inclusion of EPWP conditions in all the projects that go on tender.
- Facilitate and arrange appropriate awareness campaigns among local communities to illustrate the benefits of labour-intensive methods in projects implementation;
- Ensure that all the projects of their Departments are compliant to the Department of Labour's legislations and the Ministerial Determination on Expanded Public Works Programme.

a) Key focus area of Newcastle EPWP.

The key focus area of the Newcastle Municipality's EPWP may be summed as the Triple-Bottom Line – social, economic, and environmental development. In terms of social development, the focus is on contractor development in what is known as the Sebenzel'ekhaya Programme. In terms of environmental sustainability, the focus is on building environmental knowledge and a culture of sustainability through the Food for Waste Programme which has saw Newcastle Municipality receiving accolades for being the cleanest town in the KZN province. In terms of economic development, Newcastle continues to create a conducive environment for attracting investments and subsequently economic development. This is done through municipal projects for road maintenance and unblocking of stormwater drains in naming just a few.

The Siyazenzela Programme may be deemed as one of the successful programs of the municipality. The name of the programme translates to "we're doing it for ourselves," and was initiated by two municipal departments namely - the Department of Technical Services and the Department of Community Services. The intension was to reduce the levels of unemployment within Newcastle whilst also fighting against poverty. The main beneficiaries of the programmes are the previously disadvantaged communities, targeting specifically the poorest of households usually characterised by a general lack of skills due to absence of any form of formal education.
So far the Newcastle Municipality EPWP has had a lot of success with regards to the outcomes of its implementation. More jobs are created every year through the EPWP Integrated grant from National Department of Public Works and Infrastructure. Some of the beneficiaries of the programme have

also received training for funded by NDPWI and the details of the training are as follows:-

Name of Training	Participants	NQF Level	Duration	Service Provider
National Certificate: Environmental Management Skills Programme	55	2	21 days	Elective Training Institute Enterprise
National Certificate: Community House Building	25	2	49 days	Novi General Services
Supervision of Construction Processes (Learnership Programme	20	4	12 Months	Sphola Consulting
National Certificate: Construction road works	30	2	27 days	Imbawula Civil Projects

b) Phase IV Targets.

In line with the Protocol Agreement between the Mayor and the Minister of Public Works, the following entails Newcastle Municipality's EPWP targets for phase 4 and these relate to the number of people to be employed under the programme within municipal development initiatives. These targets are reviewed annually:-

WORK OPPORTUNITIES TARGET					TOTAL
2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**	
932	942	949	952	960	4738
FULL TIME EQUIVALENT					
334	338	341	343	346	1701
INFRASTRUCTURE SECTOR					
600	605	606	606	606	3023
198	200	200	200	200	999
ENVIRONMENT & CULTURE SECTOR					
170	175	180	186	191	903
74	76	79	81	83	393

3.14.13. SWOT Analysis: Local Economic and Social Development.

STRENGTHS	WEAKNESSES
• Central location to existing industrial centres - Johannesburg and Durban • Good existing agricultural and manufacturing base • Large domestic market - located between the Gauteng, KwaZulu-Natal and Free-State markets • Array of events that occur within Newcastle attracting thousands of people each year, as well as business visitors • Good base of educational and research institutions (a number of higher education institutions including Amajuba college, Damelin, Boston and UNISA)	• Lack of value-adding (including agro-processing) • Decline in employment within agriculture and manufacturing • Insufficient funding for the implementation of LED projects • Lack of coordination between the private and public sector (especially provincial and national departments relevant to the project) • Poor institutional support and assistance in the region from public sector. • Red-tape is creating an regulatory and administrative

• Relatively reliable transportation network and relatively good basic infrastructure • Relatively safe locality • Close proximity to mining centres – mainly Dannhauser and Mpumalanga	burden for business (incl environmental processes) • Current weak tourism sector • Lack of business retention and expansion • High levels of unemployment • Inadequate infrastructure (road and rail network, and bulk services) • Limited access to credit
OPPORTUNITIES	**THREATS**
• Community development through agro-processing and community agricultural projects • Diversification of the manufacturing sector and development of new value-chains (incl renewable energy products) with a clear vision • Infrastructure development • Opening of new mines in Dannhauser (30 km away) - Newcastle has traditionally provided housing for mining workers • Targeting of national, provincial and regional sporting events and conferences/functions • Capturing of the new emerging skilled workforce • Development of an ICT and Innovation base within Newcastle to stimulate the knowledge economy (including industrial product design)	• Increased international competition in both the manufacturing and agricultural sectors, with limited protection or support from government • Threat of mechanisation in both industrial and agricultural development • Increasing input costs (electricity, transport, capital and equipment) • Collapse of the rail network and unreliability of the current rail service • Corruption and a lack of accountability (financial and management) • Worsening climatic conditions which have translated into water scarcity and therefore negatively impacting on farming around Northern KwaZulu-Natal. • National labour regulations which has impacted negatively on the textile industry with little
• Investment promotion and facilitation (including development of incentives) • Development of under-utilised or unutilised agricultural and industrial land (vacant farms and industrial lots) – such as an inland logistics hub geared for exports • Promotion of business retention and expansion programmes • Upgrading of the airport • Establishment of industry driven training and skills development through internships and apprenticeships.	support for the industry by local government • Lack of relevant and suitable skills being produced by FET and tertiary institutions (particularly engineers) • Land reform and associated challenges (poor skills transfer to new farmers, slow process, etc)

3.15. Good Governance and Public Participation.

The Newcastle Municipality is a Category B Municipality which functions under the Collective Executive System, consisting of 9 members. The Mayor is elected from the Executive Committee, and the Council consists of 68 councillors of which 10 are full-time councillors. 34 of the 67 councillors are ward elected councillors while the other 30 comprises of proportional representation councillors. The Council has five Portfolio Standing Committees, with members of the Executive Committee serving as Chairpersons and Deputy Chairpersons.

3.15.1. Intergovernmental Relations.

Newcastle Municipality participates in the District IGR forum which is in two folds, the Mayors Forum and the Technical Forum for Municipal Managers. These Forums give the

strategic and political direction for all municipalities within the District, particularly on planning and development. The municipality is also a full participant of the Amajuba District Development Model which is intended towards ensuring the alignment of plans for different spheres of government, so as to effect efficiency in implementation. At the Provincial level, the municipality is participant to a variety of planning and public administration platforms which includes, yet not limited to SPLUMA Forum, IDP Indaba, PPPSC et.

To enhance relations and to ensure synchronized development thereof with other local municipalities within the district family, the Newcastle Local Municipality prides itself in participating in the below-mentioned provincial and district-level IGR Structures:-

- Amajuba District Municipality IDP Representative Forum;
- ADM District Development Model;
- ADM Planners Forum;
- KZN IDP Stakeholders Meeting;
- Planning Steering Committee;
- Amajuba District Area Planning & Development Forum; and
- The Steering Committee for the Strategic Corridor Development Plan (for Vryheid, Emadlangeni, Newcastle and Ermelo).

The municipality has also been able to establish a Decentralised IGR Forum whereby a number of government sector departments render presentations to the various municipal departments and Councillors regarding the project implementation. This exercise is meant to ensure that there is an aligned flow of service delivery information and sharing initiative through all spheres of government.

3.15.2. Internal Audit Activity.

Newcastle Municipality has a fully functional Internal Audit Unit that reports to the Audit Committee on a quarterly basis.

The Institute of Internal Auditors defines internal auditing as follows:-

“An independent, objective assurance and consulting activity designed to add value and improve the operations of an organization. It helps an organization accomplish its strategic objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.” The internal audit activity evaluates and contributes to the improvement of risk management, control and governance systems of the organization. Typical input/responsibilities of the internal audit activity include, amongst others:-

a) Governance.

The Internal Audit Activity assists management in achieving the goals of the Municipality by evaluating the process through which:-

- Goals and values are established and communicated.

- The accomplishment of goals is monitored.
- Accountability is ensured and corporate values are preserved.

b) Controls.

Internal Audit evaluates whether the controls, which management relies on to manage the risks down to acceptable levels, are appropriate and functioning as intended, and proposes recommendations for enhancement or improvement. The Internal Audit unit conducts audits in accordance with the "Code of Ethics" and Standards for the Professional Practice of Internal Auditing" from The Institute of Internal Auditors, as well as other corporate governance regulations.

c) Internal Audit Strategic/Coverage Plan.

The "Standards for the Professional Practice of Internal Auditing," as issued by the Institute of Internal Auditors, requires that "the internal audit activity's plan of engagements should be based on a risk assessment, undertaken at least annually." The inputs of senior management should be considered in this process.

- The Internal Audit Plan is aligned with the strategic risks identified and could encompass risk-based, compliance, financial discipline and cyclical reviews.
- The planned audit activities will be focussed at strategic, process and component level as appropriate.
- The plan for each year will be determined by the priority ranking (based on the risk assessment) of identified audit areas and the expertise and resources available to Internal Audit.

Nature Of Audit Query	Audit Query	Audit Response
1. Consumer debtors – Impairment calculation / Net present value	In terms of GRAP 104 Financial assets are measured at amortised cost "61. If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or with an allowance account. The amount of the loss shall be recognised in surplus or deficit." In terms of GRAP 108 (Statutory receivables) - paragraph.22 states the following: If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, an entity shall measure the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, shall be reduced, either directly or through the use of an allowance account. The amount of the loss shall be recognised in surplus or deficit. PART A During the audit of the impairment of consumer debtors from exchange and non-exchange transactions, it was noted that the municipality utilised the services of a consultant/ expert for the impairment calculation. In terms of the impairment methodology used by the expert, the following is noted: "a) The assessment of debt impairment for receivables, either individually assessed or assessed as a group, shall be done taking into account the assumptions and according to the methodology as outlined below: First step: In determining the impairment provision, the receivables shall firstly be categorized and information relating to the following observable factors or events shall be accumulated, considered and evaluated in order to assess collectability of a receivable or groups of receivables:	The debt impairment calculation will be done in accordance with the relevant Grap Standards and assumptions and exceptions will be clearly outlined in the policies and procedures. This calculation is done only at year end

Nature Of Audit Query	Audit Query	Audit Response
	(i) Significant financial difficulty of the debtors. (ii) A breach of agreement, such as default on delinquency in interest or principal payments. (iii) The municipality, for economic or legal reasons relating to the debtor's financial difficulty, granting the debtor a concession that the municipality would not consider (iv) It is possible that the debtor will enter sequestration or other financial reorganisations. (v) Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of receivables since the initial recognition of those receivable(s); although the decrease cannot yet be identified with the individual receivable in the group, including: a. Adverse changes in the payment status of the debtor in the group (e.g., an increased number of delayed payments) or. b. National or local economic conditions that correlated with defaults on the receivables in the group (e.g., adverse changes in market conditions that affect the debtors in a group). (vi) In some cases, the above observable data or events required to estimate the amount of impairment loss on a financial asset may be limited or no longer fully relevant to current circumstances, e.g., when a debtor is in financial difficulties and there is limited, available historical data relating to similar debtors. In such cases, the municipality shall use it experience judgment to estimate the amount of any impairment loss. Similarly, the municipality shall use its experienced judgement to adjust observable data for a group of receivables to reflect the current circumstances. Second step: Based on the observable factors above, the municipality shall calculate the provision for impairment or collectability of a debt by considering the cash shortfalls it would incur in various default scenarios for prescribed future periods using the following formula: A x B = C Where: A = Default rate (expressed in a percentage form) B = Gross Carrying Amount of Receivable(s) C = Impairment Provision. Any previously recognised impairment provision must be revised when the expected timing or similar amount of thecash flow to be collected changes. Third step: Determine the estimated future cash flows of receivable(s) using the following formula: A – B = C Where:	

Nature Of Audit Query	Audit Query	Audit Response
	A = Gross Carrying Amount of Receivable(s) B = Impairment provision, and C = Estimated future cash flows of Receivable(s) REPORTING OF DEBTORS SEGMENTATION Debt quadrants depict the behaviour of Debtors in terms of the payment of services. Such behaviour is monitored and analysed over a twelve (12) month period. These quadrants as well as their brief description is outlined below as follows: 1. Star Payers: Customers that pay their rates account on time and in full. (High collectability) 2. Grudge Payers: Customers that pay their rates account on time but not in full. (Medium collectability) 3. Infrequent Payers: Customers that do not always pay their bills on time and/or regularly (i.e., such customers may skip a few months at a time without paying for services). (Low Collectability) 4. Non-Payers: Customers that do not pay their account. (Very Low Collectability) From an inspection of note 11 (AFS) consumer debtors from exchange and non-exchange transactions, the following concerns were noted during the audit of the impairment amount of R1,119,379,186: • The debt impairment was calculated using a default rate of 100%. • And therefore, the municipality did not consider estimating future cash flows for receivable amounts when calculating the allowance for debt impairment. The municipality included 100% of both medium collectability and low collectability debtors in this calculation, therefore assuming that debtors with medium or low collectability will default entirely. • The management did not consider the possibility that the municipality may receive some cash flow. This is because the methodology defines these categories as "Customers that pay their rates account on time but not in full and Customers that do not always pay their bills on time and/or regularly (i.e., such customers may skip a few months at a time without paying for services)."	

Nature Of Audit Query	Audit Query	Audit Response
2. Payments not made within 30 days	In terms of section 65(2) (e) of the MFMA: "The accounting officer must for subsection (1) take all reasonable steps to ensure that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure." During the audit of General Expenses disclosed at an amount of R171,784,638 in note 41 to the financial statements, it was noted from a sample of 60 expenditure items that the following eight invoices were not paid within 30 days as required by section 65(2)(e) of the MFMA.	COGTA selected the municipality to participated in a debt collection project. The municipality has introduced several incentive schemes which are aimed at collecting the old debt. Interim Finance Committee (IFC) has been established to curtail costs. All these aimed to improve revenue collection and implement cost containment measures in an effort to improve finances of the municipality. Old debt will be prioritized when approving payments in the Interim Finance Committee meetings to avoid interest.
3.**Cash Flow statement inaccuracies (COMAF07-09th October)**	In terms of GRAP 2 Cash flow statements: Paragraph 02 - An entity that prepares and presents financial statements under the accrual basis of accounting shall prepare a cash flow statement in accordance with the requirements of this Standard and shall present it as an integral part of its financial statements for each period for which financial statements are presented.	Adjustments will be made to the cashflow statement and make improvements to the reconciliation assets note which is also used for inputs to the cashflow statement especially additions. AFS task team will be established to monitor progress of the AFS preparation which will allow finalization timeously and also allowing enough time for review before submission of AFS to the AG.
4.Risk management disclosures (COMAF 13-23 October).	In terms of GRAP 104 – Financial instruments: Paragraph 131: an entity shall disclose a maturity analysis for non-derivative financial liabilities (including issued financial guarantee contracts) that shows the remaining contractual maturities and a description of how it manages the liquidity risk inherent in the financial liabilities. During the audit of Note 47 Risk Management to the financial statements, it was noted that the municipality had omitted certain disclosures. The annual financial statements disclosed a description of liquidity risk but omitted a maturity analysis of the non-derivative financial liabilities, such as trade payables and other financial liabilities Paragraph 131: an entity shall disclose a maturity analysis for non-derivative financial liabilities (including issued financial guarantee contracts) that shows the remaining contractual maturities and a description of how it manages the liquidity risk inherent in the financial liabilities.	1. Process will be put in place to ensure that the disclosure of risk management includes the discounted maturity analysis of borrowings, consumer debtors and other non-derivatives as reported in the statement of financial position. 2. The AFS and the working paper file (rates and figures in the AFS) shall be reviewed by the Director: Budget and Financial Reporting before the disclosure is populated into the AFS. AFS task team will be established to monitor progress of the AFS Preparation which will allow finalization timeously and also allowing enough time for review before submission of AFS to the AG.

Nature Of Audit Query	Audit Query	Audit Response
	During the audit of Note 47 Risk Management to the financial statements, it was noted that the municipality had omitted certain disclosures. The annual financial statements disclosed a description of liquidity risk but omitted a maturity analysis of the non-derivative financial liabilities, such as trade payables and other financial liabilities	
5.Fruitless and wasteful expenditure completeness / not prevented	In terms of section 62(1)(d) of the Municipal Finance Management Act (MFMA), The accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that that unauthorised, irregular or fruitless and wasteful expenditure and other losses are prevented; As per section 125(2)(d)(i) of the MFMA, the notes to the annual financial statements of a municipality and municipal entity must include, amongst others, particulars of any material losses and any material irregular, fruitless and wasteful expenditure. Furthermore, as per GRAP 1 Presentation of financial statements: Paragraph 17 - financial statements shall present fairly the financial position, financial performance and cash flows of an entity. Fair presentation requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, revenue and expenses	Management shall strengthen controls to ensure that all fruitless and wasteful expenditure is identified and disclosed correctly in future. It must be noted that the on-going discussions between the municipality and uThukela Water led to the omission in disclosing this expenditure as it was part of the payment plan discussion that the interest will be written-off on conclusion of the agreement. Interim Finance Committee (IFC) has been established to curtail costs and in an attempt improve cash flow and meet our financial obligations.
Emphasis of the Matter		
6.Material water / electricity losses	As disclosed in note 38 to the financial statements, the municipality incurred material technical water losses of R58 890 000 (2021-2022 R51,44 million) which represents 37% (2021-22..39%) of total water purchased. The losses were due to real and apparent losses, which are based on the system input volume and the authorized consumption.	Newcastle municipality has aimed to reduce the water losses in the context of physical/real losses and commercial/apparent losses. Reducing commercial losses directly generates revenue and reducing physical losses, also reduces the cost of producing the water (less water needed, less chemical and energy use), Improves customer service (more pressure, less supply interruptions and less contamination). Furthermore, improving the billing-collection efficiency will also improve the water utilities' revenue

Nature Of Audit Query	Audit Query	Audit Response
		At the end of 2021/22 financial year non-revenue water was at 60.2 % and Physical water losses at 38.7%. ACTION PLAN PROGRESS OF INTERVENTION PROGRAM A Service Provider has been appointed for the implementation of a self-funded model for reducing water and energy inefficiencies through Shared Water Saving Contracts (SWSC) and Revenue Enhancement Contracts (REC) to assist the Newcastle Local Municipality's Water Conservation/ Water Demand Management (WC/WDM) and Non-Revenue Water (NRW) Strategies having the main objective of reducing the current losses attributed to leaks, theft, overflows, and meter reading inaccuracies, while simultaneously improving billed volumes to consumers and allowing the private sector to partner with the Municipality and share in the savings achieved from the intervention on a 80/20 basis for a 3-year term. APPROACH AND METHODOLOGY The project is divided into 5 phases to address the intervention: Phase 1: Data collection and analysis Phase 2: Water audit and baseline establishment Phase 3a: Water efficiency saving method & Phase 3b: Water increased revenue measures Phase 4: Organisational and results analysis Phase 5: Measurements and verification of outputs. Contractual dates: Project start date: 1 November 2022 Project completion date: 31 October 2025

d) Authority.

Internal audit reports via the Accounting Officer to the Municipal Audit Committee and has unrestricted access to the Chairperson of Audit Committee, the Accounting Officer and Senior Management, including unrestricted access to all relevant functions, records, property and personnel.

e) Audit committee.

The audit committee is a committee of Council, and it is establishment in line with the requirements of Section 166 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and article 14 (2)(a) of the Municipal Planning and Performance Management Regulations, 2001. The Audit and Performance Committee is an independent advisory body, appointed by Council to assist Council in discharging its responsibilities. The Audit and Performance Committee Charter sets out the committee specific responsibilities, and details the manner in which it will operate. The audit committee charter is approved annually by Council.

The following audit committee members were appointed by Council on the 15th of May 2024 for a period of three years:-

Names of Members
N.S. Nxumalo
S. Makathini
M.J. Nkopane
T.H. Nekhofhe
A.M. Ngubane

3.15.3. Effectiveness of Internal Controls.

The municipality's system of internal control is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are effectively managed. According to the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and the King Reports on Corporate Governance requirements, Internal Audit and the Auditor General reports provide the Audit Committee and Management, with assurance that the internal controls of the municipality, are appropriate and effective. This is achieved by means of a risk assessment and review process, testing of controls, as well as identification of corrective actions and suggested enhancements to controls and processes.

The committee has reviewed various reports from the Internal and External Auditors, which highlighted the adequacy and effectiveness of internal control systems within the municipality. The Committee noted a significant improvement within the Supply Chain Management process, in particular, the issue of irregular expenditure. This has also improved in the last quarter of the financial year.

Management has taken the views of both the Internal and External Auditors seriously, even though some of the processes did not allow the municipality to move from its previous audit opinion. A lot of efforts in terms of Human Resources and Financial Resources were employed to assist the situation, of which is hoped that the results will be realised in the audit of the 2021/2022 financial year. Quarterly reports on progress made in implementing the plan was also tabled at the Audit Committee for the purposes of continuous monitoring.

3.15.4. Internal Audit Objectives.

- To maintain oversight responsibilities of all financial and performance reporting.
- To seek reasonable assurance that the operations of the municipality are conducted efficiently and effectively.
- To seek reasonable assurance that the Council has developed and complies with its policies, plans, procedures and internal controls.
- To seek assurance that the Council complies with relevant legislation, regulations and professional pronouncements.
- To review the Internal Audit Charter and submit to the Audit Committee for approval.
- To review of the Audit Committee Charter and submit to Council for approval.
- To report to the Audit Committee as to whether the Internal Audit Unit is given the resources and operational independence required to fulfil its role as outlined in the Internal Audit Charter.
- To prepare the annual risk based internal audit plan which is approved by the audit committee.
- To prepare Internal Audit Reports and provide independent, objective assurance and consulting services to management on matters relating to the following:-
  - Internal Audit;
  - Internal controls;
  - Accounting procedures and practices;
  - Risk and Risk Management;
  - Performance management;
  - Loss control;
  - Compliance with the Municipal Finance Management Act, Division of Revenue Act (DORA) and any other applicable legislation; and
  - Investigate any other matter as requested by the Municipal Manager.

3.15.5. Objectives of Internal Control.

- To evaluate the overall effectiveness of the Internal Control and Risk Management Frameworks, and consider whether recommendations made by the internal and/or external auditors have been implemented by management.
- To assess whether proper adequate accounting records are being maintained.

- To ensure that Council has the necessary policies in place to protect and safeguard assets and to ensure legal compliance with all relevant legislation.

3.15.6. Municipal ByLaws and Policies.

As a creature of statute and an organ that subscribes to the rule of law, the Newcastle Local Municipality exercises vested executive powers, and makes laws and policies to provide for regulation of its activities and environment. ByLaws play a vital role in assisting the municipality to discharge its functions in relation to the values of the rule of law, and accountability that is founded on law. There have been a total of four bylaws approved in the municipality during the years 2020 and 2021, with the most recent of these being the Anti-Corruption Strategy and Fraud Prevention bylaw, as well as the Risk Management Policy which was approved in January 2021. These bylaws have been set in place in order to enhance efficiency and effectiveness of the Municipality.

3.15.7. Batho Pele Policy and Service Delivery Charter.

The Newcastle Local Municipality recognizes the need for the existence of a Batho Pele Policy linked with a Service Delivery Charter as important service delivery tools. The Municipality also acknowledges that a guiding philosophy for service delivery is to get its employees to be customer oriented, strive for excellence in service delivery and to commit to continuous service delivery improvement.

The Newcastle Local Municipality Batho Pele Policy and Service Delivery Charter are being developed in coherence to the relevant applicable legislative prescripts such as the following:-

- Constitution of the Republic of South Africa Act, 1996 (Act No. 108 of 1996);
- White paper on Transforming Public Service Delivery, 1997;
- Promotion of Access to Information Act, 2000 (Act No. 8 of 2000).
- Municipal Finance Management Act, 2003 (Act No. 56 of 2003).
- Municipal Systems Act, 2000 (Act No. 32 of 2000).
- Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000).

Adhering to the above-mentioned legislature, the Newcastle Local Municipality's Communications Department has thus formulated a process plan as to how to properly formulate and ensure the implementation of the Batho Pele Policy, as well as the Service Delivery Charter. Below is a table illustrating the various milestones along with their target dates in the process leading up to the approval of the Batho Pele Policy as well as the Service Delivery Charter.

Table 45: Batho Pele and Service Delivery Charter Formulation Process Plan

	KEY ACTIVITIES/ MILESTONES	TARGET DATE	STATUS
1.	Draft documents to be presented to the extended Manco meeting.	5 February 2021	Executed
2.	Draft documents to be submitted to all the departments and employees for comments. Comments received and were implemented.	22 February 2021	Executed
3.	Draft documents to be presented to the extended Exco meeting.	24 March 2021	Executed
4.	Draft documents to be presented to the provincial Batho Pele and complaints forum.	25 March 2021	Executed
5.	Presentation of draft documents to IDP Representative Forums	30 April 2021	Executed
6.	Formulation of Batho Pele Forum Terms of Reference	12 April 2021	Executed
7.	Internal Batho Pele forum will be formed, made up of members from various departments and external stakeholders.	21 April 2021	Executed
8.	Adoption of the Batho Pele Policy by Council	17 October 2023	Executed
9.	Adoption of the Service Delivery Charter by Council	28 March 2024	Executed

The Batho Pele Forum has been formed, as well as the Terms of Reference to guide the related activities, all of which is in conjunction with the feedback received from KZN COGTA. On a meeting held to discuss the realization of the Batho Pele Principles within the organisation, it was indicated that there is a need to further develop, and/or establish the following:-

- Service Delivery Improvement Plan (SDIP), which includes an identification of a maximum of 3 services to be improved.
- A Municipal Customer Care and Complaints Committee.

3.15.8. Municipal Governance Structures.

The Newcastle Municipality has 61 democratically elected Councillors which constitute the Council. Council meets, at least, on a monthly basis, and is the final decision making body within the Newcastle Local Municipality. The Executive Committee (EXCO) is responsible for the day-to-day running of the organization, including organizational decision making. EXCO meets regularly to receive reports from the Municipal Manager on municipal administration. EXCO is supported by the following portfolio committees:-

Table 46: Portfolio Committees

PORTFOLIO	CHAIRPERSON
Finance	Cllr. D. X. Dube **(Mayor)**
Technical Services	Vacant
Community Services	Cllr. M. M. E. Hlatshwayo
Development Planning and Human Settlements	Cllr. A. P. Meiring
Corporate Services	Cllr. L. C. Sithebe
Governance	Cllr. C. B. Kubheka

The portfolio committees serve as oversight structures in respect of various line functions and responsibilities of the municipality. In addition, the municipality has established a Municipal Public Accounts Committee (MPAC) to oversee the expenditure and accountability for public funds entrusted to the municipality. The structure and current membership of this committee is indicated on the table below:-

Municipal Public Accounts Committee:-

1. Cllr. E. J. C. Cronje (Chairperson).
2. Cllr. M. E. Buthelezi.
3. Cllr. T.N. Dlamini
4. Cllr. M. T. Lethea.
5. Cllr. X. S. Makhubo.
6. Cllr. N. P. Maseko.
7. Cllr. Z.E. Madi
8. Cllr. S.P. Masuku
9. Cllr. M.H. Simelane
10. Cllr. S. E. Shabangu.
11. Cllr. S. Ntsele.

3.15.9. Risk Management.

Newcastle Municipality has implemented a Risk Management System in compliance with Section 62(1)(c)(i) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003), which requires the Accounting Officer/Municipal Manager to take all reasonable steps to ensure that the Municipality has and maintains effective, efficient and transparent systems of Risk Management and Internal Controls. South Africa's codes on corporate governance, the King IV Report on Good Corporate Governance, has consistently identified Risk Management as one of the key pillars for Good Governance practices, and this, as a continuous process, enables constant improvements in strategy design and implementation, as well as an improvement to the organisation's systems and operations. The King IV Report on Good Corporate Governance has identified 'Risk Governance' as one of the cornerstones that if successfully implemented can create and sustain stakeholder value.

Newcastle Municipality recognizes risk management as a critical part of the municipality's strategic management, which is a process whereby the municipality, both systematically and intuitively, mitigates the risk attached to its 'Strategic Objectives' with the ultimate goal of achieving sustained benefit within each programme and across the portfolio of activities. Risk Management is therefore recognized as an integral part of sound organizational management and is being promoted throughout the municipality as good management practice for ensuring good governance.

Like all other government institutions, Newcastle Municipality also faces uncertainty, and the challenge for management is to determine how much **uncertainty** the municipality is prepared to accept as it strives to grow stakeholder value. Uncertainty presents both risk and opportunity, with the potential to erode or enhance **value**. Newcastle Municipality recognizes that value is maximized when management sets objectives to strike an optimal balance between growth and related risks, and effectively deploys resources in pursuit of the municipality's objectives.

The Municipality has adopted an integrated approach to risk management with the primary aim being to embed a culture of

making the right and timely decisions which take into consideration associated risk exposures and opportunities. This therefore means that, Risk Management at Newcastle Municipality, is not just a simple compliance with the requirements of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) which requires the Municipal Manager as the Accounting Officer to implement a system of risk management. Rather it is being implemented in recognition of the substantial value-add of Risk Management.

3.15.10. Risk Governance in the Municipality.

The Municipality has an independent Governance Oversight and Advisory Committee, namely, the Audit and Risk Committee, and it operates in accordance with Council approved Terms of Reference, Corporate Governance Guidelines and Best Practices (King IV Report on Good Corporate Governance), and Professional Practice Standards and Codes. The Audit Committee is responsible for independent oversight and appropriate advice on the risk management process in the municipality, the mitigation of key risk exposures, and advises on emerging risk issues that may have an impact on the municipality. The Audit Committee was appointed as the Risk Management Committee, which implies a combined function. The Audit Steering Committee has been established to address issues raised by the Auditor General, and it sits on a weekly basis.

Some of the key strategies in the short-to-medium term are intended towards ensuring the successful implementation of Risk Governance and Enterprise Risk Management in the municipality, and these are itemised below:-

- Risk Governance Structure, Framework, Policy and Activities;
- Risk Infrastructure and Oversight;
- Adoption and Alignment of Risk Frameworks;
- Risk Ownership and Accountability;
- Risk Management Approach and Principles;
- Risk Management Language;
- Risk Assessment Methodology;
- Continuous Risk Assessment, Design and Implementation of Risk Responses;
- Continuous monitoring; and
- Risk Profiling.

3.15.11. Enterprise Risk Management (ERM).

The management of risks has evolved from the management of Financial Risks, and Transfer of Risks through insurance, to Business Risk Management, and recently to Enterprise Risk Management which includes the management of risks at all levels of the organisation. The ERM process creates that consciousness at both political and administrative levels of the municipality's risk appetite and profile. The benefits which the municipality strives to achieve include the following:-

- To align risk appetite to the municipality's strategies;

- To enhance management's risk response decisions;
- To seize opportunities;
- To reduce operational surprises and losses through continuous identification of potential events;
- To identify and manage multiple and cross-enterprise risks;
- To improve the deployment of capital and allocation of resources through the use of reliable, relevant and timeous risk information.

The overall strategic objective is to embed a culture of risk management in the Municipality, at strategic and operational levels. Accordingly, the Risk Management Unit has mapped the Enterprise Risk Management Programme to the Municipal IDP. A number of priorities have been identified in the Municipality's ERM Programme, for the first year of the 5th generation of the IDP, and these cover the following:-

- To identify, document and communicate the Municipal-Wide Risk Universe;
- To establish the Municipal Risk threshold levels/appetite;
- To undertake Strategic & Operational Risk Profiles;
- To Standardise the Municipal Risk Assessment Methodology;
- To undertake an IT, Fraud, Compliance Risk Assessments and Profiles;
- To undertake Risk Monitoring and Risk Response Plans Advisories;
- To develop departmental Risk Profiles & Registers, and Risk Reporting;
- To establish the Municipal-wide Risk threshold/tolerance levels;
- To Consult on risk responses;
- To develop Business Continuity Management (BCM) Plans & Advisories.

3.15.12. Enterprise Risk Management Projects.

Projects in the ERM Programme are Advisory and Management consulting services, and are long term in nature, planned at straddling the entire current 5-year IDP, and even go beyond this term though the focus in each year. The ERM will entail the following:-

- Municipality Risk Governance.
- Integrated Risk Management Implementation Planning.
- Risk assessment and advisories on management of risks, which consists of:-
  - Strategic Risk Management.
  - Operational risk management.
  - Financial Risk Management.
  - Compliance Risk Management.
  - Project Risk Management advisories.
  - Contracting and contract risk management
- Business Continuity Management.

3.15.13. Integrated approach to Risk Management and Governance Risk and Control functions.

There is therefore a high co-dependence between the Risk Management Unit and the other assurance functions within the Municipality. The municipality has adopted an integrated approach to the management of risk, risk advisory and assurance processes and systems. This will enable collaboration and cooperation between all the internal assurance role players.

3.15.14. Risk ownership and accountability.

The embedding of a risk management culture is one of the priorities that have been agreed to by the leadership of the municipality. One of the key strategies that has been designed is to ensure that there is convergence in the management of risks and performance. Each of the top strategic risks is assigned a risk owner at Executive Director or Divisional head level with reference to the Municipal Manager's department (Office of the Municipal Manager). Risk owners must ensure that Risk Response Plans and Mitigation Action Plans are designed and implemented by responsible officials.

3.15.15. Continuous Risk Assessment.

The assessment of risks requires the identification of organisational objectives and strategies, and an analysis of inherent events that may impact on the achievement of objectives and strategies. While the municipality's Risk Management Unit facilitates the assessments of risks through workshops or reviews of existing risks, the primary responsibility for the management of identified and emerging risks lies with the respective Executive Manager.

The municipality continuously assesses its risk exposures, including the measurement and prioritisation of these risks using the risk assessment methodology. Priority is given to the potential uncertainties that have been measured to have 'extreme and high inherent risk exposures.' Similar priority is given to those risks that have 'high residual risk exposure,' alternatively, where the respective risk response plans are inadequate and/or ineffective.

3.15.16. Strategic Risk Management.

Strategic Risk Assessments are conducted at least annually, and facilitated internally by the municipality's Risk Management Unit. The municipality identifies the top 15 Municipal-wide Strategic Risks for each financial year.

3.15.17. Operational Risk Management.

Operational Risk Assessments are conducted at the level of each directorate in the Departments, and at the level of Business Units or Directorates in the entities. The outputs, thereof, are Departmental Risk

Profiles, and Directorate Risk Profiles. Both Internal Audit and the Auditor General usually focus on the risk, control and audit universe at operational levels to evaluate the design and effectiveness of the internal control environment, ofwhich is a bottom-up approach. Therefore it is critical that management, assisted by municipality's Risk Management Unit, should consistently analyse Operational Risk Exposures and implement adequate systems of internal controls. Operational Risk Profiles must be communicated to the management and staff of the department or directorate to ensure that all role players are aware of the risk environment and the responsibilities for the management of identified and emerging risks.

3.15.18. Risk Response Plans Advisories on Risk Management Strategies.

The Risk Matrix enables the prioritisation of risks. The Risk Mitigation Strategies (i.e. whether to accept, avoid, transfer or control risks) will be evaluated to ensure they appropriately respond to the identified risks, and the cost vs benefit analysis will also be conducted. While the Risk Management Unit will monitor the design of risk mitigation strategies/responses in respect of all identified risks, focus will be placed on those risks that have been identified as 'Extreme' or 'High', according to the Risk Matrix.

3.15.19. Risk Monitoring and Risk Reporting/Communication.

Subsequent to the Risk Assessments and the identification of Risk Management Strategies by respective management, the municipality's Risk Management Unit analyses the adequacy of the risk strategies in bringing the risks to acceptable tolerance levels. The Internal Audit Activity prepares Risk Based Audit Plans, having assessed the risk environment and determined the risk and audit universe. The Risk-Based Auditing Approach ensures that Internal Audit efforts are focused on 'Extreme' and 'High' Risk Areas, and Internal Audit projects are therefore derived from the Strategic and Operational Risk Registers. Internal Audit also provides independent assurance on the effectiveness and efficiency of Risk Mitigation Plans.

3.16. Public Participation.

3.16.1. Mechanisms for Public Participation.

Public participation is an important tool for determining the exact development needs prevailing in the communities, and these are established during various forms of public meetings. Newcastle Local Municipality is currently utilizing the following mechanisms for public participation in order to develop and/or review the IDP:-

- **IDP Representative Forum (IDP RF):** This forum represents a variety of stakeholders including key interested and affected members of the community such as civil

society organizations. Members of the IDP-RF include the Ward Committees, Amakhosi, Non-Governmental Organizations (NGOs), Community Based Organisations (CBOs), Organized Business, Faith Organizations etc.

- **Izinduna Forum:** This forum is meant towards enhancing representation of the Traditional Leaders within municipal affairs through the provision of a platform for capacity building, information sharing, and input making. This forum is specifically focused on areas under the custodianship of Ingonyama.
- **Media:** Local newspapers are utilised in order to inform the community of the progress of the IDP related matters, including the IDP-RF, the IDP/Budget Roadshows, the Constituency Meetings, and other public notices meant to seek input and/or inform on the review and development of key strategic documents.
- **Radio Slots:** The Newcastle Community Radio Station is also utilised to make public announcements where necessary, and to reach out to the public including the provision of feedback on IDP related matters.
- **The Newcastle Website:** The Newcastle Municipality's website is utilized to communicate and inform the community. Copies of the IDP and the Budget are placed on the website for ease of access to communities, general stakeholders, service providers, and other government entities.
- **Ward Committees:** The Newcastle Municipality has adopted the Ward Committee policy which has resulted in the establishment of ward committees in all 34 wards under the jurisdictional area of Newcastle. The municipality considers ward committees as one of the institutional bodies essential for fast-tracking targeted service delivery, and deepening democracy. Ward Committees represent a wide range of community interests through the IDP-RF, and their inputs are always considered. They are also being used to disseminate the information about the developmental agenda of the municipality.
- **IDP/Budget Road Shows:** The Newcastle Municipality hosts its community road shows in order to consult members of the public on the Draft IDP and Budget prior to finalization so as to effect participatory development. The venues for these meetings are publicized through the IDP-RF, public places and as well as through the local print media.
- **Constituency Meetings:** The Newcastle Local Municipality has developed the Public Participation Policy and Strategy document to enhance and expound on the core and key functions of the municipality. These programmes assist in establishing the issues of development to the community, which thus feeds into the IDP. During the budget process, the departments will then prioritize the projects which emanates from the community inputs through these meetings.
- **Social Media Platforms:** Integrated Development Planning is also effected through social media platforms such as Facebook in order to give public notices, and also to provide

inputs to any questions of clarity from the public on IDP related matters.

- **Traditional Healers:** Participatory planning on the IDP has further expanded the scope to include Traditional Healers as one of the key stakeholders, more especially given the current health issues. By so doing, we intend to enhance joint efforts aimed at ensuring a healthy society that free from illnesses.

3.16.2. Ward Committee System.

The Municipality has developed and adopted a Ward Committee Operational Plan which is a guiding document that will ensure the functionality and the effectiveness of the ward committees. The Newcastle Local Municipality has thirty four (34) wards, and each ward has a Ward Committee constituted of ten (10) members. In line with the requirements of Outcome 9, the operational document prescribes that the institutional arrangements be as follows:-

The wards are divided into ward forums namely:-

- Zone A which has 12 wards (Madadeni);
- Zone B which has 8 wards (Osizweni);
- Zone C which has 6 wards (Blauuwbosch); and
- Zone D which has 8 wards (Town).

The Ward Committee system is structured according to the following fora:-

- Chairpersons forum.(all 34 ward councillors);
- Secretaries forum; and
- 340 ward committees which essential the quarterly zonal meetings.
- Ward Committee Portfolio which takes place bi-annually.

The Public Participation Directorate, established in the Office of the Development Planning and Human Settlements and supports the Office of the Speaker, is responsible to ensure that the ward committees are functional in line with an approve Ward Committee policy and the Ward Operational Plan. Furthermore, as part of the government programmes stream-lined towards the improvement of good governance, the Provincial government shall be rolling out workshops on the role of ward committee members in the implementation of the Back to Basics Programme and Newcastle Municipality is to benefit from the programme.

The functionality of Ward Committees are monitored through the submission of ward reports regarding Ward Committee Performance, which basically assesses the performance of Ward Committees within Newcastle. The performance is measured in terms of the following indicators:-

- Number of Ward Committee Meeting held – 1 per month;
- Number of Ward Committee Meetings chaired by the Councillor – 1 per month;
- Percentage of attendance – 50 plus 1;
- Number of community meetings held – 1 per quarter;

- Number of sectoral reports – 10 per month; and
- Number of reports submitted to the municipality – 1 per quarter.

The assessments are done on a quarterly basis, namely:-

- July – September;
- October – December;
- January – March; and
- April – June each year.

In general, the overall performance of the Newcastle Ward Committees is satisfactory. Stringent measures are being implemented by the Office of the Speaker to improve the identified shortfalls. Newcastle Municipality has also earmarked the facilitation of Constituency Meetings across all 34 wards as part of strengthening democracy and governance structures within the municipality. This approach plays an integral role in cascading service delivery information, including the provision of feedback on issues that were established through the reports submitted by the Ward Committees.

Furthermore, a Capacity Building and Training for all Ward Committees is to be facilitated by the Public Participation Unit whose main purposes is to train Ward Committees on municipal processes, and this took place during the 4th quarter of the 2021/22 financial year.

3.16.3. The Participation of Amakhosi within the Council Meetings.

The Traditional Leaders of Newcastle are active participants to all Council meetings, and this is line with a variety of legislative prescripts including Section 81 of the Municipal Structures Act, 1998 (Act No. 117 of 1998). They have an elected representative who looks out for the best interests of the Traditional Council, and his name is iNkosi u-C. S. Kubheka of the Khathide Traditional Council. The elected representative is also the Chairperson of the House of Traditional Leaders within the Amajuba District Municipality knowns as the Amajuba Traditional Council.

On the last IDP Representative Forum they were also participants who were actively involved in the robust discussions pertaining to the administration of land held in trust under the Ingonyama Trust Board, and this is in line with a recent circular by KZN-COGTA the requires enhanced efforts to ensure the participation of Traditional Leaders in municipal affairs. Some of the issues which were raised were in relation to the traditional processes pertaining to the allocation of land to interested parties, and the environmental considerations thereof. The following entails the members of the Amakhosi Traditional Council which were present in the IDP Representative Forum, including their headsmen (Izinduna):-

	Traditional Council	Name of Inkosi	Isigodi	Name of Izinduna
1.	Amahlubi Traditional Council	Inkosi B. S. Radebe	Ezibayeni	Mkhwanazi Booi John
			Drycut	Maduba Piet Tiatus
			Nkanini	Vacant
			Maflethini	Vacant
			Mapoto	Vacant
2.	Khathide Traditional Council	Inkosi C. S. Kubheka	Mndozo	J. J. Dlamini
			Manzana	M. S. Mathebula
			Five Star	V. Mathebula
			Emadanyini	V. J. Dhladhla
			Dicks	M. E. Mthethwa
			Emadoshini	G. W. Mchunu
			Enkwalini	K. B. Dhlamini
			Fairview	M. W. Mhlongo
			Emasimini	K. F. Ngubane
			Gudlucingo	T. M. Douglas
			Entshohini	J. Xulu
			Kwamlimi	B. R. Sibisi
			Nyonini	K. H. Mthembu
3.	Khumalo Traditional Council	Induna S.T. Khumalo (Ibamba)	Mthintandaba	N. P. Mandlenkosi
			Hloniphani	P. T. Koza
			Leslie Farm	S. T. Khumalo

3.16.4. The Communication Unit.

Newcastle Municipality has a fully functional Communication Unit that supports and coordinates all communication efforts of the municipality. The unit actions this with the main aim of enabling the Mayor and the Municipal Manager to perform their functions as Chief Communicators. The unit also provides strategic advice/guidance with regards to communications policy development, programme planning and programme implementation. The unit develops and implements communication plans, including the production of publications for information dissemination thereof.

The Communication Unit within the NLM, with the help of a newly appointed Head of Communications, houses dedicated communication officers who exist for each department within the municipality. These officers are responsible for communicating activities for all the departments to internal and external stakeholders. The Communications Unit evaluates and identifies communication issues, develops communication strategies, implements and manages communication actions such as campaigns, events, advertising, design and printing of communication material, in naming a few. Typical functions/responsibilities of Communications Unit include, amongst others:-

❖ Functions of the Communications Unit.

- Internal communication.
- External communication.
- Media and stakeholder liaison.
- Media production, marketing, communications and branding.
- Events Management.
- Customer Care and Batho Pele.
- Publications productions.
- Graphic designing.

- Provision of support to the municipality's leadership/appointed officials.

❖ Functions of the Head of Communications.

- Establishment and maintenance of relations with the stakeholders in the municipal area.
- Communicating with the immediate superiors on specific key performance areas (communication, relationship management, strategic events) with a view to aligning functions and objectives.
- Analysing the adequacy of current approaches, and submission of reports supporting specific provision associated with communication interventions considered during the preparation of financial expenditure estimates.
- Assisting with the interpreting of situational and contextual issues, and researching relevant topics to enable the preparation of speeches and letters.
- Publication of newsletters, brochures and advertisements and other relevant material through appropriate forms of media.
- Co-ordinating the planning, editing, layout and distributions of articles, arranging photo-shoots and compiling and seeking approval of articles and information for inclusion in national, provincial and business print mediums.
- Attending to the information needs with respect to the internet/website of the municipality, checking the usage or insertion of news items, articles and photographs for approval of the municipal manager.
- Co-ordinating the set-up and implementation of communication mediums to serve as avenues to facilitate transfer of functional information and receive comment, opinions and complaints.
- Collecting information for publication.
- Writing articles for in-house newsletter.
- Assisting with translation and editing of communication material.
- Responding, through the collection of factual information and conducting the necessary investigation/research to enquiries and concerns from the general public, councillors, government departments, media etc.

❖ Objective of the Communications Unit.

To restore the credibility of the communications unit and to formulate an annual communication roadmap with the sole aim of enhancing effective communication through the 4 Industrial Revolution. Moreover the objective of the unit is to establish a communication network that will disseminate crucial and critical information to the length and breadth of the municipality. Creating a positive and moral boosting work environment where staff can see the changes that are taking place within the municipality.

3.16.5. Communication Strategy.

The Newcastle Municipality is in the final stages of developing its Communication Strategy. The development of the Communication Strategy is aimed at meeting the objectives of the newly appointed council and to provide a record of the service delivery activities of the municipality. Moreover, it is aimed towards assisting the municipality to communicate its achievements effectively to communities within the Newcastle Municipal jurisdiction as well as to relevant stakeholders.

The strategy will be centred on assisting the municipality in attaining Vision 2035 together with its mission thereof. Moreover the purpose of the strategy will be to create and develop an effective communication strategy for the Newcastle Local Municipality with the incomparable aim of becoming the first source of information for all stakeholders. The Communication Strategy should be an inception to an effective communication roadmap which aims to position the municipality as a leader of a trustworthy hub of government information.

The strategy is formulated with the guidance of the following legislation:-

- Local Government Municipal Systems Act, 2000 (Act No. 32 of 2000);
- Local Government Municipal Structures Act, 1998 (Act No. 117 of 1998);
- Promotion of Access to Information Act, 2000 (Act No. 3 of 2000);
- Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
- Intergovernmental Relations (IGR) Framework Act, 2005 (Act No. 13 of 2005);
- Media Development and Diversity Act, 2002 (Act 14 of 2002)
- Government Communicators' Handbook (GCIS); and
- Section 32 of the Constitution of the Republic of South Africa.

❖ Aims and Objectives of the Communications Strategy.

The pivotal and paramount outcomes for the communication strategy will be to establish the following:-

- The municipality to fulfil its role as the first source of information on municipal matters.
- Provide a result orientated guide for the municipality's marketing communications framework, in particular in relation to its stakeholder relations undertakings.
- Identify the municipality's key audience for all its programs.
- Profile the municipality as a credible and efficient government entity.
- Profile the municipal leadership, employees and key stakeholders.

- Establish a brand a marketing policy, municipal identity and imagery.
- Enable the municipality to communicate effectively and efficiently both internally and externally.

3.16.6. SWOT Analysis: Good Governance and Public Participation.

STRENGHTS	WEAKNESSES
• Functional Municipal Public Accounts Committee (MPAC) • Functional section 79 and Section 80 committees. • Functional Audit Committee in accordance with section 166 of the Municipal Finance Management Act, no 56 of 2003. • Municipal policies in place. • Functional Independent Internal Audit activity established in terms of section 165 (1) (c) of the MFMA. • Functional Risk Management Unit established in terms of section 62 (1) (c) of the MFMA. • Functional Performance Monitoring and Evaluation Unit established in terms Chapter 6 of the Municipal Systems Act, 2000 (Act No. 32 of 2000). • Functional IGR structures. • Functional portfolio committees that perform an oversight function. • Public involvement in municipal affairs. • Functional ward committees.	• Human resource capacity constraints (High vacancy rate/Unfilled vacant positions); • Financial resource constraints, Negative/Low cash flows; • Out-dated municipal policies; • Lack of in-house investigation capacity; • Lack of consequence management systems; • Lack of proper whistle-blowing systems; • Lack of an ethics committee; • Slow progress in implementation of internal audit and risk action plans; • Ineffective internal controls; • Non-implementation of policies approved by council; • Accuracy, usefulness and credibility of performance information.
OPPORTUNITIES	**THREATS**
• Support from national and provincial government (including grants). • Public confidence and good media coverage. • Publicity and good marketing campaigns. • External newsletter. • IGR Support. • Revenue Enhancement Strategy providing additional revenue streams. • Enhanced Revenue Collection System. • Improved Credit Control and Debt Collection processes. • Filling of critical vacancies. • Reduced expenditure through Cost cutting measures.	• Constant changes in local government legislation and policies. • Political violence and intolerance. • Slow pace of service delivery which may spark service delivery protests. • Non-compliance with legislation, regulations and municipal policies. • Failure to achieve service delivery targets. • Loss of key staff. • Loss of critical data due to lack of off-site backup storage facility. • New technologies. • Unfavourable audit outcomes. • Failure to ensure business continuity in case of disruption. • Fraud and corruption. • Unmitigated risks could materialize and cause severe impact to the operations of the municipality and ultimately on service delivery. • Lack of integrity, accuracy, and credibility of financial and performance information. • Collapse of aged and ageing infrastructure (water reticulation infrastructure and electrical distribution infrastructure, roads

	and stormwater, etc) resulting in service delivery failure and community unrest.

3.17. Financial Viability and Management.

This IDP chapter deals with financial viability and management of the municipality, providing historical and the current perspective of the state of finances. In line with the financial and over-arching strategies of the municipality, the section will further highlight some of the most critical measures that will be undertaken by the municipality in order to address the shortcomings faced by the municipality, i0n line with the approved budget, financial resources to address the shortcomings and to implement the IDP within the medium terms are also discussed.

3.17.1. Capital Expenditure.

The capital expenditure indicates the ability of the municipality to provide services to communities. It comprises of service delivery projects that are required by communities through the IDP and the MTREF Budget. These include, but not limited to, the roads networks, electricity infrastructure, water and sewer networks, halls, sports-fields, swimming pools, park and recreation, libraries and museums as well as refuse sites.

The municipality's capital expenditure performance over the past three financial years is tabulated as follows:-

Table 47: Historical capital expenditure.

TOTAL CAPITAL EXPENDITURE YEAR 2020/21 – 2022/23			
DETAIL	**YEAR 2020/21**	**YEAR 2021/22**	**YEAR 2022/23**
Original Budget	R 125 547 994	R 145 393 000	R 209 033 032
Adjustment Budget	R 150 390 330	R 185 393 179	R 214 299 166
Actual	R123 786 165	R 148 409 424	R 173 567 690
% Actual	**82%**	**80%**	**81%**

Over the past three previous financial years, the municipality has spent a total of approximately R446 million on capital infrastructure and assets. While an increase in the expenditure has been observed in each year with R123 million spent in 2020/21, R148 million spent in 2021/22 and R173 million spent in 2022/23, this portrays some level of improvement with regards to the current financial situation of the municipality.

The municipality is already developing a strategy to build up cash-backed reserves in order to ensure its ability to finance some of the capital programme internally. The bulk of the municipality's capital expenditure is funded from grants. The table below depicts the summary funding sources of the capital programme of the municipality. Over the past three years, the municipality has spent approximately R446 million on capital projects, of which R366 million was funded from government grants and R80.3 million from internal reserves.

Table 48: Funding source for the capital programme.

SOURCES OF FUNDING:	BUDGET 2024/25	BUDGET 2025/26	BUDGET 2026/27
NATIONAL GRANTS	151 580 373	140 946 300	155 218 422
PROVINCIAL GRANTS	10 796 000	10 820 000	10 820 000
INTERNAL FUNDED	11 110 000	3 200 000	3 200 000
TOTAL CAPITAL BUDGET	**173 486 373**	**154 966 300**	**169 238 422**

3.17.2. Capital Budget (2024/25 – 2026/27).

The municipality has appropriated a total budget of R497 million over the next three financial years towards its capital programme. The table below seeks to reflect the capital budget for each financial year over the next three financial years. It is critical to note that the projects included in the budget are those projects that were identified through the ward based planning and prioritization model of the IDP of the municipality.

FINAL CAPITAL BUDGET 2024/25 -2026/27 MTREF

Directorate	DirectorateDescription	CostCentre	ConfigCode	OwnDescription	Bud 24/25	Bud 25/26	Bud 26/27
OPERATING CAPITAL PROJECT							
CORPORATE SERVICES							
1	ADMINISTATION	106	70106035021	OVERHEAD PROJECTOR AND PROJECTION SCREEN	50 000	-	-
1	ADMINISTATION	106	70106104721	PURCHASE OF VEHICLES	800 000	-	-
					850 000	**-**	**-**
COMMUNITY SERVICES							
2	COMMUNITY SERVICES	232	70232001921	REFUSE BULK CONTAINERS	-	800 000	800 000
2	COMMUNITY SERVICES	232	70232025021	ROAD MAKING MACHINE	90 000	-	-
2	CULTURE, RECREATION, AMENITIES	274	70274100321	ART PURCHASES	29 000	-	-
2	CULTURE, RECREATION, AMENITIES	203	70203225031	CONSTRUCTION OF WHEELCHAIR RAMP AT ART GALLERY	50 000	-	-
2	CULTURE, RECREATION, AMENITIES	404	70404104121	GRASSCUTTER	70 000	-	-
2	CULTURE, RECREATION, AMENITIES	186	70186017061	AMPHITHEATHRE: PHASE 2: FORT AMIEL	217 000	320 000	320 000
2	CULTURE, RECREATION, AMENITIES	127	70127015021	FURNITURE AND EQUIPMENT	400 000	-	-
2	CULTURE, RECREATION, AMENITIES	166	70166108061	CONSTRUCTION OF SPORTS FACILITY - MIG	8 964 576	10 558 042	-
2	CULTURE, RECREATION, AMENITIES	166	70166107061	CONSTRUCTION OF SPORTS FACILITY (OLD CASINO)	10 000 000	10 000 000	10 000 000
					19 820 576	**21 678 042**	**11 120 000**
DP&HS							
4	ECONOMIC DEVELOPMENT	125	70125039361	REFURBISHMENT OF HANGER BUILDING	500 000	-	-
4	ECONOMIC DEVELOPMENT	125	70125045021	AIRPORT SOFTWARE	1 000 000	-	-
4	ECONOMIC DEVELOPMENT	125	70125039261	CONSTRUCTION OF ATNS TOWER	4 500 000	-	-
4	HOUSING & LAND	261	70261012251	FURNITURE AND EQUIPMENT	500 000	500 000	500 000
4	TOWN PLANNING	280	70280100361	CONSTRUCTION OF ROADS	20 000 000	2 000 000	5 000 000
					26 500 000	**2 500 000**	**5 500 000**
BTO							
5	FINANCIAL TREASURY SERVICES	200	70200025021	MACHINERY , EQUIPMENT	100 000	100 000	100 000
5	FINANCIAL TREASURY SERVICES	200	70200015021	FURNITURE AND EQUIPMENT	300 000	300 000	300 000
5	FINANCIAL TREASURY SERVICES	200	70200035021	IT EQUIPMENT	2 000 000	2 000 000	2 000 000
					2 400 000	**2 400 000**	**2 400 000**
ELECTRICAL SERVICES							
10	INFRASTRUCTURE ELECTR & MECH	602	70602025021	HIGH VOLTAGE TEST EQUIPMENT	1 300 000	-	-
10	INFRASTRUCTURE ELECTR & MECH	258	70258002061	CONSTRUCTION OF 11kv SWITCHING STATION- CAPRICON	7 700 000	6 000 000	6 500 000
10	INFRASTRUCTURE ELECTR & MECH	258	70258003061	CONSTRUCTION OF 132/11kv STATION- EQUARAND	14 644 000	12 000 000	12 000 000
					23 644 000	**18 000 000**	**18 500 000**
TECHNICAL SERVICES							
11	INFRASTRUCTURE CIVIL	233	70233110561	UPGRADE OF VOORTREK PUMPSTATION AND ASSOICIATED WORKS	-	4 000 000	28 799 462
11	INFRASTRUCTURE CIVIL	701	70701119661	CHARLESTOWN BULK WATER SUPPLY	-	4 812 844	30 000 000
11	INFRASTRUCTURE CIVIL	150	70150015021	FURNITURE EQUIPMENT	30 000	100 000	150 000
11	INFRASTRUCTURE CIVIL	233	70233170561	UPGRADE OF MADADENI WASTE WATER TREATMENT	1 000 000	-	-
11	INFRASTRUCTURE CIVIL	701	70701009661	BLAAUWBOSCH BULK WATER	8 703 375	-	-
11	INFRASTRUCTURE CIVIL	245	70245029761	CONSTRUCTION , REHABILITATION OF JR2 ROAD	10 000 000	-	-
11	INFRASTRUCTURE CIVIL	233	70233170661	UPGRADE , REFURBISHMENT OF BULK SEWER PIPELINE FROM SIYAHLAL	11 000 000	28 837 541	-
11	INFRASTRUCTURE CIVIL	245	70245012861	CONSTRUCTION OF OSIZWENI TARED ROAD WARD 9, 10 , 32	13 000 000	20 879 210	34 426 939
11	INFRASTRUCTURE CIVIL	701	70701018261	VILIOENPARK BULK WATER , SANITATION	13 000 000	31 488 880	9 006 169
11	INFRASTRUCTURE CIVIL	245	70245011861	CONSTRUCTION OF MADADENI TARED ACCESS ROAD WARD 28 , 29	13 050 546	20 269 783	29 335 852
11	INFRASTRUCTURE CIVIL	701	70701010661	PIPE REPLACEMENT AND UPGRADE PROJECT	30 487 876	-	-
					100 271 797	**110 388 258**	**131 718 422**
				TOTAL OPERATING CAPITAL PROJECTS	**173 486 373**	**154 966 300**	**169 238 422**
				SOURCES OF FUNDING:			
				NATIONAL GRANTS	151 580 373	140 946 300	155 218 422
				PROVINCIAL GRANTS	10 796 000	10 820 000	10 820 000
				INTERNAL FUNDED	11 110 000	3 200 000	3 200 000

The municipality is planning to fund its capital programme from a mix of the government grants and internal funding. No loans are planned to be taken over the next three financial years. The municipality is expecting to receive grants and subsidies of about R480 million from national and provincial government for the next 3 financial years whilst about R17 million is anticipated to come from internal reserves. The following tables depicts a summary of the capital funding sources for the next three years:-

Table 50: Capital funding sources.

SOURCES OF FUNDING:	BUDGET 2024/25	BUDGET 2025/26	BUDGET 2026/27
GOVERNMENT	162 376 373	151 766 300	166 038 422
INTERNAL FUNDED	11 110 000	3 200 000	3 200 000
TOTAL CAPITAL BUDGET	**173 486 373**	**154 966 300**	**169 238 422**

Over the next three years, the municipality will implement new projects to the tune of R82.6 million, of which the upgrade to the existing infrastructure is projected to cost the municipality about R308.6 million. Given the financial situation and the economic climate, it is imperative that council invest funds towards the maintenance of the existing assets in order to avoid early replacement, which is likely to cost the municipality more. The summary of projects between existing and new projects is as follows:-

Table 51: New/existing assets.

New / Existing	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
New Assets	38 219 658	31 100 000	13 300 000
Existing Assets	96 073 342	103 349 500	109 235 450
Total Expenditure	**134 293 000**	**134 449 500**	**122 535 450**

While the municipality's financial status is not currently favourable, strides are however made to ensure that funds are invested with various institutions in order to ensure that funding is available for the capital programme. These funds are invested to ensure that funding from internal reserves is available, and that conditional grants not yet spent are available when needed. The following table reflects that status of the investment portfolio of the municipality.

Table 52: Investment portfolio.

SUMMARY OF INVESTMENTS FOR NEWCASTLE FOR MARCH 2021					
Account Number	**Opening Balance**	**Investment Made**	**Withdrawals Made**	**Interest Capitalized**	**Balance**
Standard Bank 068450354/015	R 1 089 090			R 27 879	R 1 116 969
Standard Bank 068450354/016	R 28 701 727	R 51 000 000	R 51 000 000	R 666 209	R 29 367 936
Standard Bank 068450354/035	R 43 254	R 0	R 0	R 183	R 43 438
Standard Bank 068450354/036	R 598 081	R 0	R 0	R 15 310	R 613 392
Standard Bank 068450354/037	R 422 224	R 0	R 0	R 10 808	R 433 032
Standard Bank 068450354/038	R 60 264	R 0	R 0	R 483	R 60 747
Standard Bank 068450354/039	R 78 434	R 0	R 0	R 628	R 79 062
Standard Bank 068450354/040	R 5 553 011	R 0	R 0	R 142 151	R 5 695 162
Absa: 9288456248	R 64 920	R 0	R 0	R 0	R 64 920
Absa 9300506428	R 529 582	R 0	R 0	R 13 245	R 542 827
Nedbank 037648555441 46	R 113	R 0	R 0	R 3	R 116
Nedbank 037648555441 47	R 113	R 0	R 0	R 3	R 116
Nedbank 037648555441 48	R 113	R 0	R 0	R 3	R 116
Nedbank 037648555441 49	R 113	R 0	R 0	R 3	R 116
Nedbank 037648555441 52	R 965 440	R 370 432 000	R 286 500 000	R 853 481	R 85 750 921
Nedbank 037648555441 53	R 47	R 0	R 0	R 0	R 47
Nedbank 037648555441 54	R 366 309	R 0	R 0	R 14 323	R 380 632
Total as '2021/03/31	**R 38 472 837**	**R 421 432 000**	**R 337 500 000**	**R 1 730 389**	**R 124 134 930**

3.17.3. Social and Economic redress via Indigent Support.

The criteria for approval of an indigent status will be as follows as per the Indigent Policy (24/25):-

- The household income in terms of the revised Indigent Policy, the monthly household earnings of an indigent application be capped at R5000.00 per month.
- The approved indigent policy (2024/2025) has been attached for perusal. The qualifying indigent consumer will be receiving the following as an indigent benefit:-
  - 50 Kwh electricity;
  - 6Kl water;
  - 100% rates subsidy;
  - 100% sewer subsidy;
  - 100% refuse subsidy; and
  - 100% availability charges for water and electricity subsidy.

- The qualifying indigent consumers are as follows from the 2016 / 2017 financial year end:-

Financial year	Number of indigents as per the indigent register
2016/2017	20 975
2017/2018	3 357
2018/2019	7 484
2019/2020	8 952
2020/2021	8 654 (April 2021)

With regards to the table above, there was a significant decrease in the number of qualifying indigent consumers as the numbers dropped from 20 975 at 30 June 2017 to 8 654 in April 2021. This was due to the Municipality undertaking an aggressive program to cleanse the indigent register to ensure that only valid indigents are reflected. Letters and sms messages were sent out to affected indigent consumers who were asked to reapply for their indigent status. Those who did not come through to the Municipality within the prescribed time period were deregistered. The municipality further implemented the findings of the Auditor General for the 2020 audit in order to correctly reflect its state of the indigents.

The Municipality further implemented an online indigent verification system which is linked to the Department of Labour, CIPC, Department of Home Affairs which assists us to ensure that the indigent status is granted to those that qualify, and we have a complete and accurate indigent register. Outreach programs are conducted so that the public is made aware of the indigent policy and criteria thereof, and is encouraged to apply should they meet the qualifying criteria.

We envisage the growth in the indigent register to be as follows:-

- 2019/2020 9 000
- 2020/2021 10 000
- 2021/2022 11 000

Table 53: The monthly benefit granted to the qualifying consumers.

Financial year	Total benefit (subsidy)	Total equitable	% of the indigent

	granted by Municipality	share received	benefit as a percentage of equitable share
2016/2017 (actual)	87 506 322	306 952 000	28.50
2017/2018 (actual)	60 946 013	318 176 000	19.14
2018/2019 (actual)	41 636 607	341 408 000	17.69
2019/2020 (actual)	54 528 787	373 648 000	14.60
2020/2021 (budget)	49 617 365	403 064 000	12.31

The percentage allocation of the equitable share for utilisation on the indigent benefit or subsidy decreased substantially from 2018/2019 onwards. This was due to an aggressive cleaning up campaign of the indigent register as highlighted above. This was necessitated by the Auditor General's finding in respect of the credibility of the indigent register. Whilst it is important for a Municipality to provide relief to its consumers, it has a responsibility to ensure that this relief is granted to those individuals who qualify for such benefits.

Even though the Municipality has an online indigent verification system in place, a yearly review is conducted by a third party on the bulk register to ensure that the indigent register is valid, accurate and complete at all times. This mechanism also assists the Municipality to identify those customers that were granted the status incorrectly therefore acts as an internal control mechanism as well. The yearly review also gives the Municipality an indication of the number of consumers who may qualify as possible indigents but are not on the indigent register, which will then necessitate the communication of the indigent policy to the community so that they are able to apply for the status. The onus is on the affected consumer to apply for the indigent status and approval thereof will be granted in respect of the approved policy.

3.17.4. Revenue Enhancement Strategies.

The municipality has established and is implementing the Revenue Enhancement Strategy, which is aimed at improving the revenue of the municipality across all streams. The following are some of the most significant programmes that the municipality has identified with a view to enhance its revenue base:-

- Conduct community campaigns throughout the jurisdiction of Newcastle Municipality in order to create awareness of the need to pay, the incentives available for payment, and the various methods of payment;
- Conduct a desktop consumer data cleansing exercise with a view to ensure that the billing information is correct and accurate;
- Develop and centralised customer care with focus of Batho Pele Principle in order to obtain a meaningful and useful feedback of the level of services from the consumers;
- Initiate a process of billing the cost reflective service tariffs in order to ensure that the municipality is able to recover its cost of providing services;

- Perform monthly reconciliation of the billing file in order to obtain accurate indication of collections and debtors;
- Cleansing and updating of the indigent register in order to ensure that consumers who afford to pay for services do pay;
- Improve debt collection strategies by ensuring that cutting-off and litigations on services for the consumers who do not pay on time;
- Improve collection of government debt through engagement of CoGTA and Treasury for intervention;
- Collecting outstanding staff accounts by ensuring that monthly accounts are paid through staff payroll;
- Identify new sources of grant funding in order to fund the capital programme and other operating expenditure of the municipality; and
- Identify scrap assets and material for the purpose of disposal; and
- Appoint a panel of Service Providers to source grant funding for the implementation of various Municipal projects and programmes.

Management is utilising the Management Committee, and the Portfolio Committees to report progress on the implementation of the strategy. Any new opportunities and leakages are identified during the implementation, and may trigger the need for review of the strategy through an interactive process. Based on these, the municipality has practiced the review of its Revenue Enhancement Strategy on an annual basis.

In addition to the abovementioned initiatives towards Revenue Enhancement, the municipality, in conjunction with the Development Bank of Southern Africa (DBSA), has recently compiled a report by the Transaction Advisory Services and Integration of Financial and Billing Systems using Geographical Information Systems. The report is also known as the "TABS Report," and the intension is to present a packaged plan depicting revenue protocol aimed at the following objectives:-

- Completeness of all revenues associated with land use through the integration of the financial systems with geo-spatial information.
- Protection of revenue through the development of a protocol that will inform the use of appropriate technology like metering, early warning systems, etc. to pick up illegal connections, bypassing and tampering with infrastructure and determine the preventative and/or punitive measures.
- To assess the performance of trading assets in relation to the tariffs charged and determine the appropriate tariffs that should be charged with the development, replacement or rehabilitation or upgrade of infrastructure for quality services delivery.
- To identify financing mechanisms and options for revenue protection infrastructure.

The implementation of the TABS Report has potential to yield benefits, mainly the enhancement of the municipal revenue through appropriate mechanisms. It will also help to guide the

development of business plans towards the delivery of revenue protection infrastructure. Below is a table depicting the recommendations which can be implemented immediately thus enhancing municipal revenue. The detailed report also entails the multi-year project recommendations, which basically look at a longer planning horizon. The recommendations entail the enhancement of the billing activity, meter replacements, audits on consumption levels in order to influence savings, and the collection of rates from government sector departments, to name just a few.

❖ Scope of the Project.

The following entails a high-level overview of the key activities that took place in order to develop the TABS Report:-

Table 54: Scope of Work regarding the TABS Report.

PHASE	ACTIVITY
PART A: Transaction Advisory	Analyse Metering and billing systems audit and recommendations for optimal commercial management.
	Develop financing options and mechanisms other than balance sheet for the financing of CAPEX program (Water and Electricity infrastructure).
	Develop financing options and mechanisms other than balance sheet for the financing of CAPEX program (Water and Electricity infrastructure).
	Assist NLM to raise capital for the financing of the infrastructure on the back of a detailed financial model.
	Modelling, current asset performance versus optimal performance cost reflective tariff adjustment strategy, and identification of investment and cost estimates for water and electricity infrastructure roll-out.
PART B: Integration of Financial and Filling Systems with the Geographical Information System	Collect and analyse the water and electricity sales, billing, and collection data for the past 10 years (or as otherwise available). Review of the entire water and electricity sales process and technology systems including but not limited to customer records, billing processing, invoice preparation and delivery, payment collections, disconnections and re-connections, debt collection and management including the institutional and legal framework.
	Integrate the revenue management process across planning, technical services, community services and finance.
	Undertake land use audit and integration with Surveyor General and the Registrar of Deeds (analysis of the Valuation Roll).

Table 55: TABS Project Recommendations/Quick Wins.

	Description/Comment	2020/21	2021/22	2022/23	Potential Revenue/ Saving R/Annum
1.	Include in the billing system the 11,443 stands in unbilled areas, mainly in Newcastle East, after a detailed feasibility study and appropriate social awareness campaigns. Installation of pre-paid water meters with trickle feed and tamper detection functionality should be considered.	11,400,000.00			15,000,000.00
2.	Audit 1630 identified developed stands with no water meters	1,000,000.00			1,200,000.00
3.	Implement a meter replacement strategy or switch to smart meters as a high priority to enhance revenue accuracy starting with 6331 meters older than	3,200,000.00			2,100,000.00

	Description/Comment	2020/21	2021/22	2022/23	Potential Revenue/ Saving R/Annum
	15 years. Detailed due diligence is recommended.				
4.	Determine the reason for not reading 2303 water meters on 1720 stands within the last 6 months and devise a strategy to improve the process. Installation of pre-paid water meters with trickle feed and tamper detection functionality should be considered.	600,000.00			Unknown
5.	Investigate the 3610 stands with water meters recording less than 0.1 kL/day/stand (assume average increase to 0.6 kl/d/stand).	900,000.00			4,200,000.00
6.	Determine the reason for the high water consumption (> 18kL/day) by 2295 indigents and limit the consumption through appropriate water conservation and demand management measures such as flow limiters, fixing plumbing leaks or pre-paid meters.	3,400,000.00			1,800,000.00
7.	Limit 7633 high water users (> 18kL/day) with old debt (> 90 days) through appropriate water conservation and demand management measures such as flow limiters, fixing plumbing leaks or pre-paid meters.	11,400,000.00			8,300,000.00
8.	Install Pre-paid electricity meters to remaining 767 Indigents.	1,200,000.00			600,000.00
9.	Install Pre-paid electricity at 771 stands with >90 days Debtors > 18 kWh/month.	1,200,000.00			6,400,000.00
10.	Investigate 3400 stands with no sanitation accounts, but with water accounts and add to the billing system where appropriate.	500,000.00			300,000.00
11.	The municipality undertakes a detailed property rates project (after the necessary cost vs. benefit analysis has been performed).				
12.	Performing property valuation integrity;	X			Unknown
13.	Recommend the corrections to be made in the valuation roll in respect to all properties to Municipality / Municipal Valuer in terms of sections 33 and 34 of the Municipal Property Rates Act, 2004 (Act No. 6 of 2004) for consideration;	X			Unknown
14.	Reconciliation of rates and taxes that will support the invoice claims from Government Departments and various privately owned properties	X			Unknown
15.	Collection of arrear rates from various Government Departments and private owners	X			Unknown
16.	Land audit	X			Unknown
17.	Billing and tariff validations	X			Unknown
18.	Transfer of land owned by the municipality occupied by the community	X			Unknown
19.	NLM has credit agreements with the majority of its consumers. Therefore interest should be charged to all arrear customers and	X			Unknown

	Description/Comment	2020/21	2021/22	2022/23	Potential Revenue/ Saving R/Annum
	not only non-residential accounts.				
20.	Although it is still general practice to make use of credit meters for water sales, the advantages to switching to pre-paid water meters (and electricity) need to be considered, (as supported by the NLM's IDP) because the municipality would receive its money on average 21 days earlier than credit customers.	X			Unknown
21.	NLM has bank accounts with FNB, ABSA and Standard Bank. All three these banks have reward programs namely: Ebucks, ABSA rewards and U-Count. This is a possible way to earn additional income with minimal effort. These rewards can be used for various purchase activities, for example, fuel, operational costs like printing and stationery.	X			Unknown
22.	NLM should ensure that all major assets and insured to minimise the risk of financial loss in the case of theft or damage. Assets should only be claimed through insurance if there is a cost benefit. Sometimes the GAP payment is more/equal to the total claim value and therefore it should not be claimed, as this will increase the insurance expense.				

	Description/Comment	2020/21	2021/22	2022/23	Potential Revenue/ Saving R/Annum
	Events could be held at the public swimming pool to attract people and therefore increase the swimming tickets - this could also be combined with a grant-spending event. Burial plots sales decreased. Consideration should be given to selling cremation plots as more people cremate loved ones. Adverting signs is a great way to generate income. Newcastle should remove any boards of non-payers and promote this type of advertising on social media. Newcastle should sign new leases with advertisers as these contracts have expired but no new lease agreements have been signed.				
23.	Overtime represents approximately 10% of the total employee related cost. This is a clear indication of the staff shortage that exists within the NLM. The municipality must revisit its organogram and ensure that all critical posts to revenue enhancement processes are filled.	X			Unknown
24.	Update of policies	X			Unknown

3.17.5. Financial indicators.

The following table illustrates the financial ratios or indicators of the state of finances of the municipality for the past two years, and the next projected financial year, 2020.

Table 56: Financial ratios.

Ratio Name	Norm	2018	2019	2020
Cost coverage	1 - 3 months	0,04 months	0,01 months	0 months
Current ratio	1,5	0,82	0,85	0,76
Capital Expenditure to Total Expenditure	10% - 20%	6,70%	7,40%	5%
Debt to Revenue	45%	33%	32%	22%
Collection Rate	95%	73%	78%	76%
Remuneration to Total Expenditure	35%	25%	28%	26%
Distribution losses: Water	15% - 30%	48%	46%	39%
Distribution losses: Electricity	7% - 10%	4%	5%	6%

3.17.6. Cost Coverage.

The cost coverage ratio indicates the period by which the municipality will be able to carry itself with the available cash, assuming that no additional cash will be received. The National Treasury norm for this indicator is 1-3 months. The cost coverage ratio of the municipality for the past two financial years has been 0.01 and 0 months in 2019 and 2020 respectively. This indicates the serious shortage of cash-flow experienced by the municipality. As at 31st March 2021, the cash coverage ratio is 0.03 months. Again this is still below the norm, however with slight improvement. The municipality is currently implementing the cost containment strategies with a view to curb its expenditure. This is done in line with the approved Budget Funding Plan.

3.17.7. Capital Expenditure to Total Expenditure.

The ratio seeks to establish the level of capital expenditure and projects that are aimed at service delivery. The National Treasury norm is 10% to 20% of the capital expenditure in relation to the aggregate expenditure for the municipality in each financial year. The municipality recorded ratios of 7.4% and 5% in 2019 and 2020 respectively. The municipality is further projecting that it will spend 5% by the end of 2021. These ratios indicate that the expenditure of the municipality towards the capital programme is not adequate to address service delivery. This is mainly due to a lack of internal funding, and the fact that there are no plans to take external loans. In line with the Revenue Enhancement Strategy, the municipality is planning to access more government grants and to build internal reserves by identifying more revenue streams in order to improve its capital expenditure.

3.17.8. Debt to revenue.

The ratio seeks to determine adequacy of the municipality's own revenue to repay its debt. The National Treasury norm is the debt of 45% to the total own revenue. The municipality

recorded the ratio of 32% and 22% in 2019 and 2020 respectively. The municipality is further projecting to record the ratio of 25.7% at the end of 2021 financial year. This ratio is within the norm, which is an indication that the municipality's revenue is able to accommodate the repayment of its debt. It is further noted that the ratio is decreasing over the years, which is caused by the fact that the debt is declining due to the repayments of loans.

3.17.9. Collection rate.

The ratio seeks to determine the rate at which the municipality is able to collect its billed revenue and its outstanding debtors. The National Treasury norm is the collection of 95% of the revenue billed. The municipality recorded the ratio of 78% and 76% in 2019 and 2020 respectively. The municipality is further projecting to record the ratio of 83% at the end 2021 financial year. While it is noted that the ratio is improving over the years, it is however noted that the current rate is below the norm. With the implementation of a number of revenue enhancement strategies and the credit control strategies which will be implemented as part of a long term financial strategy, the ratio is expected to improve closer to the norm in the long term.

3.17.10. Remuneration to total expenditure.

The ratio seeks to determine the level of expenditure of employees and councillors in relation to the total operating expenditure of the municipality. The National Treasury norm is the remuneration of 40% of the operating expenditure. The municipality recorded the ratio of 28% and 26% in 2019 and 2020 respectively. The municipality is further projecting to record the ratio of 25% at the end 2021 financial year. The ratio is well within the norm of 40%, which has indicated that remuneration of the employees and councillors are not excessive. Despite this, the municipality will continue to explore the cost containment measure in the areas of overtime and acting allowances within the personnel remuneration in order to continue to curb wastage within the employee costs, which is expected to improve this ratio even further.

3.17.11. Distribution losses: water.

The ratio seeks to determine the amount of water that is purchased by the municipality but not billed as revenue or which is being lost in the process. The National Treasury norm is 15% - 30% of water consumed but not billed. The municipality recorded the ratio of 46% and 39% in 2019 and 2020 respectively. The municipality is further projecting to record the ratio of 40% at the end 2021 financial year. It is noted that this current ratio is way above the norm of 30%, which is an indication that the municipality is losing a lot of water for which it does not generate any revenue. The municipality is currently rolling out a number of non-revenue water projects to address this problem. These include pipe replacement, meter replacement and detection of meter tempering programmes as well aware awareness programme with communities.

3.17.12. Distribution losses: electricity.

The ratio seeks to determine the amount of electricity that is purchased by the municipality but not billed as revenue. The National Treasury norm is the 7% - 10% of the electricity purchased but not billed. The municipality recorded the ratio of 5% and 6% in 2019 and 2020 respectively. The municipality is further projecting to record the ratio of 7% at the end 2021 financial year. It is noted that this ratio is within the norm of 7%, which is an indication that the municipality is not losing excessive electricity in the system. Despite this status, the municipality continues to roll-out programs to ensure that this ratio is improved further. These include infrastructure maintenance, meter replacement and the detection of meter tempering programs.

3.17.13. Ongoing concern.

In the 2020 Annual Financial Statements, the municipality reported an unfavourable going concern status. The municipality incurred an operating deficit of R353 million, while the municipality's current liabilities exceeded the current liabilities by R225 million. These factors or conditions indicate that a material uncertainty exists that may cast doubt on the municipality's ability to continue is an ongoing concern. However, due to the fact that the municipality is a government entity, it is still expected to continue to be a going concern since it has the mandate to generate revenue from billing of rates and services. The municipality is also expected to received equitable share and other government grants in order to ensure its continuity and its mandate of service delivery to its people.

3.18. Supply Chain Management (SCM).

The Newcastle Municipality has the SCM unit which is fully and independently functional in line with the SCM regulations and the approved SCM policy of Council. The procurement of goods is done in accordance with the prescripts of the regulations, through the approved budget. Each year, the municipality develops the Procurement Plan, which is regarded as a tool that will be used to implement the budget and guide the procurement of goods and services. This plan is also aligned with the municipality's approved Service Delivery and Budget Implementation Plan.

The Newcastle Municipality has in place functional Bid Committees established in line and in terms of regulations 26, 27, 28, and 29 of the Municipal Finance Management Act and the Supply Chain Management Regulations. The committee system advocates for a competitive process, and it consists of the following:-

(i) Bid Specifications Committee.

T Khumalo
S Zwane
V Ngcobo
M Nkosi
B Tshabalala

D Molefe
T Thwala

(ii) Bid Evaluation Committee.

X Masuku
T Dube
T Biyela
Z Khumalo
N Ndlovu
M Nsele

(iii) Bid Adjudication Committee.

PHZ Kubheka
B Mnguni
D Thabethe
B Mdladla
N Khathide
GB Dlamini

The accounting officer appoints the membership of the bid committees for a period of one financial year, and the process is repeated every year to ensure that for each financial year a functional bid committee system is in place. However, the municipality, has experienced challenges in the Supply Chain Management Unit, some of which are listed here below:-

- The Acquisition Management section has not been able to ensure that the turnaround times for bids and/or formal quotations is within the acceptable norms. This is largely due to the absence of proper monitoring of the whole bidding process from the bid specification stage to bid adjudication stage.
- There's absence of a proper register for quotations in terms of relations 16 and 17 of the municipal supply chain management regulations, respectively.
- The rotation of suppliers/service providers in the system of quotation is not effective.
- The Demand Management Section is not fully capacitated to enable to put together a Procurement/Demand Management Plan.
- The Supply Chain Management Unit is not fully staffed, with a vacancy rate of approximately 60%. Notable vacancies are that of Director: Supply Chain Management and Manager: Demand and Contract Management.
- The Supply Chain Management Unit is placing over reliance on interns and temporary contract workers, most of whom their contract will be expiring soon.
- There's also acting appointments for supply chain management practitioner positions that have not been filled for years. Should these not be extended, the unit will be faced with serious challenges.
- The contract management section has no permanent staff.

In order to deal with the above challenges, the municipality has budgeted for all the critical positions in the 2021/22 staff budget, and has already initiated a process to fill in the positions in order to ensure that incumbents are able to resume early at the

beginning of the 2021/22 financial year. A number of trainings for the SCM practitioners and bid committee members have been arranged with CoGTA, and Provincial Treasury in a bid to improve capacity and to curb unauthorised, irregular, fruitless and wasteful expenditure.

3.19. Asset and Infrastructure.

Asset and infrastructure management are crucial in ensuring that service delivery does take place. The maintenance and safeguarding of assets is key to ensure their long lifespan. The municipality utilises these resources in ensuring that services are rendered effectively and efficiently and that assets are maintained and upgraded in order to meet the service delivery demand.

3.19.1. Asset Management Strategies and Programs.

The following are some of the most significant programmes that have been identified by the municipality in managing its assets and infrastructure:-

a) **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.

b) **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.

c) **The unbundling of the assets or projects under construction is regarded as one of the very critical elements of the asset management strategy.**

This is so imperative in order to ensure that components of the assets are recorded separately into the asset register and that they are easily identified and accurately costed for maintenance and replacement purposes.

d) **The development of the infrastructure master plans for each class of asset.**

This will assist the municipality to understand accurately its network for maintenance purposes and for future upgrades or development.

e) **Ongoing maintenance and upgrade of assets to ensure optimal and efficient use.**

This is done through annual conditional assessment and through customer and sector complaints system.

3.19.2. Capital infrastructure investment policies.

The municipality has developed a comprehensive capital budget, which will be implemented over the next three years.

This budget will be updated annually to ensure that bulk infrastructure services, and internal infrastructure services, together with the foreseen funding sources are planned in an integrated and coordinated manner. An annual capital investment budget will be developed and adopted by Newcastle Municipality as part of the annual budget in accordance with the IDP. Unspent capital project budgets shall not be carried forward to future fiscal years unless the project expenditure is committed or funded from grant funding, and all relevant approvals have been obtained.

3.19.3. Asset Management Policies.

The municipality has the approved Asset Management Policy in place, which is reviewed annual as part of the budget process. The objective of the asset management policy is to prescribe the accounting and administrative processes and procedures relating to Property, Plant & Equipment (PPE), which are immoveable and moveable assets of Newcastle, and, computer software as well as servitudes which are intangible assets of Newcastle Local Municipality. The policy also covers are classes of assets, e.g. land and buildings, investment properties, intangibles, heritage, which are also critical assets of the municipality. The principles and policy statements are embedded in the Asset Management Policy of Council.

3.19.4. Depreciation.

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. Depreciation represents 16% of the total operating expenditure in the 2021/22 budget. 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. However, given the financial situation that the municipality finds itself in, the depreciation amount is currently not cash-backed, which will make it difficult should be municipality wishes to replace its assets or infrastructure in future.

3.19.5. Repairs and Maintenance.

Repairs and represents about 5% of the total operational expenditure in the 2021/22 budget. National Treasury requires that the municipality should budget for at least 8% of the Property Plant and Equipment (PPE). The following table depicts the projected value of the PPE as well as the repairs and maintenance budget over the next three financial years.

Table 57: Repairs and maintenance and PPE.

Item Description	2022	2023	2024
Property Plant & Equipment	6 410 126 000	6 699 351 000	6 973 243 000
Repairs and Mainteneance	116 629 000	119 317 000	135 067 000
% of R & M	**1,82%**	**1,78%**	**1,94%**

In the current financial year, the municipality's budget on the repairs and maintenance of assets is R111 million. This represents about 1.7% of the PPE. Over the next three years, the municipality is planning to spend 1.82%, 1.78% and 1.94% percent towards the maintenance of its PPE.

While the planned slight improvement is noted, it is further equally noted that this expenditure is way below the budget of 8% as required in accordance with National Treasury regulations. This is mainly due to the financial situation currently faced by the municipality, as well as the revaluation of the infrastructure assets that was performed by the municipality three years ago. The municipality is planning to gradually increase its provision for the repairs and maintenance, however, within affordability in mind. It is estimated that, the municipality will need to budget approximately R513 million per annul on repairs and maintenance, which is not affordable at this stage. With the assistance of the Provincial Treasury, the municipality is currently in the process of establishing a five-year financial plan or strategy, which seeks to address a number of financial challenges being faced by the municipality. The improvement of the repairs and maintenance budget in line with the Treasury norm of 8% will be one of the key focus areas in the strategy.

3.20. Municipal Borrowings and Grant Dependency.

The following sections highlight the level of municipal borrowings, the affordability, and the ability to repay or to take new loans. The sources to fund both the operating and the capital budget are also discussed with a view to conclude where the municipality is dependent on grants to provide services.

3.20.1. Borrowings/loans.

The purpose of embarking on borrowings or loans is to obtain funding for the capital program of the municipality. Newcastle Municipality has not taken any loans for the past four years, and is not planning to take any for the next three financial years. This is due to current balance of the loans, which the municipality considers to be too high.

The following table reflects the loans currently being owed by the municipality:-

Table 58: Borrowings.

Account number	Interest Rate	LOAN AMOUNT	Opening balance as at 01.04.2021	Total Capital Payments	Interest Capitalised to Date	Total Interest Payments	Balance
Loan Account: 61000536	9,37%	24 285 550,00	4 433 632,86	2 593 052,07	403 323,60	592 810,20	4 468 380,55
Loan Account: 61000654	9,10%	25 993 166,00	8 901 765,28	2 493 572,65	668 157,79	835 711,38	7 303 381,84
Loan Account: 61000826	11,29%	12 750 000,00	4 687 294,12	891 122,99	428 827,09	529 689,99	4 019 795,15
Loan Account: 61000827	11,25%	1 975 000,00	1 473 027,52	91 803,90	132 620,11	160 750,72	1 360 190,16
Loan Account: 61000919	10,09%	800 000,00	65 169,24	0,00	0,00	0,00	65 169,24
Loan Account: 61000920	10,69%	7 000 000,00	4 813 630,27	473 598,29	431 835,21	458 783,29	4 856 564,01
Loan Account: 61000921	10,83%	1 850 000,00	1 219 080,16	43 461,19	109 201,89	133 575,91	1 230 093,68
Loan Account: 61007325	5,00%	11 980 174,80	6 356 955,04	874 854,25	272 185,39	347 236,65	6 383 574,96
Loan Account: 61007195	10,40%	122 185 000,00	96 241 504,25	6 093 416,71	8 347 625,76	10 343 817,25	97 077 105,21
Loan Account: 3042598105	11,44%	284 839 959,00	232 030 562,27	13 898 093,47	24 199 571,34	29 782 042,97	234 386 355,35
Totals			360 222 621,01	27 452 975,52	34 993 348,18	43 184 418,36	361 150 610,15

The municipality is currently carrying the loan debt amounting to R361.2 million. The municipality will servicing this loan through payment of finance charges (interest on loans) of R43 million in 2021, R38 million in 2022 and R35 million in 2023. The loans are with DBSA (R126.7 million) and ABSA (R234.4 million). The municipality is expecting to fully pay these loans by the end of 2030.

3.20.2. Affordability of loans.

The **debt to revenue** ratio seeks to determine adequacy of the municipality's own revenue to repay its debt. The debt to revenue ratio for 2020 was recorded at 22%, while this ratio is projected at 25% at the end of 2021 financial year. Given the National Treasury norm of 45%, the ratio of 22% indicates that the municipal revenue is adequate to allow the municipality to consider taking new loans.

The **capital cost ratio** indicates the level of interest on loans and capital payment of the loan in relation to the total operating expenditure of the municipality. The National Treasury norm for this ratio is 6% - 8%. The municipality recorded the capital cost ratio of 3% in 2020 and the same ratio is projected to be maintained at the end of 2021. This implies that the municipality's expenditure towards repayment of borrowings is not excessive.

The above two both indicate that the municipality can afford to take new loans and that it is not over-burdened to pay the current loans. However, given other challenges associated with historical financial management, the municipality is not planning to take loans in the near future.

3.20.3. Grant Dependency.

Grant dependency seeks to determine whether the municipality is dependent on the government grants in order to fulfil its constitutional mandate of service delivery. The ratio compares the level of own revenue in relation to the total revenue of the municipality. The following table depicts the total revenue of the municipality for the current and the next three financial years. The table further indicates the rate of own and grant levels of the municipality in relation to the total revenue.

Table 59: Grant dependency - Operational.

Funding Source	Budget 2020 2021	Budget 2021 2022	Budget 2022 2023	Budget 2023 2024
Own revenue	1 468 419 000	1 524 622 000	1 470 438 000	1 536 649 000
Government funding	662 833 000	695 021 000	632 136 000	646 973 000
Total revenue	**2 131 252 000**	**2 219 643 000**	**2 102 574 000**	**2 183 622 000**
Own funding rate	69%	69%	70%	70%
Government funding rate	31%	31%	30%	30%

The above table indicates that the municipality generates about 70% of the total revenue from rates and services, and about 30% from government grants in order to fund its operating activities. This ratio is fairly constant over the next three financial years, with 71%, 72% and 72% projected to be generated internally over the medium term. National Treasury requires that at least 60% of the total revenue of the municipality must be generated internally. The above status therefore implies that Newcastle Municipality is not dependant on grants to conduct its operating activities. This state is only true in relation to the operating activities of the municipality.

The following table depicts the sources of funding in relation of the municipality's capital budget for the next three years:-

Table 60: Grant dependency – Capital.

Funding Source	Budget 2021 2022	Budget 2022 2023	Budget 2023 2024
Government Grants	110 377 000	123 450 000	111 535 000
Internal Funding	23 916 000	11 000 000	11 000 000
Total Expenditure	**134 293 000**	**134 450 000**	**122 535 000**
Government funding rate	82%	92%	91%
Internal funding rate	18%	8%	9%

The above table reflects that about 82%, 92% and 91% of the funding to implement the capital programme will be sourced from government grants, while only 18%, 8% and 9% will come from internal reserves over the next three financial years. This implies that the municipality heavily relies on government grants to roll-out its capital programme. Each year, the municipality is planning to put together business plans in order to ensure that funding is secured. In terms of the revenue enhancement strategy, the municipality is also planning to put more effort in application of new funding in order to ensure that adequate capital expenditure of 10% as per the norm is achieved. The above table further illustrate a notable reduction in the internal funding source, as the municipality is planning to cut its internal funding for the purpose of capital programme. This is in line with the municipality's approved Budget Funding Plan and its Cost Containment Strategies.

3.21. Municipal Consumer Debt Position.

The outstanding debtors can be broken down as follows per financial year per category:-

Table 61: Debtors by consumer type.

Debtor Category	2016/2017	2017/2018	2018/2019	2019/2020
Business	101 714 747	135 491 197	146 287 165	208 197 899
Government	30 972 807	34 500 878	55 615 069	30 688 811
Individuals	866 113 602	1 064 198 118	1 288 118 468	1 451 633 932
Other	7 338 533	12 747 552	1 159 847	0
Total	**1 006 139 691**	**1 246 937 746**	**1 491 180 550**	**1 690 520 642**

Table 62: Debtors by aging category per consumer class.

Category: Business	0 – 90 days	91 days – 180 days	181 days – 360 days	Greater than 360 days	Total
2016/2017	38 271 250	5 450 853	10 084 900	47 907 743	101 714 747
2017/2018	59 269 235	12 109 386	9 999 998	55 651 238	137 029 858
2018/2019	24 582 758	29 543 992	33 875 539	58 284 875	146 287 165
2019/2020	67 722 035	5 812 122	3 854 934	130 808 808	208 197 899

Category: Government	0 – 90 days	91 days – 180 days	181 days – 360 days	Greater than 360 days	Total
2016/2017	-3 739 537	2 873 761	7 609 434	24 229 150	30 972 807
2017/2018	- 5 720 819	2 874 037	7 700 021	29 477 317	34 330 556
2018/2019	11 842 959	16 318 085	7 201 600	19 942 669	55 305 307
2019/2020	927 597	6 802 010	516 378	22 442 826	30 688 811

Category: Individuals	0 – 90 days	91 days – 180 days	181 days – 360 days	Greater than 360 days	Total
2016/2017	71 148 197	53 232 994	112 613 182	629 119 227	866
2017/2018	89 879 393	63 692 732	120 158 987	788 761 725	1 062
2018/2019	83 905 845	79 707 347	167 506 479	957 311 737	1 288
2019/2020	129 838 323	28 826 514	28 054 478	1 264 914 617	1 451

Category: Other	0 – 90 days	91 days – 180 days	181 days – 360 days	Greater than 360 days	Total
2016/2017	209 518	360 114	806 852	5 962 048	7
2017/2018	2 312 001	495 452	2 266 828	8 010 209	13
2018/2019	113 285	90 091	123 000	830 282	1
2019/2020	0	0	0	0	

Table 63: Analysis of the correction rate.

Year	Collection rate
2017/2018	73.07%
2018/2019	79.85%
2019/2020	76.00%

The Newcastle Municipality has regressed in the collection rate from a high of 79% for the 2018/2019 financial year, 76% in the 2019/2020 financial year. The reason for reduction was due to covid-19 which led to some people losing their jobs.

An analysis indicates that the individual debtor category comprises 8% of the total book debt. The reason for this is the low collection of monies with respect to the Eastern Region, an area where the electricity is supplied by Eskom, and therefore an area where credit control processes are ineffective. The Western Region is the area where the Municipality supplies

electricity, and therefore the collection rate in this area is 9% which is an indication that electricity is used effectively as leverage in the credit control processes.

An aggressive community outreach program was carried from August 2018 as an initiative to increase the payment factor in the Eastern Region. Mobile offices were set up at Malls, schools, hospitals, police stations where consumers were able to query their accounts, make payments, and make payment arrangements on the spot. An incentive scheme was also rolled out to consumers encouraging the payment of municipal bills. This program was effective and increased the payment factor in the Eastern Region from lows of 15% to a current average of 40%. However, we seem to have reached a plateau now and the support of Council is of paramount importance if we are to increase the collections in the area.

There has been a number of retrenchments and closing down of large industrial companies within Newcastle and this has had a negative impact on the growth of the collection rate and thereof. The Municipality wishes to partner with its Council and other external government sectors to increase the collection rate. An aggressive campaign involving councillors, ward committee members and municipal officials will be taking place during the 2021 /2022 financial year to improve the collection rate even further.

There has been a reduction in the amount outstanding by Government and this is due to the collective effort of Provincial Treasury, National Treasury and Cogta, and we will be continuing with this partnership to reduce the government debt even further.

The strategy in respect of business debt is more aggressive than the strategy of individual debt. The following credit control processes are followed to collect the debt:-

- Section 28 letters where landlords are owing rates but tenants have paid for services;
- Restriction of water or shutting off water supply for businesses in the East and West where necessary; and
- Resolving long outstanding queries to fast track the payment that is outstanding.

The Municipality will be implementing strict application of the credit control and debt collection policy to increase the collection rate. The write off policy will be adhered to in respect of the writing off of long outstanding debt. The following will be considered:-

- Prescription of debt in respect of the Prescription Act, No 68 of 1969;
- If the debtor has been sequestrated or liquidated and the proceeds of the sequestration or the liquidation are insufficient to satisfy the debt;
- The cost of recovery of the debt is likely to exceed the amount outstanding;

- The ITC report indicates that the debtor is deceased, is an uncollectable individual and the business is liquidated or deregistered.

3.22. Auditor General's Opinion.

The audit results of the financial statements for the past three financial years can be summarised as follows:

Table 64: Audit opinion.

Year	Audit opinion	Basis for qualification
2022	Unqualified	Not applicable
2021	Unqualified	Not applicable
2020	Unqualified	Not applicable

Over the past three financial years, the municipality has maintained an unqualified audit opinion with matters. There has been an improvement in a number and the severity of matters to be addressed by the municipality in its bid to achieve a clean audit in the future.

3.22.1. Emphasis of matters.

The Auditor General, through his report on the audit of the 2019/20 financial statements, has drawn the attention of the municipality to the following matters, which are being attended to during the 2020/21 financial year:

- Uncertainty relating to the future outcome of exceptional litigations. The outcome of the matters could not be determined and no provision for any liability was made in the financial statements.
- Restatement of corresponding figures. The corresponding figures for 2018/19 were restated as a result of errors in the financial statements of 2019/20.
- Material impairment of debtors. Material losses of R1.11 billion were incurred as a result of a provision for impairment of receivable from exchange and non-exchange revenue.
- The municipality recognised an impairment on receivables from non-exchange of R45.16 million as the recoverability of these amounts were doubtful.
- Material losses of water. Material losses of R44 million were incurred, representing 39% of the total water purchased.

3.22.2. Action Plan to improve audit outcomes.

In response to the matters raised by the Auditor General in the 2019/20 report, the municipality has put together the action plan to address the above matters and those that were included in the Management Report. The summary of the action plan is as follows:-

- The legal service unit will engage all attorneys with a view to determine the estimates of the pending civil lawsuits or damages against the municipality. This will enable the municipality to reliably make the provision in the financial statements;
- The financial statements will be prepared, reviewed, and managed on a monthly basis. This will assist to mitigate

errors on the financial statements at the end of the financial year. The personnel dealing with the preparation of the Annual Financial Statement will also be embarking on the training that deals with financial reporting;

- The municipality will seek the services of the service provider who will perform data cleansing of debtors and to perform the risk-profiling of all debtors in order to determine their level of affordability;
- The municipality is also in a process of appointing the debt collector in order to improve the collection of debtors;
- The debtors books will be scrutinised and all debtors identified as uncollectable will be submitted to council for write-off;
- Enhanced level of capacity and understanding of SCM functions by providing training to the bid committee members and SCM practitioners.
- Establish the contract management unit in order to reduce irregular expenditure.
- Report unauthorised, irregular, fruitless and wasteful expenditure to council on a quarterly basis in order to trigger the consequence management process.
- Develop a comprehensive plan to address water losses. This will include the procurement of the system that will assist with the detection of areas of water losses.

3.23. Financial Plan.

The municipality does not currently have a long term financial plan in place. The municipality has requested the technical assistance of the National and Provincial Treasury to develop the plan, which process is still in progress. The plan is aimed at ensuring that the various strategies of the municipality (financial and non-financial), which will require financial muscle both in the medium and long term are achieved. The financial plan will provide a synopsis of how much it will cost to fund all the requirements of the municipality which are included in the strategic plan of the municipality, being the IDP. In the absence of the financial plan, the municipality however makes use of its medium term budget to ensure that financial requirements and service delivery are being done.

3.24. Operational Budget.

The operating budget of the municipality for the next three years is a total of R17.3 billion, made up of R16.9 billion for the operation expenditure and R379.2 million for the capital expenditure. The summary of the operation expenditure is as follows:-

Table 65: Operating expenditure.

ITEM DESCRIPTION	ADJUSTED BUDGET 2020 2021	DRAFT BUDGET 2021 2022	DRAFT BUDGET 2022 2023	DRAFT BUDGET 2023 2024
OPERATING EXPENDITURE				
Employee related costs	544 452 561	557 038 495	575 974 203	600 995 178
Remuneration of councillors	27 351 636	29 593 858	30 836 800	32 193 620
Debt impairment	252 999 817	262 866 810	273 907 216	285 959 133
Depreciation & asset impairment	390 035	401 736 453	418 609 384	437 028 197
Finance charges	42 881 638	39 754 198	41 423 874	43 246 524
Bulk purchases	499 675 238	588 617 430	613 339 362	640 326 294
Other materials	132 734 523	136 064 419	141 726 394	147 961 695
Contracted services	385 428 428	388 305 778	355 559 215	381 331 535
Other expenditure	120 147 161	106 289 848	110 587 828	115 432 073
Losses	1 000	1 000	1 042	1 088
TOTAL EXPENDITURE	**2 395 707 395**	**2 510 268 289**	**2 561 965 318**	**2 684 475 337**

During 2021/22 financial year, the municipality is projecting to incur the expenditure of R2.510 billion. The following are expenditure items included in the 2020/21 budget:-

- **Employee Related Costs: R557.0 million, increase of R12.5 million (2%).**

Employee related costs has increased from R544.4 million to R557.0 million, representing an increase of R12.5 million (2%). Included in the employee related costs is an amount of R29 million for overtime. This constitute 5% of the total employee related costs, which is also within the National Treasury norm of 5%. The bulk of this provision relates to overtime for essential services which the municipality cannot avoid. These services include waste management, electricity maintenance, water maintenance, waste management, public safety and other essential services which the municipality is required to provide to communities. It must be noted that the municipality is currently implementing a number of measures to ensure that overtime is not abused and is kept to the bear minimum.

- **Remuneration of Councillors: R29.5 million, an increase of R2.1 million (8%).**

Remuneration of councillors is projected to be R29.5 million, representing an increase of R2.1 (8%) from the current financial year budget of R27.4.8 million. The projection is based on the 2020/21 notice of the upper limits issued by the MEC for Local government in December 2020, and an increase of 4% has been estimated in respect for 2021/22, which will be determined by the MEC for CoGTA at the beginning of 2022. This provision also is based on the expectation that EXCO councillors, MPAC Chair and the Chief Whip will be approved as full-time councillors during the 2021/22 financial year.

- **Bulk Electricity Purchases: R588.6, an increase of R88.9 million (18%).**

Expenditure on bulk electricity purchases is projected at R588.6 million, representing an increase of R88.9 million (17.8%) from the current financial year budget of R499.6 million. The provision of R588.6 million is informed by the NERSA guidelines and the expected demand for electricity to the municipal consumers in the 2021/22 financial year.

- **UThukela Water Entity: R131 275 million, an increase of R5.0 million (4%).**

The municipality's contribution to uThukela Water increased from R126.2 million to R131.2 million which represents an increase of R5.0 million (4%) from the current financial year. While the entity has submitted a budget of R134.8 million, the current financial state of the municipality makes in impractical

to afford the full budget requested by the entity. Hence, the municipality has only afforded the increase in line with the inflation rate and the expected tariff increase of the municipality on water. It will critical that the entity adjust its expenditure in order to fit within the budget of R131.2 million.

- **Debt impairment: R262.8 million, an increase of R9.8 million (4%).**

The municipal has projected to incur R262.8 million on debt impairment, representing an increase of R9.8 million (4%) from the current financial year budget of R252.9 million. The provision and the increase is based on the council's debtors' book, and the rate at which doubtful debt is expected to escalate. The provision for doubtful debt is calculated in line with the provision of the Council's approved Credit Control and Debt Collection Policy. It must however be mentioned that the recent campaign to collect outstanding debtors and to build the culture of payment of services in the townships has started to yield positive results.

- **Depreciation: R401.7 million, an increase of R11.7 million (3%).**

Provision for depreciation has been projected to be R401.7 million, representing an increase of R11.7 million (3%) from the current financial year's budget of R390.0 million. The provision is based on the municipality's asset register the expected lives of the assets. The increase is attributable to the projected capital expenditure and the infrastructure projects which were completed during the current financial year, the impact of the depreciation in expected fully during the budget year.

- **Finance Charges: R39.7 million, a decrease of R3.1 million (-7%).**

Expenditure on interest on loans is projected to be R39.7 million, representing a decrease of R3.1 million (-7%) from the current financial year budget of R42.8 million. The estimation of finance charges of R39.7 million is based on the amortisation schedules of the loan portfolios of the municipality and the loan agreements with the financial institutions, which is expected to last for at least next nine years. It must however be noted that no new loans will be taken by the municipality in the 2021/22 financial year.

- **Contracted services: R387.9 million, an increase of R2.6 million (1%).**

Expenditure on contracted services is projected to be R387.9 million, representing an increase of R2.6 million (1%) from the current financial year budget of R385.2 million. The increase is due to the increase in housing and other grants from national and provincial departments. It must be noted that, included under this provision is an amount of R150 million in respect of the housing grant for the various housing projects.

- **Other materials: R136.0 million, an increase of R3.6 million (3%).**

Expenditure on materials is projected at R136.0 million, representing an increase of R3.6 million (3%) from the current financial year budget of R132.4 million. Included under this item is the allocation for Uthukela Water for R131 million as well as the materials for the cleaning of municipal buildings, halls, chemicals, cleansing material, pest control.

- **Other expenditure: R106.6 million, a decrease of R13.5 million (-11%).**

Other expenditure is projected to be R106.6 million, representing a decrease of R13.5 million (-11%) from the current financial year budget of R120.2 million. The decrease is due to the implementation of cost containment measures in line with affordability of the municipality. Included under other expenditure is an amount of R19 million in respect of departmental services for the municipality's usage of water, electricity, sanitation and refuse.

The following revenue sources are included in the medium term budget in order to fund the budget:-

Table 66: Operating revenue.

ITEM DESCRIPTION	ADJUSTED BUDGET 2020 2021	DRAFT BUDGET 2021 2022	DRAFT BUDGET 2022 2023	DRAFT BUDGET 2023 2024
OPERRATING REVENUE				
Property rates	348 822 174	362 426 238	368 526 912	385 130 791
Service charges - electricity revenue	619 100 407	710 188 478	647 963 202	677 129 811
Service charges - water revenue	187 534 519	193 909 678	198 345 503	207 284 048
Service charges - sanitation revenue	116 273 759	119 428 804	118 731 867	124 095 853
Service charges - refuse revenue	92 725 066	95 600 842	96 482 547	100 843 640
Rental of facilities and equipment	7 441 797	7 732 027	8 056 772	8 411 270
Interest earned - external investments	2 372 963	2 465 509	2 569 060	2 682 099
Interest earned - outstanding debtors	5 106 711	4 642 465	–	–
Fines, penalties and forfeits	8 613 896	8 614 492	9 325 731	9 736 063
Licences and permits	15 174	15 766	16 428	17 151
Transfers and subsidies	724 383 968	695 021 000	632 135 500	646 972 550
Other revenue	18 861 926	19 597 541	20 420 638	21 319 146
TOTAL REVENUE	**2 131 252 362**	**2 219 642 840**	**2 102 574 160**	**2 183 622 422**

Total operating revenue is projected at R2.219 billion in the 2021/22 financial year, representing an increase of R88.3 million (4%) from the current year's adjusted budget of R2.131 billion.

The following is the analysis of the revenue sources which have had the main impact in the increase in revenue:

- **Electricity services: R710.1 million, increase of R91.0 million (15%).**

Electricity tariffs are expected to increase by 14.59%. It must be noted that this tariff increase is as per the NERSA's guidelines of municipal tariff increase as well as the application that will be submitted by the municipality to NERSA. With the tariff increase of 14.59%, electricity revenue is expected to increase by R90.0 million (15%) in the 2021/22 financial year. Cognisance should also be taken that this percentage increase of 14.59% is way above the projected inflation rate of 3.9%, however this increase is based on the NERSAs tariff approval for municipal tariffs. The revenue figure of R710.1 million is also net of the cost of free basic service of R8.5 million in respect of electricity as required in terms of the Budget and Reporting Regulations.

- **Water services: R193.9 million, increase of R6.3 million (3%).**

Water tariffs are expected to increase by 3.9% in the 2021/22 financial year. The increase of 3.9% in tariffs is expected to generate additional revenue of R6.3 million (3%), from R187.5 million in the current year to R193.9 million in the 2021/22 financial year. The revenue figure of R193.9 million is net of the cost of free basic services of R10.3 million in respect of water as required in terms of the Budget and Reporting Regulations.

- **Refuse removal: R95.6 million, increase of R2.8 million (3%).**

Refuse removal tariffs are expected to increase by 3.9% in the 2021/22 financial year. The increase of 3.9% in tariffs is expected to generate additional revenue of R2.8 million (3%), from R92.7 million in the current year to R95.6 million in the 2021/22 financial year.

- **Sanitation: R119.4 million, increase of R3.1 million (3%)**

Sanitation tariffs are expected to increase by 3.9% in the 2021/22 financial year. The increase of 3.9% is expected to generate additional revenue of R3.1 million (3%), from R116.2 million in the current year to R119.4 million in the 2021/22 financial year. The revenue figure of R119.4 million is net of the cost of free basic services of R15.1 million in respect of sanitation as required in terms of the Budget and Reporting Regulations.

- **Property rates: R362.4 million, increase of R13.6 million (4%).**

Property rates tariffs are expected to increase by 3.9% in the 2021/22 financial year, while the impermissible amount will be remain at R85 000. The increase in the property rates tariffs is expected to generate additional revenue of R13.6 million (3%), from R348.8 million in the current year to R362.4 million in the 2021/22 financial year. The revenue figure of R362.4 million is net of the rates rebates and indigent benefit of R79.1 million as required in terms of the Budget and Reporting Regulations.

- **Transfers recognised: R695.0 million, decrease of R29.3 million (-4%).**

Revenue from grants is expected to generate operating revenue of R695.0 million in the 2021/22 financial year. This represents a decrease of R29.3 million (4%) from the budget of R724.3 million in the current year to the budget of R695.0 million in the 2021/22 financial year. These operating grants include the equitable share, the Finance Management Grant (FMG), Expanded Public Works Programme and various other provincial grants from department of Arts and Culture and the Department of Human Settlements. A portion of the Municipal Infrastructure Grant (MIG) and Water Services Infrastructure Grant (WSIG) have also been included in the operating grants in order to deal with capacity operational issues in the department of Technical Services. Reference is made to table SA18 in respect of the split of transfers which will fund operational and capital expenditure. The appropriation of grant transfers in the budget has been made in accordance with the Division of Revenue Act and the provincial gazette.

- **Fines: R8.6 million, increase of R596 rands (0%).**

Revenue for fines is expected to generate revenue of R8.6 million in the 2021/22 financial year. This represents an increase of R596 rands (0%) from the budget of R8.6 million in the current year, to R8.6 million in the 2021/22 financial year. Fines will be imposed in accordance with the traffic laws and regulations and will be influenced by law enforcement and the behaviour of road users in the jurisdiction of Newcastle.

- **Interest on investments: R2.4 million, an increase of R92 thousand (4%).**

Interest on investments is expected to generate revenue of R2.4 million in the 2021/22 financial year. This represents an increase of R92 thousand (4%) from the budget of R2.3 million

in the current year to R2.4 million in the 2021/22 financial year. Interest will be earned based on the value of the investments that the municipality will make with various financial institutions for any additional funds during the financial year.

- **Interest on outstanding debtors: R4.6 million, decrease of R464 thousand (-9%).**

Interest on outstanding debtors is expected to generate revenue of R4.6 million in the 2021/22 financial year. This represents a decrease of R464 thousand (-9%) from the budget of R5.1 million in the current year to R4.6 million in the 2021/22 financial year. Interest will be earned based overdue business accounts without any arrangements in place.

- **Rental of facilities: R7.7 million, increase of R290 thousand (4%).**

Tariffs from rental of municipal facilities will be increased by 3.9% and is expected to generate revenue of R7.7 million in the 2021/22 financial year. This represents an increase of R290 thousand (4%) from the budget of R7.4 million in the current year to R7.7 million in the 2020/21 financial year.

- **Licences: R15 766, increase of 592 rands (4%).**

Tariffs from licences will be increased by 3.9% and is expected to generate revenue of R15 thousand in the 2021/22 financial year. This represents an increase of R592 (4%) from the budget of R15 174 in the current year to R15 766 in the 2021/22 financial year.

- **Other revenue: R19.5 million, an increase of R735.6 thousand (4%).**

Sundry tariffs will be increased by 3.9% and are expected to generate revenue of R19.5 million in the 2021/22 financial year. This represents an increase of R735 thousand (4%) from the budget of R18.6 million in the current year to the budget of R19.5 million in the 2021/22 financial year.

- **Disposal of properties: R11 million.**

The municipality is in the process of disposing a properties through for the medical precinct project for the estimated purchase price of R11 million. Based on the value of the land, the municipality is projecting to generate a gain of R1 million in the transaction. A number of properties have already been identified and advertised for disposal, the process of which is expected to drag up to 2021/22 financial year.

- **Inflation target.**

In terms of the National Treasury's budget circular No.108, the projected inflation rate for 2021/22 is 3.9%. It is noted that the tariff increase of 3.9% for rates and services and 14.59% for the electricity exactly in line with the projected inflation rate as well as the NERSA guideline on municipal tariff increase.

3.25. Capital Budget.

The summary of the capital programme of the municipality, with the funding sources for the next three financial years is as follows:

Table 18: Capital expenditure by asset class

ASSET TYPE	DRAFT BUDGET 2021 2022	DRAFT BUDGET 2022 2023	DRAFT BUDGET 2023 2024
Electricity distribution	3 531 877	-	-
Furniture and equipment	1 350 000	1 600 000	1 800 000
Libraries	-	10 000 000	10 000 000
Roads and stormwater	40 932 006	36 000 000	38 000 000
Sanitation	51 512 429	54 549 500	55 235 450
Vehicle and Maintenance	3 100 000	1 500 000	1 500 000
Water distribution	33 866 689	30 800 000	16 000 000
TOTAL CAPITAL BUDGET	**134 293 000**	**134 449 500**	**122 535 450**

Over the next three years, the municipality is planning to spend R391 million towards the capital programme. During the 2020/21 financial year, The municipality will be spending the bulk of its capital programme towards basic infrastructure, with R40.9 million towards roads, R33.8 million towards water, R51.5 million towards sanitation and R3.1 million on the electricity infrastructure. A further R3.1 million will be spent on new plant, R1.3 million of furniture and other tools of trade.

The following tables reflects a detailed listing of projects that are planned to be implemented by the municipality over the MTREF period:

FINAL CAPITAL BUDGET 2024/25 -2026/27 MTREF

Directorate	DirectorateDescription	CostCentre	ConfigCode	OwnDescription	Bud 24/25	Bud 25/26	Bud 26/27
OPERATING CAPITAL PROJECT							
CORPORATE SERVICES							
1	ADMINISTATION	106	70106035021	OVERHEAD PROJECTOR AND PROJECTION SCREEN	50 000	-	-
1	ADMINISTATION	106	70106104721	PURCHASE OF VEHICLES	800 000	-	-
					850 000	**-**	**-**
COMMUNITY SERVICES							
2	COMMUNITY SERVICES	232	70232001921	REFUSE BULK CONTAINERS	-	800 000	800 000
2	COMMUNITY SERVICES	232	70232025021	ROAD MAKING MACHINE	90 000	-	-
2	CULTURE, RECREATION, AMENITIES	274	70274100321	ART PURCHASES	29 000	-	-
2	CULTURE, RECREATION, AMENITIES	203	70203225031	CONSTRUCTION OF WHEELCHAIR RAMP AT ART GALLERY	50 000	-	-
2	CULTURE, RECREATION, AMENITIES	404	70404104121	GRASSCUTTER	70 000	-	-
2	CULTURE, RECREATION, AMENITIES	186	70186017061	AMPHITHEATHRE: PHASE 2: FORT AMIEL	217 000	320 000	320 000
2	CULTURE, RECREATION, AMENITIES	127	70127015021	FURNITURE AND EQUIPMENT	400 000	-	-
2	CULTURE, RECREATION, AMENITIES	166	70166108061	CONSTRUCTION OF SPORTS FACILITY - MIG	8 964 576	10 558 042	-
2	CULTURE, RECREATION, AMENITIES	166	70166107061	CONSTRUCTION OF SPORTS FACILITY (OLD CASINO)	10 000 000	10 000 000	10 000 000
					19 820 576	**21 678 042**	**11 120 000**
DP&HS							
4	ECONOMIC DEVELOPMENT	125	70125039361	REFURBISHMENT OF HANGER BUILDING	500 000	-	-
4	ECONOMIC DEVELOPMENT	125	70125045021	AIRPORT SOFTWARE	1 000 000	-	-
4	ECONOMIC DEVELOPMENT	125	70125039261	CONSTRUCTION OF ATNS TOWER	4 500 000	-	-
4	HOUSING & LAND	261	70261012251	FURNITURE AND EQUIPMENT	500 000	500 000	500 000
4	TOWN PLANNING	280	70280100361	CONSTRUCTION OF ROADS	20 000 000	2 000 000	5 000 000
					26 500 000	**2 500 000**	**5 500 000**
BTO							
5	FINANCIAL TREASURY SERVICES	200	70200025021	MACHINERY , EQUIPMENT	100 000	100 000	100 000
5	FINANCIAL TREASURY SERVICES	200	70200015021	FURNITURE AND EQUIPMENT	300 000	300 000	300 000
5	FINANCIAL TREASURY SERVICES	200	70200035021	IT EQUIPMENT	2 000 000	2 000 000	2 000 000
					2 400 000	**2 400 000**	**2 400 000**
ELECTRICAL SERVICES							
10	INFRASTRUCTURE ELECTR & MECH	602	70602025021	HIGH VOLTAGE TEST EQUIPMENT	1 300 000	-	-
10	INFRASTRUCTURE ELECTR & MECH	258	70258002061	CONSTRUCTION OF 11kv SWITCHING STATION- CAPRICON	7 700 000	6 000 000	6 500 000
10	INFRASTRUCTURE ELECTR & MECH	258	70258003061	CONSTRUCTION OF 132/11kv STATION- EQUARAND	14 644 000	12 000 000	12 000 000
					23 644 000	**18 000 000**	**18 500 000**
TECHNICAL SERVICES							
11	INFRASTRUCTURE CIVIL	233	70233110561	UPGRADE OF VOORTREK PUMPSTATION AND ASSOICIATED WORKS	-	4 000 000	28 799 462
11	INFRASTRUCTURE CIVIL	701	70701119661	CHARLESTOWN BULK WATER SUPPLY	-	4 812 844	30 000 000
11	INFRASTRUCTURE CIVIL	150	70150015021	FURNITURE EQUIPMENT	30 000	100 000	150 000
11	INFRASTRUCTURE CIVIL	233	70233170561	UPGRADE OF MADADENI WASTE WATER TREATMENT	1 000 000	-	-
11	INFRASTRUCTURE CIVIL	701	70701009661	BLAAUWBOSCH BULK WATER	8 703 375	-	-
11	INFRASTRUCTURE CIVIL	245	70245029761	CONSTRUCTION , REHABILITATION OF JR2 ROAD	10 000 000	-	-
11	INFRASTRUCTURE CIVIL	233	70233170661	UPGRADE , REFURBISHMENT OF BULK SEWER PIPELINE FROM SIYAHLAL	11 000 000	28 837 541	-
11	INFRASTRUCTURE CIVIL	245	70245012861	CONSTRUCTION OF OSIZWENI TARED ROAD WARD 9, 10 , 32	13 000 000	20 879 210	34 426 939
11	INFRASTRUCTURE CIVIL	701	70701018261	VILIOENPARK BULK WATER , SANITATION	13 000 000	31 488 880	9 006 169
11	INFRASTRUCTURE CIVIL	245	70245011861	CONSTRUCTION OF MADADENI TARED ACCESS ROAD WARD 28 , 29	13 050 546	20 269 783	29 335 852
11	INFRASTRUCTURE CIVIL	701	70701010661	PIPE REPLACEMENT AND UPGRADE PROJECT	30 487 876	-	-
					100 271 797	**110 388 258**	**131 718 422**
				TOTAL OPERATING CAPITAL PROJECTS	**173 486 373**	**154 966 300**	**169 238 422**
				SOURCES OF FUNDING:			
				NATIONAL GRANTS	151 580 373	140 946 300	155 218 422
				PROVINCIAL GRANTS	10 796 000	10 820 000	10 820 000
				INTERNAL FUNDED	11 110 000	3 200 000	3 200 000

3.26. Sector Department Funding.

Municipalities play a critical role in furthering government's objective of providing services to all, while facilitating local economic development. Local government conditional grants are being reformed to provide targeted support to different types of municipalities. The following are the projected grants allocations to the municipality in terms of the 2020 Division of Revenue Act have been included in the medium term budget.

Table 19: National and Provincial allocations

LOCAL GOVERNMENT MTEF ALLOCATIONS: 2023/24 - 2025/26

B KZN252 Newcastle	2023/24 R thousands	2024/25 R thousands	2025/26 R thousands
Direct transfers			
Equitable share and related	**506 803**	**546 257**	**570 897**
Fuel levy sharing			
Infrastructure	**239 132**	**232 075**	**241 832**
Municipal infrastructure grant	143 068	141 375	147 949
Urban settlement development grant			
Public transport network grant			
Integrated national electrification programme (municipal) grant	21 550	20 000	20 896
Neighbourhood development partnership grant (capital grant)	24 514	20 000	20 000
Rural roads assets management systems grant			
Integrated city development grant			
Regional bulk infrastructure grant			
Water services infrastructure grant	50 000	50 700	52 987
Municipal disaster recovery grant			
Integrated urban development grant			
Metro informal settlements partnership grant			
Capacity building and other current transfers	**4 956**	**1 850**	**1 950**
Local government financial management grant	1 850	1 850	1 950
Municipal systems improvements grant			
Expanded public works programme integrated grant for municipalities	3 106		

Infrastructure skills development grant			
Municipal emergency housing grant			
Energy efficiency and demand side management grant			
Municipal disaster relief grant			
Programme and project preperation support grant			
Municipal demarcation transition grant			
Sub total direct transfers	**750 891**	**780 182**	**814 679**
Indirect transfers			
Infrastructure transfers	**13 792**	**10 924**	**10 924**
Regional bulk infrastructure grant			
Integrated national electrification programme (Eskom) grant	13 692	10 824	10 824
Neighbourhood development partnership grant (technical assistance)	100	100	100
Rural households infrastructure grant			
Water services infrastructure grant			
Bucket eradication programme grant			
Capacity building and other current transfers	**-**	**-**	**-**
Municipal systems improvements grant			
Sub total indirect transfers	13 792	10 924	10 924
Total	764 683	791 106	825 603

Transfers from Provincial Departments			
Municipal Allocations from Provincial Departments	**647 850**	**46 007**	**36 755**
of which			
Economic Development, Tourism and Environmental Affairs	**-**	**-**	**-**
Informal Economy Infrastructure			
Municipal Employment Initiative			
Margate Airport			
Pietermaritzburg Airport			
Prince Mangosuthu Buthelezi Airport			
Long Term Development Strategy (Integrated Economic Development plan)			
Balele Game Reserve			
Mtubatuba Visitor Information Centre			

Beach Development			
Greenest Municipality Competition			
Informal Trader Infrastructure			
Rehabilitation of Nelson Street SMME Unit			
Human Settlements	**625 849**	**15 501**	**15 501**
Operational Costs - Accredited Municipalities	15 501	15 501	15 501
Community Residential Units (CRU)			
Planned Expenditure from HSDG	131 615		
Planned Expenditure from ISUPG	478 733		
DEPARTMENT OF SPORT, ARTS AND CULTURE	**22 001**	**30 506**	**21 254**
Maintenance Grants - Sport Facilities			
Infrastructure - Sport and Recreation Infrastructure	11 938	20 000	10 000
Operational costs of art centres			
Museum subsidies	476	497	519
Provincialisation of libraries	6 992	7 300	7 627
Community Library Services grant	2 595	2 709	3 108
Co-operative Governance and Traditional Affairs	**-**	**-**	**-**
Small Town Rehabilitation programme			
Total: Transfers from Provincial Departments	**647 850**	**46 007**	**36 755**

3.26.1. SWOT Analysis: Financial Viability and Management.

STRENGHTS	WEAKNESSES
• Implementation of the Budget Funding Plan • Weekly sitting of the Finance Committee • Implementation of Cost Containment Strategies • Implementation of the MPRA. • Supply chain management systems in place. • Integrated Financial Management System. • Indigent support.	• Non-payment for services, particularly in the Madadeni and Osizweni areas. • Vacancies in critical positions • Increase in expenditure in relation to revenue generated. • Low debt collection. • Increase in list for indigent support and Free Basic Services. • Limited access to funding in relation to need. • Over-committed reserves into the funding of capital expenditure • Increased employee related costs and other contracted services
OPPORTUNITIES	**THREATS**
• Support from Treasury and COGTA. • Access to grants with other government sectors; • Explore more funding models with DBSA and other private partners; • Strengthen implementation of Revenue Enhancement Strategies; • Strict implementation of by-laws to maximize revenue base • New municipal property rates system.	• Fraud and corruption. • Poor implementation of the supply chain and financial management policies. • Operating at a deficit • Inadequate provision for repairs and maintenance in relation to the value of assets. • Inadequate reserves • Loss of municipal assets • Poor exist system, resulting in fruitless and wasteful expenditure.

3.26.2. Financial Viability and Management.

DEVELOPMENT CHALLENGES	RECOMMENDATION
Inadequate revenue collection systems within the municipality.	- Introduction of new technology towards improving revenue collection .i.e. water smart meters, prepaid electricity. - Strategic support and assistance to industry.
Low recovery of amounts owed for rendering of municipal services from consumer debtors.	- Outstanding accounts with no queries to be forwarded to the respective consumers for making the necessary payment arrangements. - Indigent verification. - Capacitating of staff and field workers.
Lack of procedures to enforce recovery of debts or follow-up on outstanding amounts.	- Appointment of field workers. - Investigate the possible use of a service provider for meter reading as compared to performing the function in-house.
Lack of advice to Council on revenue enhancement mechanisms.	- Updated financial plan. - Capacity building towards revenue enhancement and the related mechanisms.

3.26.3. Good Governance and Public Participation.

The Newcastle Municipality is a developmental local government structure that is committed to working with citizens and organised interest groups to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives. This assertion complements the right of communities to participate in the decisions that affect development in their respective areas, and a corresponding duty on the municipality to encourage community participation in matters of local governance. The Municipality achieves this goal mainly through Ward Committee structures and a variety of other measures designed to foster open, transparent and consultative municipal governance.

However, the functionality and effectiveness of the ward committees remains a major challenge. Some of these are not unique to Newcastle Municipality as they relate to the design of the ward committee system as well as the procedures for their operation. As such, they are systemic in nature and should be addressed as part of government programmes to deepen democracy. Synergistic relations should also be strengthened with the business community, farmers associations, organised labour and other stakeholders.

3.26.4. Cross-cutting issues.

DEVELOPMENT CHALLENGES	RECOMMENDATION
The town serves as an administrative and economic hub for the North-Western part of KwaZulu-Natal, including the whole of Amajuba District and some of the surrounding areas in the Ubuhlebomzinyathi District and the Mpumalanga Province. However the key question raised relates to whether or not NLM is developed with sufficient infrastructure including adequate capacity to play its role as a sub-regional economic hub.	- Infrastructure Master Plan. - Absorption and retainment of highly skilled personnel within NLM.
There's been a rapid increase in the rate of urbanization in Newcastle resulting in the development of settlements along P483, in particular, linear settlements such as KwaMathukuza, JBC towards the Khathide area. Rapid urbanization bring with it many problems and places huge demands on the need for land, municipal services, housing, transportation and employment.	- Spatial integration through densification, gentrification and compaction. - Establishment of service delivery centers. - Sustainable human settlements.
NLM can broadly be defined as a region exhibiting a legacy of poor apartheid planning through an inefficient spatial pattern. This includes the low-density urban sprawl which is fuelled in the Newcastle-West area by anti-city values of suburbia that promotes large plots as an image of good urban living, a cellular development pattern that occurs in relatively discrete pockets based on the introverted concept of neighborhood unit or super block, and the separation of land uses, urban elements, races and income groups. The dominant land use pattern resembles a series of relatively	- Spatial integration through densification, gentrification and compaction. - Development of community residential units (CRUs) in order to achieve higher densities within the urban areas.

DEVELOPMENT CHALLENGES	RECOMMENDATION
homogenous blobs of different uses tied together by high speed transport routes.	
Poor quality of the environment manifested in the form of deteriorating water quality, poor air quality, poor waste disposal and collection thereof, and a general lack of open spaces within NLM.	- Development of a climate change strategy. - Environmental awareness campaigns. - Development of positively performing open spaces. - Air quality management. - Water conservation awareness campaigns. - Planting of trees.
High levels of poverty attributed to general low levels of income and skilled labour.	- Improved roll-out of the LED program. - Promotion of urban agriculture in the denser urban settlements. - Assistance and support to SMMEs particularly within the MBO area. - Skills training and development.
Disparities regarding residential densities within the municipality. Higher densities are found closer to established nodes as well as informal settlements. Subsequently the lower densities are found on the peri-urban areas located within the urban edge and other rural nodes beyond the urban edge. This has resulted in a disintegrated spatial pattern characterized by uniform, irregular, random and concentrated residential densities at specific areas.	- Spatial integration through densification, gentrification and compaction.
	- Improved alignment with environmental management custodians such as KZN Wildlife as well as the World Wildlife Fund in order to align and streamline priorities towards improved environmental management and also data sharing. - Finalization of the environmental management framework.
Lack of sufficient GIS data pertaining to the environment.	
The NLM waste disposal site is nearing the end its carrying capacity hence its lifespan.	- Establishment of a new landfill site.

3.27. Development Trends and Patterns.

3.27.1. Regional Role and Significance of Newcastle.

The identification of Newcastle as an important secondary investment node with potential for industry, agriculture and tourism, indicates its importance on a regional and provincial scale. Newcastle is strategically located halfway between Johannesburg and the harbours of Durban and Richards Bay, and is well connected to these centres by means of both rail and road infrastructure. The N11, P612 and the P483 are some of the roads running through the NLM serving a national, provincial and regional function.

The town serves as an administrative and economic hub for the north-western part of KwaZulu-Natal. This includes the whole

of Amajuba District and some of the surrounding areas in Mpumalanga Province and Umzinyathi District. This raises a key question whether the town is developed with sufficient infrastructure and has enough capacity to play its role as a sub-regional economic hub. Some of the critical infrastructure includes tertiary education and health facilities, regional government offices and sports facilities. Equally important is the ability to create employment opportunities and absorb the urbanising labour force. Therefore, planning for the future development of the NLM should go beyond a narrow focus on local issues and incorporate regional social and economic issues.

3.27.2. Urbanisation – Sustainable Human Settlements.

Urbanisation is the process in which the number of people living in cities increases compared with the number of people living in rural areas. An area is considered to be urbanised when over 50% of its population lives in urban places. Rate of urbanisation in Newcastle has been very rapid, resulting in the development of settlements along P483 in particular as linear settlements from KwaMathukuza through JBC to Khathide in the north.

Rapid urbanisation brings with it many problems as it places huge demands on land, water, housing, transport and employment. In Newcastle like many other South African Towns, apartheid has made the problems of urbanisation more complex. Urbanisation of black people was made difficult by forcing them to live in areas far from the town. With the lifting of racial restrictions on where people may live and work, many unemployed people have migrated to urban centres such as Newcastle in search of work, bringing their families with them. The shortage of accommodation in town has forced them to live in informal settlements hence the informal settlements that are spread throughout the area with huge concentrations in the eastern areas. Land under the control of Ubuhlebomzinyathi Community Authority has also been specifically targeted as these areas present opportunities for a rural lifestyle in an urban context.

This presents the municipality with a challenge to devise strategies to manage the urbanisation phenomenon, and ability to undertake pro-active planning in anticipation of population growth. All housing projects undertaken to-date have been reactive.

3.27.3. Roads and Stormwater.

Local government has a constitutional duty to provide basic services and Newcastle Municipality is no exception. In conjunction with both national and provincial plans, Newcastle Municipality is required to build infrastructure in order to grow the capacity of the economy, boost various sectors of the economy with a specific emphasis for faster growth and address the inequality that marginalize the poor in the second economy. In terms of road infrastructure, over 80% of all roads in Newcastle are in a poor state, of which 704km are unpaved

with 254km surfaced roads. The gravel roads constitute 404km of roads. In an attempt to address this, the municipality has intensified their roads programs over the past 5 years, which addresses primary and secondary roads. Newcastle Municipality has a huge legacy in addressing the basic needs. The challenge is also due to spatial inefficiency in ensuring that rural communities also enjoy the same benefits as those enjoyed by urban communities. In this regard, roads and transport plays a critical role in facilitating the movement of goods and services and rural areas to urban centres. The accommodation of storm-water has a tremendous influence on the life of a road. This requires the municipality also to focus on storm-water management in order to increase the life span of the roads. While the municipality focuses on upgrading new roads, they also need to do maintenance on the existing roads in order to keep the municipal area an accident free.

3.27.4. Inefficient Spatial Structuring.

While the regional economic development forces remain one of the main structuring elements within the NLM, the past apartheid policies have had a profound impact on the structure and functionality of the area. It fragmented communities, marginalised their economic activities and undermined their participation in the economy. It located people in areas with poor access to urban services and facilities, and effectively entrenched the philosophy of unequal development.

The NLM could broadly be described as an apartheid region in the sense that it embodies most if not all the attributes of apartheid spatial patterns. These include the following:

- Low density sprawl which is fuelled in the Newcastle West by anti-city values of suburbia which promotes large plots as an image of good urban living. Factors that contribute to urban sprawl includes continued existence of low density residential suburbs designed in terms of garden city concepts, and entrenched into the Town Planning Scheme through inflexible density controls and scheme clauses such as coverage, minimum site sizes and permissible uses, and easy access to land for settlement in the east.
- Cellular development pattern that occurs in relatively discrete pockets based on the introverted concept of neighbourhood unit or super block. This has given rise to a coarse grain urban environment characterized by single dwelling units and building ancillary thereto on large plots of land (garden city concept). As such there is a high impact on available land in relation to population size, and travel within the city is costly in terms of time. This gives rise to inefficiency in the use of energy, transportation and movement, and delivery of services.
- Separation of land uses, urban elements, races and income groups. The dominant land use pattern resembles a series of relatively homogenous blobs of different uses tied together by high speed transport routes. The separation of places of work and residence was deeply entrenched in the philosophy of urban management. A large number of the

poor are living on the urban periphery further away from the opportunities.

- Despite businesses being attracted to decentralised locations, the central area has shown some resilience in that new businesses have moved in to occupy space vacated by those who have moved to decentralised locations. However, decay/decline is evident in some sections of the central area.
- The combined consequences of these spatial patterns have been phenomenal leaving the area with entrenched inequality and functional inefficiency. It created islands of spatial affluence in a sea of geographical misery (CSIR, July 2002:4). It created a distorted, fragmented, incoherent and inefficient settlement pattern. It also gave rise to spatial, social and economic exclusion of certain race groups to the benefit of other, and created a poorly functioning land and housing market.

3.27.5. Economic Stagnation.

Over the last few decades, the economy of the Newcastle Municipality area of jurisdiction experienced variable trends marked, in all, by shift from one sector to the other and general decline in both output and performance. Although some mining activities are still evident in the area, it is no longer appropriate to regard Newcastle as a coal mining town. The same applies to agriculture. Both sectors have shed a number of jobs and their contribution to the local economy is at the lowest point ever. Manufacturing remains the main economic activity in the NLM, but is itself facing a number of structural challenges which if not addressed at this juncture will relegate this sector into insignificance. These challenges include the dominance of the clothing and textile sub-sector which implies the lack of economic diversity, poor labour conditions in some of the factories and lack of new investment.

In the light of this, there is an urgent need to redefine the role of Newcastle in the provincial and national economy. This may include the identification of new sectors, diversification of some existing factors and strengthening functional integration between Newcastle Town and the surrounding rural hinterland. Tourism development is also one of the key sectors that need to be explored.

3.27.6. Poor Access to Social Facilities.

Huge backlogs in the delivery of public services have been identified as one of the key issues facing Newcastle Municipality. It manifests itself in the following forms:

- Poor condition of schools, which does not contribute to building a culture of learning and teaching.
- Poor access to institutions for early childhood education. This field has been identified by the national government as a priority area of intervention.
- Poor access to health services which affects delivery of primary health care. The latter is a strategy used by the national government to deliver health services.

- Poor access to library services which also affects the development of a culture of learning and teaching.
- Poor access to welfare services including pension pay points, magistrate services, etc.
- Poor access to cemeteries.

Attention should be given to lack of sport fields, parks and swimming pools in the MBO area in order to revive the sport in Newcastle considering that the municipality has a history of producing world stars on soccer.

3.27.7. Infrastructure Backlog.

Access to basic services is one of the main elements of socio-economic wellbeing of an area. The status of the physical and economic development level of a community such as that of Newcastle is often measured based on the provision and quality of infrastructure for technical services, i.e. access to roads, electricity, water and sanitation. These are found to be a huge challenge for Newcastle Municipality whereas the town suffers from maintaining of existing services while rural areas have no basic services at all. In addition, the Newcastle Local Municipality is challenged with the maintenance and development of basic road and storm water infrastructure to serve the local community, particularly in the Newcastle East. This will be severely constrained by limited financial resources. Public transport plays an important role in the economy of Newcastle and deserves some attention in the planning efforts of the municipality.

3.27.8. Poor Quality of the Environment.

The quality of the environment within the NLM requires an urgent attention. This is symbolized mainly by the following:

- Deteriorating quality of water due to mining activities, pit latrines, use of pesticides and fertilizers, and other water contaminating activities.
- Poor air quality due to emissions. Equipment for air quality monitoring is in place but has not been maintained. Closer collaboration with local industries needs to be developed in this regard.
- Urbanization which results in the establishment of settlements in areas that is unsuitable for human habitation. These include flood lines, wetlands, etc.
- Waste collection and disposal. The municipality needs to work together with local communities, particularly in the townships to develop community based programs for keeping the area clean.
- General lack of active open space in the NLM, particularly the township areas.
- Dirt roads which also contribute to a sterile environment.

3.27.9. Financial Management and Accounting.

The general lack of requisite knowledge by the finance team on GRAP/GAMAP requirements culminates in:-

- An inability to account for financial accounts in line with GRAP/GAMAP accounting standards;
- Reliance on consultants in preparing financial statements in line with GRAP/GAMAP requirements by municipalities already converted from IMFO to GRAP/GAMAP;
- Lack of preparedness by those municipalities still to convert to GRAP/GAMAP requirements; and
- Financial systems not geared towards GRAP/GAMAP requirements.

In addition, the financial diagnostic report identifies the following challenges in financial administration, management and reporting within municipality:

- Lack of systems of internal controls to manage assets evidenced by asset registers not updated when acquisitions, impairments or disposals are made. Reconciliations' of the asset register to the general ledger not performed. Further, the existence of assets cannot be ascertained due to a lack of ongoing process to verify them.
- Inadequate revenue collection systems within municipalities evidenced by low recovery of amounts owed for municipal services from consumer debtors, Lack of procedures to enforce recovery of debts or follow-up on outstanding amounts, Lack of advice to the council on revenue enhancement mechanisms.
- Lack of month end discipline resulting in month end closure not performed, critical month end reconciliations not performed, inability to identify completeness of recording of transactions, and inability to report meaningfully to the municipal structures on financial performance;
- Poor record management resulting in difficulties in tracing financial records supporting the financial affairs of the municipality;
- Lack of processes to identify and manage unauthorised, irregular and wasteful expenditure;
- Issues raised by the Office of the Auditor General not followed up and cleared on time.

3.27.10. High Rate of Poverty.

Poverty manifests itself in different dimensions with income poverty and human poverty being the most common. Income poverty refers to the lack of sufficient income to satisfy basic food needs and essential non-food needs such as clothing, energy and shelter. It arises from a high rate of unemployment, poor access to productive resources, lack of marketable skills and general lack of job opportunities.

Human poverty broadly refers to the lack of basic human capabilities and it arises from high representation of the members who cannot read, write and numerate food insecurity, malnutrition, declining life expectancy, increase of sickness and deaths related to preventable diseases and poor access to basic services. Overcrowding also contributes to this situation.

3.27.11. Impact of HIV and AIDS.

Accurate statistical information about the prevalence of HIV and AIDS in the NLM could not be obtained. However, AIDS has generally been identified as one of the key factors that will influence development over the next few decades. HIV and AIDS will lead to a range of social and economic problems including the following:

- Increase in the dependency ratio as the number of the economically active who dies of AIDS increase.
- Increase in the number of orphans, which in turn may put strain on the limited welfare budget.
- Decline of population with 20 and below years of age.
- Increase in the number of households with members who need special care and treatment thus putting burden on their families, particularly women who are often the ones who look after the seek in addition to their daily activities
- Slowing of population growth.
- Lack of income in cases where breadwinners die of AIDS.
- Low productivity rate.

3.27.12. Debt Management.

Newcastle Municipality has a total debt roll amounting to R 748 934 335. The majority of this is more than 180days old. Individual households account for R647 851 436 of this amount while government departments owing about R23 174 411. This situation arises from a number of factors including the following:-

- Lack of control over excessive water leaks is the main and major contributing factor for low payment factor – where does a person start paying an account when it amounts to thousands of rands.
- Indigent using excess water – about 14100 indigent accounts have arrears of R 178 million leaving only about 7000 accounts having balances of less than R 500.
- Electricity meter audit not yet finalized – awaiting technical section report
- Lack of community and or buy in from communities
- No policies regarding water leaks other than that account is to be paid
- Need an improved customer care facility, i.e. call centre, with a proper query recording system.

However, the politicians are showing the political will to resolve this predicament by resolving that a Task Team needs to be established with a clear plan to improve the payment factor.

3.27.13. Lack of Financial Discipline.

KEY PERFORMANCE AREAS	KEY ISSUES
Spatial Rational	• The role of Newcastle as a regional hub in the northern part of KZN. • Spatial fragmentation between Newcastle East and Newcastle West. • Low density largely informal urban sprawl particularly in Newcastle East.

KEY PERFORMANCE AREAS	KEY ISSUES
	• Increase in the isolated and dislocated settlements such as Ingogo. • Lack of housing opportunities for the poor in and around the CBD. • Settlements occurring in environmentally sensitive areas. • Implementation of a wall-to-wall scheme.
Municipal Transformation and Organisational Development	• Appointment of females and the disabled in senior management positions. • Implementation of Municipal Turn Around Strategy. • Developing systems for effective information management and institutional memory. • Ongoing staff training and capacity building. • Ability to attract and retain qualified and experienced staff in technical and financial management functions.
Service Delivery and Infrastructure Analysis	• Aging infrastructure in Newcastle West. • Service backlogs in JBC and surrounding rural settlements. • Lack of spare capacity in the water treatment works. • Storm water management. • Dirt roads in the MBO. • Poorly located landfill site. • Informal settlements. • Lack of social housing opportunities.
Local Economic and Social Development	• Lack of investment. • Lack of structured support for the SMMEs. • Decline in the agricultural sector. • Decentralisation of shopping facilities and increase in the number of shopping centres. • Opportunities in the coal mining sector.

KEY PERFORMANCE AREAS	KEY ISSUES
Municipal Financial Viability and Management	• Debt collection. • Revenue generation. • Implementation of the MPRA. • Financial management.
Good Governance and Public Participation	• Legislative compliance.

CHAPTER 4:

VISION, GOALS, OBJECTIVES AND STRATEGIES.

4. DEVELOPMENT STRATEGY.

The development strategy of the NLM is designed to fit-in and give effect to the intention of both the national and provincial development strategies. This includes, within the national development plan, Vision 2030 and various government programs. NLM IDP also fits within the provincial development framework as set out in the PGDS. The NLM strategy covers the following:-

- Strategic fit (alignment with national and provincial development strategies).
- NLM long-term strategic direction and organizational culture.
- NLM short to medium term strategies and action plans.

In addition, the IDP also considers the emerging national and provincial long term strategic plans as encapsulated in the Draft National Development Plan and the Draft Provincial Growth and Development Strategy. Given its strategic location in the northern part of KwaZulu-Natal, Newcastle Municipality will make a significant contribution towards the implementation and attainment of the strategic objectives of each of these strategic plans. Again, it is critically important to ensure that the IDP

The strategic approach is meant to highlight the impact that the municipality seeks to create in the short to long term period. As indicated on Figure 29 above, in addition to outcome 9, the NLM will contribute to the attainment of outcomes 2, 4, 5, 6, 8, 9, 10 and 12 with the 6 KPAs as the strategic areas for intervention. As such, the development strategy for the NLM is designed to address issues that are specific to the NLM while also contributing to the attainment of the national priorities.

4.1. Long Term Vision and Mission.

Newcastle Municipality's long-term development vision was formulated within the context of the national and provincial vision statements as outlined in the National Development Plan (NDP) and the Provincial Growth and Development Strategy (PGDS). It reflects a joint commitment by the local leadership, municipal administration and the local communities to make Newcastle a better place and improve the quality of life for those who work and/or live in NLM.

The vision is based on the following overarching principles:-

- Sustainability.
- Integrated development.
- Equitable access to basic services and public facilities.
- Efficient and effective delivery of services.

4.1.1.Vision 2035.

By 2035, Newcastle will be a resilient and economically vibrant city.

4.1.2.Mission Statement.

Newcastle Local Municipality together with its citizenry, commits to realize its vision through innovative service excellence, accelerated service excellence, sustainable infrastructure development, promoting socio-economic development and spatial integration.

4.1.3. Core Values

- Honesty and Integrity
- Consultation;
- Service Standards;
- Courtesy;
- Access;
- Information;
- Openness and Transparency;
- Effective Complaints Management;
- Giving Best Value.

4.1.4.Priority Development Issues.

- Sound Financial Management/Viability (incl. Debt collection and management);
- Improved access to basic service delivery (i.e. water, sanitation, electricity, housing, waste removal);
- Local Economic Development (eradication of poverty and unemployment);
- Improved quality of roads and stormwater infrastructure (including sidewalks);
- Environmental sustainability (environmental conservation/management);
- Accelerated Municipal Transformation and Corporate Development;
- Improved access to public facilities (including educational facilities – provincial mandate);
- Improved community safety;
- Improved access to basic health services (NB: provincial mandate); and
- Improved access to land (including Land Reform).

4.1.5.Development Strategy.

The development strategy is based on a long-term vision, but acknowledges the significance of issues that need to be addressed in the short-to-medium term. As such, the municipality has formulated development goals that seek to address the challenges facing the institution currently and reposition the area in a developmental path as follows:-

- To develop Newcastle as a service and industrial hub.
- To eradicate all forms of poverty and destitution/indigence.
- To be an example of service and governance excellence.
- To improve the quality of life.
- To achieve environmental sustainability.
- To promote gender equality and empowerment.

In the short-to-medium term, the municipality will initiate projects with clear targets and outputs towards the attainment of these goals. It will accelerate delivery of services and gradually consolidate outcomes so as to attain the desired future situation.

Particular focus will be paid to the following key areas of strategic intervention:-

- ***Spatial integration and environmental sustainability:*** Particular focus will be paid on the development and implementation of systems and procedures for effective land use and environmental management.
- ***Local economic development:*** The municipality has a responsibility to create a climate conducive for the flourishment of both public and private sector investments. As such, the municipality is committed to working with other government agencies and departments to deliver state of the art economic infrastructure that will facilitate development of effective service to the business sector.
- **Service delivery and infrastructure development:** The NLM is the sphere of government that is closest to the communities. This bestows a huge responsibility to deliver services where the municipality is directly responsible and coordinate the delivery of services that fall outside the constitutional obligations of the municipality.
- **Municipal transformation and organisational development:** The attainment of development goals as outlined above requires the municipality to establish effective systems and procedures for both municipal administration and local governance. This includes attracting and retaining well trained, experienced and committed employees.
- **Financial viability and management:** Funds will be a critical input in the process towards the attainment of the above-mentioned goals. Due to such, it is critically important to ensure that the municipality is able to generate sufficient funds to be able to deliver services and facilitate development. Also important is the ability to account for the use and disbursements of public funds.
- **Good governance and public participation:** The municipality is committed to putting in place systems and procedures for accountable local governance. This includes oversight responsibilities, auditing function, risk management, etc. Members of the public will be kept informed and engaged in all municipal affairs.

4.2. IDP Strategic Objectives.

4.2.1. Institutional Development and Transformation.

OUTCOME 9	IDP RRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
Output 6: Administrativeand financial capability.	Accelerated Municipal Transformation and Corporate Development	IT1	To align jobs with organizational strategy for effective service delivery	IT1.1	To review and align job descriptions to departmental and organizational goals for efficiency and effective service delivery	IT1.1.1	Review of job descriptions for as per the 2024/2025-year plan by the 30th of June 2025	75	Job Descriptions for DPHS, BTO, Technical Services and Community services by the 30th of June 2025	Corporate Services
Output 6: Administrativeand financial capability.	Accelerated Municipal Transformation and Corporate Development	IT2	To enhance organizational performance by attracting and retaining the best talent by 2025	IT2.1	To implement the Workplace Skills Plan	IT2.1.1	Percentage of the municipality's app0roved budget actually spent on implementing its workplace skills plan	0.13%	0,13%	
Output 6: Administrativeand financial capability.	Accelerated Municipal Transformation and Corporate Development	IT3	To promote labour stability through effective employee relations	IT3.1	To organise regular sitting of LLF meetings	IT3.1.1	Number of LLF meetings organised per quarter by the 30th of June 2025	4	4 LLF meetings organised as per quarter by the 30th of June 2025	
Output 6: Administrative and financial capability.	Accelerated Municipal Transformation and Corporate Development	IT4	Facilitate effective logistics management & related activities to support Council committees, management committee & other related meetings, and provide timely protocol	IT4.1	To provide quality administrative services, to support optimal organization performance	IT4.1.1	Number of meetings arranged as per approved annual meeting plan by the 30th of June 2025	NEW KPI	16 (4x Council) (4xEXCO) (4xMPAC) (4xAudit Committee)	
Output 6: Administrativeand financial capability.	Accelerated Municipal Transformation and Corporate Development	IT5	To create a healthy and safe environment through zero fatalities	IT5.1	To organize and conduct Health and Safe Awarenesses	IT5.1.1	Number of Health and Safety awareness sessions conducted by the 30th of June 2025	4	4 health and safety awareness sessions conducted by the 30th of June 2025	
Output 6: Administrativeand financial capability.	Accelerated Municipal Transformation and Corporate Development	IT6	To render an Effective and efficient records management system	IT6.1	Ensure sound records management through accessibility of electronic and paper-based records by authorized users	IT6.1.1	Annual disposal of Municipal records either by transferring them to KZN Archives Services and/or destroying records without value by the 30th of June 2025	Transfer A20 records to KZN archives and destroy ephemeral records and design the destruction certificate for ephemeral records (D), in terms of authorisation received from KZN Archives.	Transfer A20 records to KZN archives and destroy ephemeral records and design the destruction certificate for ephemeral records (D), in terms of authorisation received from KZN Archives by the 30th of June 2025	Corporate Services
Output 6: Administrativeand financial capability.	Accelerated Municipal Transformation and Corporate Development		To enhance organizational performance by attracting and retaining the best talent by 2024	IT6.2	To fill all vacancies budgeted for in FY 2024/2025	IT6.2.1	The number of people from preferred employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan	3	4 positions from the top three highest levels of management filled by the 30th of June 2025	
Output 6: Administrativeand financial capability.	Accelerated Municipal Transformation and Corporate Development	IT7	To mitigate the negative impact of personal, psychological, financial and other related problems to employee performance and productivity.	IT7.1	To roll out employee assistance programme (EAP) that addresses financial, mental and other related programmes that hinder employee productivity.	IT7.1.1	Number of Wellness sessions held per quarter	4	4 wellness sessions held per quarter by the 30th of June 2025	Corporate Services

OUTCOME 9	IDP RRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
Output 6: Administrative and financial capability.	Accelerated Municipal Transformation and Corporate Development	IT8	Provide stable, robust and secure ICT infrastructure for Municipal users	IT8.1	To provide continuous IT solutions and support services	IT8.1.1	Percentage of uptime maintained 100% (total number of users that logged incidents in the month + (total hours per month, that all services should be available. In 4 weeks, the agreed service time 160 hours - the total hours in which users were not able to connect to the internet, email and financial system) x 100/ total number of users that logged incidents in the month	100%	100% (total number of users that logged incidents in the month + (total hours per month, that all services should be available. In 4 weeks, the agreed service time 160 hours - the total hours in which users were not able to connect to the internet, email and financial system) x 100/ total number of users that logged incidents in the month	CORPORATE SERVICES
Output 6: Administrative and financial capability.	Accelerated Municipal Transformation and Corporate Development			IT8.2	To implement more effective ICT controls	IT8.2.1	Number of ICT Security Audits by the 30th of June 2025	4	4 ICT Security audits by the 30th of June 2025	
Output 6: Administrative and financial capability.	Accelerated Municipal Transformation and Corporate Development	IT9	To ensure that the municipality has and maintains an accountable, transparent and standardized ICT systems	IT9.1	To provide ICT systems access to authorized users	IT9.1.1	Frequency of user access reviews by the 30th of June 2025	4	4 user access reviews by the 30th of June 2025	
Output 6: Administrative and financial capability.	Accelerated Municipal Transformation and Corporate Development	IT10	Facilitate the provision of tools of trade for councillors and employees	IT10.2.	To provide councillors and employees with tools of trade in order to perform their duties.	IT10.2.1	Number of vehicles purchased by the 31st of December 2024	4	Purchase and delivery of 1 x Vehicle by the 31st of December 2024	CORPORATE SERVICES
Output 6: Administrative and financial capability.	Accelerated Municipal Transformation and Corporate Development	IT11	Facilitate effective logistics management & related activities to support Council committees, Management Committee & other related meetings, and provide timely protocol	IT11.1	To provide quality administrative services, to support optimal organizational performance	IT11.1.1	Procurement of 1 x overhead projector and 1 x projection screen by the 31st of December 2024	New KPI	Procurement of 1 x overhead projector and 1 x projection screen by the 31st of December 2024	CORPORATE SERVICES

4.2.2. Good Governance and Public Participation

OUTCOME 9	IDP RRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
Output 6: Administrative and financial capability.	Accelerated Municipal Transformation and Corporate Development	GG1	To ensure good governance through openness, transparency, and accountability in the organization.	GG1.1	Implementation of resolutions taken by council committees to ensure good governance through openness, transparency, and accountability.	GG1.1.1	Monthly submission of execution of resolution registers to Exco, Council and Mpac	15 (5 x Exco) (5 x Council) (5 x Mpac)	30 (10 x Exco) (10 x Council) (10 x Mpac)	Office of the Municipal Manager (Manager Executive Support)
Output 6: Administrative and financial capability.	Accelerated Municipal Transformation and Corporate Development			GG1.3	To provide effective and efficient legal support services	GG1.3.1	Quarterly Legal Services reports submitted to Audit Committee	New KPI	4	Office of the Municipal Manager (Legal Services)
Output 6: Administrative and financial capability.	Accelerated Municipal Transformation and Corporate Development	GG2	To promote and enhance good governance in the organization	GG2.1	To facilitate the implementation of an effective Risk Management System towards ensuring the achievement of the organizational	GG2.1.1	Strategic and Fraud Risk Registers for 2024/25 approved by Audit Committee by 30 June 2025	Approval of Strategic and Fraud Risk Registers for 2024/25 by Audit Committee in June 2024	Approval of Strategic and Fraud Risk Registers for 2024/25 by Audit Committee in June 2025	Office of the Municipal Manager (Chief Risk Officer)

OUTCOME 9	IDP RRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
Output 6: Administrative and financial capability.					objectives and service delivery targets.	GG2.1.2	Quarterly monitoring of implementation of risk management action plans submitted to Audit Committee	4	4	
Output 6: Administrative and financial capability.						GG2.1.3	Quarterly progress reports on implementation of management action plan for AG findings submitted to Audit Committee	4	4	
Output 6: Administrative and financial capability.						GG2.1.4	Quarterly compliance monitoring reports submitted to Audit Committee	4	4	
Output 6: Administrative and financial capability.	Accelerated Municipal Transformation and Corporate Development	GG3	To facilitate good governance by providing assurance to council on internal controls, risk management and governance processes.	GG3.1	Providing recommendations and advice to management to improve internal controls, risk management and governance processes.	GG3.1.1	Percentage of Projects implemented as per the 2024/2025 Internal Audit Plan	100% of Projects implemented as per Internal Audit Plan (number of implemented planned audit projects/number of planned audit projects x 100)	100% of Projects implemented as per Internal Audit Plan (number of implemented planned audit projects/number of planned audit projects x 100)	Office of the Municipal Manager (Chief Internal Auditor)
Output 6: Administrative and financial capability.	Accelerated Municipal Transformatio n and Corporate Development					GG3.1.2	Number of Audit Committee meetings convened	4	4	
Output 5: Deepen democracy through a refined Ward Committee Model	Accelerated Municipal Transformation and Corporate Development	GG4	To keep the communities and stakeholders informed and involved in the affairs of the municipality	GG4.1	To improve both internal and external communication	GG4.1.1	Number of Ward Functionality Reports compiled in preparation for COGTA Assessment	3	4	Office of the Municipal Manager (Director IGR, PP &SD)
Output 6: Administrative and financial capability	Accelerated Municipal Transformation and Corporate Development	GG6	To obtain a clean audit on the Audit of Performance Objectives by 2027	GG6.1	To ensure good governance through openness, transparency and accountability in the organization.	GG6.1.1	Quarterly performance reports submitted to Audit Committee	4	4	Office of the Municipal manager
Output 6: Administrative and financial capability	Accelerated Municipal Transformation and Corporate Development	GG7	To promote good governance through the Annual performance reporting process	GG7.1	To ensure compliance with Annual report process	GG7.1.1	Approval of the Annual Report and Oversight Report by Council by 31 March 2025	Tabling of the Annual Report to Council by 31 January 2024 and Approval of Annual Report and Oversight Report by 31 March 2024	Tabling of the Annual Report to Council by 31 January 2025 and Approval of Annual Report and Oversight Report by 31 March 2025	Office of the Municipal Manager
Output 7: Single window of coordination	Accelerated Municipal Transformation and Corporate Development	GG8	To ensure the development and the maintenance of credible IDP	GG8.1	To develop IDP in line with 5th generation guide packs / guidelines	GG8.1.1	Review and Adoption of IDP by 31 May 2025 by Council	Review and Adoption of IDP by 31 May 2024	Approval of IDP by Council by 31st of May 2025	Development Planning and Human Settlements
Output 6: Administrative and financial capability	Accelerated Municipal Transformation and Corporate Development	GG9	To provide the guidelines necessary for the consistent use of the Municipal brand identity, in order for stakeholders to recognise our corporate ambition through its expression	GG9.1	To develop and implement a Corporate Identity Manual, that will facilitate the brand identity of the Municipality by enhancing its visibility and outlining permissible corporate identity to its internal & external stakeholders	GG9.1.1	Approval of the Corporate Identity Manual by Council in June 2025	New KPI	Approval of the Corporate Identity Manual in June 2025 by Council	Office of the Municipal Manager (Director: Communications & Customer Relations)
Output 6: Administrative and financial capability	Accelerated Municipal Transformation and Corporate Development	GG10	To keep the communities and stakeholders informed and involved in the affairs of the Municipality	GG10.1	Publication of the Municipal newsletter	GG10.1.2	Number of Internal municipal newsletter published	New KPI	4	Office of the Municipal Manager (Director: Communications & Customer Relations)

OUTCOME 9	IDP RRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
Output 6: Administrative and financial capability	Accelerated Municipal Transformation and Corporate Development	GG11	To enhance public participation in the affairs of the municipality	GG11.1	Implementation of public participation mechanisms in line with the Ward Committee Establishment and Operations Policy as adopted by council	GG11.1.1	Percentage of Ward Visitations as per the 2024/25 Year Plan	97% of ward visitations as per Year Plan (total number of Ward Visitation held / total number of Ward Visitation planned x 100)	100% of ward visitations as per Year Plan (total number of Ward Visitation held / total number of Ward Visitation planned x 100)	Office of the Municipal Manager (Director: IGR, PP &SD)
Output 6: Administrative and financial capability	Accelerated Municipal Transformation and Corporate Development	GG12	To monitor and prevent protest action within Newcastle Jurisdictional area	GG12.1	To identify hotspots threatened by protest action	GG12.1.1	Number of Municipal Rapid Response Meetings held	2	4	Office of the Municipal Manager (Director: IGR,PP &SD)
Output 6: Administrative and financial capability.	Accelerated Municipal Transformation and Corporate Development	GG13	To provide a platform wherein internal & external stakeholders will discuss matters of interest and identifying problem areas	GG13.1	To facilitate the implementation of an integrated Complaints Committee for an effective complaints management system and to take binding resolutions on strategic matters aimed at improving service delivery complaints	GG13.1.1	Number of internal Complaints Committee meetings held	New KPI	12	Office of the Municipal Manager (Director: Communications & Customer Relations)
Output 6: Administrative and financial capability	Accelerated Municipal Transformation and Corporate Development	GG14	To provide a platform for sharing departmental programmes and complaints, aimed at profiling the work of the Municipality and sharing ideas of best practices to resolve service delivery issues	GG 14.1	To facilitate the implementation of effective Communication & Customer Relations towards improving service delivery and ensuring the achievement of a credible and efficient municipality	GG14.1.1	Number of Internal Communications and Customer Relations Forum held	3	4	Office of the Municipal Manager (Director: Communications & Customer Relations)

4.2.3. Financial Viability and Management

OUTCOME 9	IDP RRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
Output 6: Administrative and financial capability	Sound Financial Management/ Viability	FV1	To improve access to basic services	FV1.1	To promote and / Improve indigent subsidy and / benefit by ensuring that all indigents are eligible for the support and to eradicate a culture of non-payment	FV1.1.1	The percentage of formal households earning less than R1100 per month with access to free basic services; (R5000 for individuals and R6000 for pensioners as per approved NLM Indigent Policy)	23,3% (11500/49329*100)	23,3% (11500/49329*100)	Budget and Treasury Office
Output 6: Administrative and financial capability	Sound Financial Management/ Viability	FV2	To ensure implementation of capital programme	FV2.1	To ensure compliance with budget planning and implementation	FV2.1.1	Percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the Municipality's Integrated Development Plan (IDP).	85% (year to date actual spent / approved budget)	85% (year to date actual spent / approved budget)	Budget and Treasury Office
Output 6: Administrative and financial capability	Sound Financial Management/ Viability	FV3	Improve the quality of credit control and the quality of revenue management	FV3.1	To ensure effective and efficient billing and revenue collection processes in order to achieve the norm of 95% which has been set by National Treasury.	FV3.1.1	Revenue collection rate on services provided for 2024/2025 FYR	84% (Opening debtors balance + Billed revenue - Closing debtors - bad debts written off) / Billed revenue	84% (Opening debtors balance + Billed revenue - Closing debtors - bad debts written off) / Billed revenue	Budget and Treasury Office
Output 6: Administrative and financial capability	Sound Financial Management/ Viability	FV4	Achieve Value for money	FV4.1	To have an effective Supply Chain Management system in place;	FV4.1.1	Approval of 2025/26 Annual Procurement Plan by the Municipal Manager by the 30th of June 2025	Approval of 2024/2025 Annual Procurement plan by the Municipal Manager by the 30th of June 2024	Approval of 2025 / 2026 Annual Procurement plan by the Municipal Manager by the 30th of June 2025	Budget and Treasury Office

OUTCOME 9	IDP RRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
				FV4.2		FV4.2.1	Percentage of quarterly implementation of the 2024/2025 Procurement Plan.	100% (Actual number of SCM Activities completed / Number of SCM Activities planned)	100% (Actual number of SCM Activities completed / Number of SCM Activities planned)	Budget and Treasury Office
Output 6: Administrative and financial capability	Sound Financial Management/ Viability	FV5	Revenue Enhancement	FV5.1	To report on the implementation of the Revenue Enhancement Strategy	FV5.1.1	Percentage of quarterly implementation of the Revenue Enhancement Action Plan for Budget & Treasury Office.	100% (Number of Implemented Revenue Enhancement Action Plan / Number of Revenue Enhancement Action Plans)	100% (Number of Implemented Revenue Enhancement Action Plan / Number of Revenue Enhancement Action Plans)	Budget and Treasury Office
				FV5.2	Facilitate the annual Review of the Revenue Enhancement Strategy	FV5.2.1	Annual Review and Approval of the Revenue Enhancement Strategy by Council by the 30th of June 2025.	Approval of Revenue Enhancement Strategy and Action Plan by Council by 30 June 2024	Approval of Revenue Enhancement Strategy and Action Plan by Council by 30 June 2025	Budget and Treasury Office
Output 6: Administrative and financial capability	Sound Financial Management/ Viability	FV6	To ensure sound financial and fiscal management and good governance	FV6.1	Review the financial policies to ensure sound financial and fiscal management and good governance	FV6.1.1	"Number of Financial policies reviewed and approved by Council in May 2025: 1. Provision for doubtful debt and debtors write-off policy. 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy 8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14 Asset management policy 15 SCM Policy 16, Cost containment policy "	Approval of 16 Financial policies by Council by the 31st of May 2024	"Approval by Exco and Council for the final financial policies: 1. Provision for doubtful debt and debtors write-off policy. 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy 8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14 Asset management policy 15 SCM Policy 16,Cost containment policy. "	Budget and Treasury Office
				FV6.2	To ensure efficient and effective implementation of financial internal controls	FV6.2.1	Percentage compliance with Municipal Finance Management Act (MFMA) Calendar for all Financial Reporting	100% compliance with MFMA Calendar for all Financial Reporting	100% compliance with MFMA Calendar for all Financial Reporting	Budget and Treasury Office
						FV6.2.2	Financial viability in terms of debt coverage within the financial year	≤ 45%	≤ 45% (Debt(short term borrowing + bank overdraft + short term lease + long term borrowings + long term lease) / total operating revenue - operating conditional grants) x 105	
						FV6.2.3	Financial viability in terms of cost coverage within the financial year	1:3 months	1:3 months (Cash and cash equivalents- unspent grants-overdraft) + Short term investment / monthly fixed operational expenditure excluding(depreciation, amortisation and provision for bad	

OUTCOME 9	IDP RRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
									debts, impairment and loss on disposal of assets))	
						FV6.2.4	Financial viability in terms of outstanding service debtors as at 30 June 2025	30 days	30 days (Net debtors@30 June / Actual billing for the year) x 365 days	
Output 6: Administrative and financial capability	Sound Financial Management/ Viability	FV7	To purchase tools of trade for the use by staff members and councillors of the municipality	FV7.2	To purchase furniture and equipment	FV7.2.1	Procurement of Furniture and Equipment by the 30th of June 2025.	Delivery of (10x Boardroom Chairs, 1x Filing cabinet, 2x Visitors Chairs, 13x High Back Office Chairs, 1x Office Blinds and 10x Boardroom Chairs)	Delivery of (60x Tables 1700x chairs and 1x scaffolding)	Budget and Treasury Office
				FV7.3		FV7.3.1	Procurement of Machinery Equipment by the 30th of June 2025.	Delivery of (1x Fridge, 4x Vacuum Cleaners, 5x Money Counters, 1x Mobile air cooler, 1x Microwave oven and 1x Fridge)	Delivery of Machinery and Equipment	

4.2.4. Local Economic Development

OUTCOME 9	IDP RRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	DRAFT KEY PERFORMANCE INDICATOR	BASELINE	DRAFT ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
Output 1: Implement a differentiated approach to municipal financing, planning and support.	Local Economic Development (Eradication of poverty and unemployment)	ED1	To facilitate economic development that will result in sustainable job creation and growth of the Town	ED1.1	Facilitation and Promotion of SMME development and Entrepreneurship	ED1.1.2	Number of SMME's Trained in all wards by the 30th of June 2025	102	100 (by the 30th of June 2025	Development Planning and Human Settlements
		ED2	Local Economic Development (Eradication of poverty and unemployment)	ED2.1	To promote economic development that will result in sustainable job creation	ED2.1.1	"The Number of jobs created through municipality's Expanded Public Works Program (EPWP) by the 30th of June 2025 "	509	450 (By the 30th of June 2025)	Technical Services
		ED1	To facilitate economic development that will result in sustainable job creation and growth of the Town	ED1.2	Commercialization of the Newcastle Airport	ED1.2.1	Refurbishment of the Airport Hanger to accommodate the emergency services by the 30th of June 2025	NEW	Completion of the refurbishment of the airport hanger building by the 30th of June 2025.	Development Planning and Human Settlements
						ED1.2.2	TBC by SED	NEW	Supplu and installation of the ATN System by the 30th of June 2025	Development Planning and Human Settlements
						ED1.2.3	Construction of the Air Traffic Control Tower by 30th of June 2024	NEW	Commence and completion of construction for the Tower building at the Airport by the 30th of June 2025.	Development Planning and Human Settlements

4.2.5. Basic Service Delivery

OUTCOME 9	IDP RRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
		BS1	To ensure the provision of appropriate sanitation and	BS1.1	Increase number of households with access to	BS1.1.1	The number of formal households with access to basic water	51665	51765	Technical Services

OUTCOME 9	IDP RRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
Output 2: Improving access to basic services	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)		potable water to all households in Newcastle Municipality jurisdiction.		basic potable (drinkable) water.	BS1.1.2	Installation of 1,80 Km's of sewer rising main pipeline at Viljoenpark - Ncandu by the 30th of June 2025	Submission of Sewer Master Plan and Water Use Licence Application (WULA) to Department of Water and Sanitation (DWS) by the Consultant by the 31st of March 2024	Installation of 1,80 Km's sewer rising main pipeline at Viljoenpark - Ncandu by the 30th of June 2025	
							Construction and completion of generator building, installation of new screen and de-gritter equipment at Viljoenpark - Ncandu by the 31st of March 2025	New KPI	Completion of generator building, installation of new screen and de-gritter equipment at Viljoenpark - Ncandu by the 31st of March 2025	
						BS1.1.3	Percentage Implementation of the water maintenance plan	100%(10/10)	100% (Number of planned activities implemented / number of planned activities x 100)	
				BS1.2	Increase number of households with access to basic sanitation.	BS1.2.1	The number of formal households with access to a basic sanitation	51665	51765	Technical Services
						BS1.2.3	Installation of 1,30 Km's of bulk sewer pipeline from Siyahlala-la to Voortrekker Pump Station by the 30th of June 2025	Submission of Sewer Master Plan and Water Use Licence Application (WULA) to Department of Water and Sanitation (DWS) by the Consultant by the 31st of March 2024	Installation of 1,30 Km's of bulk sewer pipeline from Siyahlala-la to Voortrekker Pump Station by the 30th of June 2025	
				BS1.4	To ensure that wastewater quality and sanitation services is rendered in an efficient and affordable manner	BS1.4.1	Achieve 90% wastewater quality as per General Authorisation limits in terms of Section 39 of National Waters Act	90%	90% (Compliance samples/ total number of samples x 100)	
				BS1.5	Provide housing and other development projects reticulated water service through provision of new infrastructure and existing infrastructure upgrades	BS1.5.1	Installation and completion of 11,50 Km's of 450ND steel gravity main water supply pipeline from Braakfontein to Blaauwbosch by the 31st of December 2024	Completion of 2,4 Km's of trench excavations and 3,4 Km's of pipeline for the installation 450ND steel gravity main water supply from Braakfontein to Blaauwbosch	Installation and completion of 11,50 Km's of 450ND steel gravity main water supply pipeline from Braakfontein to Blaauwbosch by the 31st of December 2024	
Output 2: Improving access to basic services	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS2	To limit the non-revenue water	BS2.1	To reduce the percentage of non-revenue water	BS2.1.1	Limit the non-revenue water to below ≤40%	≤ 40%	≤ 40% (Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold / Number of Kilolitres Water Purchased or Purified x 100)	Technical Services
Output 2: Improving access to basic services	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS3	To create a safe and healthy environment	BS3.1	To implement the Waste Management Strategy in line with relevant legislation	BS3.1.1	Annual review and approval of the Integrated Waste Management Plan by Council by the 30th of June 2025	Annual review and approval of Integrated Waste Management Plan by Council by the 30th of June 2024	Annual reviewed approval of Integrated Waste Management Plan by Council by the 30th of June 2025	Community Services
				BS3.2	To provide a refuse removal service to the Newcastle Community	BS3.21.	Number of formal households serviced: Refuse Removal	51665	51765	Community Services
				BS3.3	To establish a new landfill site including management of the existing facility	BS3.3.1	4 internal monitoring checklists performed to ensure compliance with Economic Development, Tourism and Environmental Affairs (EDTEA) requirements for a landfill site	4	4 (by the 31st of June 2025)	Community Services
						BS3.3.2	Submission of the Environmental Impact Assessment (EIA) report for the establishment of a new landfill	Preparation and submission of scoping report for the establishment of a new landfill site to Environmental Affairs by the 30th of June 2024	Submission of the Environmental Impact Assessment (EIA) report for the establishment of a new landfill site to EDTEA by the 30th of June 2025	Development Planning and Human Settlements

OUTCOME 9	IDP RRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
							site to EDTEA by the 30th of June 2025			
Output 2: Improving access to basic services	Improved quality of roads and storm water infrastructure (including sidewalks)	BS4	To ensure the provision and maintenance of safe roads and effective storm water infrastructure	BS4.1	Refurbishment and maintenance of roads, storm water infrastructure, traffic calming devices and provision of pedestrian walkways.	BS4.1.5	Completion of 0,5 Km's of road re-gravelled in Madadeni - ward 23 by the 30th of September 2024	1 Km of roads gravelled (MB24-Imbalenhle in Ward 22 = 0,5 Km's and Esididini Bus Route in Ward 31 = 0,5 Km's)	0,5 Km's of road re-gravelled in Madadeni - ward 23 by the 30th of September 2024	Technical Services
							Completion of 0,5 Km's of road re-gravelled in Osizweni - ward 7 by the 30 31st of December 2024	1 Km of roads gravelled (Thiyasizwe School Road in Ward 30 = 1 Km)	Completion of 0,5 Km's of road re-gravelled in Osizweni - ward 7 by the 30 31st of December 2024	
						BS4.1.6	Percentage implementation of the road maintenance plan	100% (212/212)	100% (Number of implemented planned activities/ number of planned activities x 100)	
	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS6	To ensure access to electricity within the Newcastle Licence area	BS6.2	To provide electricity within the Newcastle Municipality Licensed Areas.	BS6.2.1	Number of formal households with access to electricity	50971	50971	
	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)					BS6.2.2	Percentage implementation of the electricity maintenance plan	100% (62/62x100)	100% (Number of planned activities implemented / number of planned activities x 100)	
Output 1: Implement a differentiated approach to municipal financing, planning and support.	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)			BS6.3	To comply with NERSA set standard	BS6.3.1	Maintain electricity losses within 0-12% of total usage	0-12% of total usage	0-12% of total usage (Total purchases - total sales / total purchases)	
Output 1: Implement a differentiated approach to municipal financing, planning and support.	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS7	To facilitate the provision of sustainable human settlements in line with the national and provincial norms and standards.	BS7.1	To reduce housing backlog to meet the provincial and national targets	BS7.1.1	Number of Top-structures (completed with access to water and sanitation) constructed in wards 1,6,12 & 19	179	100 (by the 30th of June 2025)	Development Planning and Human Settlements
						BS7.1.2	Number Top- structures constructed to roof level in wards 1,6,12 &19	176	120 (by the 30th of June 2025)	
Output 4: Actions supportive of the human settlement outcome	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS8	To facilitate secure tenure and clear property rights	BS8.1	Fast-track Title Deed Restoration Project	BS8.1.1	Number of houses transferred through Enhanced Extended Discount Benefit Scheme (EEDBS) in wards 3,7,8,9,10,11,13,14,17,18,19,20,21,22,23,24,25,26,27,28,29,30,31 &32 by the 30th of June 2025	120	60 (by the 30th of June 2025)	
				BS8.2	Disposal of municipal land in line with Land Disposal Policy	BS8.2.1	Number of sites released for disposal by the 30th of June 2025	New KPI	25 released for disposal by the 30th of June 2025	

OUTCOME 9	IDP RRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
Output 1: Implement a differentiated approach to municipal financing, planning and support.	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS9	To facilitate the provision of sustainable human settlements in line with the national and provincial norms and standards.	BS9.1	To reduce housing backlog to meet the provincial and national targets	BS9.1.1	Number of vacant sites connected to services in ward 16 & 18	2557	1500 (by the 30th of June 2025)	Development Planning and Human Settlements
Output 2: Improving access to basic services.	Improved quality of roads and storm water infrastructure (including sidewalks)		Upgrade of gravel roads to tarred roads with storm water infrastructure	BS9.2	Implementation of the Capital Program (MIG+INTERNAL FUNDING)	BS9.2.2	Completion of 1,90 Km's of road upgraded from gravel to blacktop including 1,80 Km's of stormwater pipelaying for JR 2 road	Completion of 1,00Km of roadbed, 1,00km of sub-base layer and 0,5Km's of stormwater installation for JR2 road	Construction and completion of 1,90Km's of road upgraded from gravel to blacktop including 1,80km's of stormwater pipelaying	Technical Services
						BS9.2.3	Construction and completion of 1,00 Km tarred road including 0,90 Km's of stormwater pipelaying in Madadeni	New KPI	Construction and completion of 1,00 Km tarred road including 0,90 Km's of stormwater pipelaying	
						BS9.2.4	Construction and completion of 1,00 Km tarred road including 0,90 Km's of stormwater pipelaying in Osizweni	New KPI	Construction and completion of 1,00 Km tarred road including 0,90 Km's of stormwater pipelaying	
Output 2: Improving access to basic services.	Improved quality of roads and stormwater infrastructure (including sidewalks)	BS10	Upgrade of gravel road to tarred road with stormwater infrastructure	BS10.1	Implementation of capital programme (NDPG)	BS10.1.1	Completion of 1.85 Km's of road upgraded from gravel to blacktop including stormwater for JB3 road in wards 12, 16 & 18 by the 30 of June 2025	Km's of roads upgraded from gravel to blacktop including stormwater for JB3 road in wards 12, 16 & 18	Completion of 1.85 Km's of road upgraded from gravel to blacktop including stormwater for JB3 road in wards 12, 16 & 18 by the 30 of June 2025	Development Planning and Human Settlements
	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS11	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle Municipality jurisdiction.	BS11.1	Increase number of households with access to basic potable (drinkable) water.	BS11.1.2	Installation and completion of 7,00 Km's of pipeline in ward 34 by the 31st of March 2025	14,98 Km's of trench excavation and pipe laying completed	Installation and completion of 7,00 Km's of pipeline by the 31st March 2025	Technical Services
							Installation and completion of 18,04 Km's pipeline in ward 5 by the 31st of December 2024	Completion of 11,58 Km's of trench excavations and pipelaying	Installation and completion of 18,04 Km's of pipeline by the 31st of December 2024	
Output 2: Improving access to basic services.	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS12	To ensure an effective street lighting service	BS12.1	To provide and maintain street lighting for Newcastle	BS12.1.1	Percentage of public lighting complaints addressed as reported	90%	80% (Number of unplanned activities implemented / number of unplanned activities received x100)	Technical Services (Electrical and Mechanical Services)
Output 2: Improving access to basic services.	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS13	To relocate and upgrade the existing electricity infrastructure from private land to the municipal land	BS13.1	Stabilise the supply of electricity to Lennoxton, Fairleigh, Siyahlala la and Paradise areas	BS13.1.1	Construction and installation of electrical equipment for 11kV switching station - Capricona/Lennoxton by the 30th of June 2025	Finalisation of Detailed Design Report by the Consultant by the 30th of June 2024	Construction of a 11kV switching station and installation of electrical equipment at Capricona/Lennoxton by the 30th of June 2025	Technical Services (Electrical and Mechanical Services)
Output 2: Improving access to basic services.	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS14	To establish new capacity for areas around Equarand i.e. Newcastle Central, Siyahlala la and Fairleigh areas	BS14.1	Stabilise the supply of electricity to Newcastle Central, Siyahlala la and Fairleigh areas	BS14.1.1	Construction and installation of electrical equipment for 132/11kV substation - Equarand by the 30th of June 2025	Finalisation of Detailed Design Report by the Consultant by the 30th of June 2024	Construction of 132/11kV substation and installation of electrical equipment at the Equarand by the 30th of June 2025	Technical Services (Electrical and Mechanical Services)
Output 2: Improving access to basic services	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS15	To reduce high cost and maintenance of thumping electrical machines	BS15.1	To purchase thumping electrical machine	BS15.1.1	Procurement of high voltage test equipment by the 30th of June 2025	New KPI	Procurement of high Voltage Test Equipment by the 30th of June 2025	Technical Services

4.2.6. Cross Cutting

OUTCOME 9	IDP PRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved access to land (including Land Reform)	CC1	To develop an efficient and effective land use management system so as to promote a rational and harmonious land use activity system.	CC1.1	To undertake efficient and effective building controls.	CC1.1.1	100% compliance in respect of statutory time frames for processing of building plans	New KPI	100% compliance in respect of statutory time frames for processing of building plans (total number of days taken to process a building plan/ total number of plans received)	DEVELOPMENT PLANNING & HUMAN SETTLEMENT
			To promote spatial restructuring and integration		Development of municipal SDF in line with the 5th Generation of IDP	CC1.1.3	Approval of Spatial Development Framework by Council by 31st of May 2025	Approved SDF by council in May 2024	Approved Spatial Development Framework by Council by the 31st of May 2025	
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved Community Safety		To ensure the provision of traffic management services		Intensify Law Enforcement activities	CC1.1.4	24 Internal roadblocks conducted by 30 June 2025	24	24 Internal roadblocks conducted by 30 June 2025	Community Services
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved Community Safety		To ensure provision of fire and disaster management services		To provide and maintain an efficient and effective disaster management service to Newcastle.	CC1.1.5	12 Disaster Management Awareness Campaigns conducted by 30 June 2025	12	12 Disaster Management Awareness Campaigns conducted by 30 June 2025	
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved Community Safety		To ensure provision of fire and disaster management services			CC1.1.6	Percentage of Disaster related incidents attended in all wards as reported	100% (number of disaster incidents attended/number of disaster incidents reported x 100) 128/128 x 100	100% (number of disaster incidents attended/number of disaster incidents reported x 100)	
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved community safety		To facilitate the responsive role of the municipality in OSS (National and Provincial, Civil Society and Private Sector)		To mainstream programmes with the National and Provincial government; Civil Society, private sector and OSS structures)	CC1.1.7	Number of Local Task Team held to refer issues relating to meetings Operation Sukuma Sakhe in compliance with the Intergovernmental Relations Framework Act.	12	12 (by the 30th of June 2025)	Office of the Municipal Manager
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved community safety					CC1.1.8	Percentage of Fora meeting held as per the 2024/25 Social Development Year Plan	100% (total number of Fora meetings held/ total number of Fora meeting planned x 100)	100% of Fora meeting held as per Year Plan (total number of Fora meetings held/ total number of Fora meeting planned x 100)	
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved community safety		To respond to the needs of vulnerable groups within Newcastle Jurisdictional area		Empowerment of target groups (Senior citizens, Disability, People living with HIV/AIDS, women and Men) through human rights activities	CC1.1.9	Percentage implementation of the Special Programmes 2024/25 Year Plan	100% (total number of implemented planned events/total number of planned Special Programmes event x 100)	100% implementation of the Special Programmes Year Plan (number of implemented planned events/number of planned Special Programmes event x 100)	
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved access to land (including land reform)	CC2	To ensure an effective and integrated Geographic Information Management System	CC2.1	To ensure that the Geographic Information and Management System facilitates the effective updates of information and provides support to other departments	CC2.1.1	100 % capture of the properties that change ownership during the 2024/2025 Financial Year	100 % capture of the properties that change ownership during the 2023/2024 Financial Year	100 % capture of the properties that change ownership (Properties from the valuation roll/ Properties in the GIS + properties from SG Diagrams x 100)	Development Planning and Human Settlements

OUTCOME 9	IDP PRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
Output 1: Implement a differentiated approach to municipal financing, planning and support	Environmental sustainability (Environmental conservation/management)		To ensure a healthy environment in compliance with legislation	CC2.2	Conducting inspections at funeral undertaker premises	CC2.2.1	Number of funeral undertaker inspections conducted by June 2025	10	10 (by the 10th of the June 2025)	Community Services
Output 1: Implement a differentiated approach to municipal financing, planning and support					Conduction of inspections at food premises	CC2.2.2	Number of food premises inspected by 30 June 2025	50	50 (by the 30th of June 2025)	
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved community safety		To ensure provision of fire and disaster management services	CC2.3	To improve the fire-fighting services	CC2.3.1	Number of fire inspections conducted by 30 June 2025	240	240 (by the 30th of June 2025)	Community Services
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved access to public facilities (including educational facilities-provincial mandate)		To ensure efficient use, maintenance, and management of community facilities and open space	CC2.4	Improvement and provision of access to community facilities (Parks, sports recreation facilities and Cemeteries)	CC2.4.1	Percentage of grass-cutting cycle plan implemented by 30 June 2025	100% (number of grass cutting areas completed/number of grass cutting areas planned x 100)	100% (number of grass cutting areas completed/number of grass cutting areas planned x 100)	Community Services
Output 1: Implement a differentiated approach to municipal financing, planning and support						CC2.4.2	Percentage of informal ground grading plan implemented by 30 June 2025	100% of Grading informal grounds Plan Implemented	100% of Grading informal grounds Plan Implemented (Number of planned graded grounds completed/ number of planned graded grounds x 100)	
Output 1: Implement a differentiated approach to municipal financing, planning and support	Environmental sustainability (Environmental conservation/management)	CC2	To ensure a healthy environment in compliance with legislation	CC2.5	Conducting awareness campaigns on burial procedures	CC2.5.1	Number of Awareness campaign on burial procedures held by 30 June 2025	New	4 (by the 30th of June 2025)	Community Services
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved access to public facilities (including educational facilities-provincial mandate)	CC3	Preservation and promotion of arts, culture and heritage	CC3.1	Establishment and provision of community and Heritage facilities and services	CC3.1.1	Number of Programmes conducted at Arts Culture and Amenities by 30 June 2025	New	12 (by the 30th of June 2025)	
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved access to public facilities (including educational facilities-provincial mandate)	CC4	Provision of security services to secure Council assets, people, property and information	CC4.1	To ensure provision of Security Services	CC4.1.1	8 Security reports submitted to Community Services Portfolio Standing Committee by 30 June 2024	New	8 (by the 30th of June 2025)	
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved access to public facilities (including educational facilities-provincial mandate)	CC11	To promote diligent and sustainable utilization of all Newcastle municipal community facilities	CC11.1	Establishment and provision of community facilities	CC11.1.1	Construction and completion of Amphitheatre Phase 3 Ward 25 by the 31st of December 2024	Construction and completion of foundation for the Amphitheatre at Fort Amiel by the 30th of June 2024	Completion of Amphitheatre phase 3 project by the 31st of December 2024.	
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved access to public facilities (including educational facilities-provincial mandate)	CC3	Preservation and promotion of arts, culture and heritage	CC3.1	Establishment and provision of community and Heritage facilities and services	CC3.1.2	Purchase and delivery of 3 x Craft work Ward 25 by the 30th of June 2025	Purchase and delivery of 3 x mixed medium Artworks	Purchase and delivery of 3 x Craft work Ward 25 by the 30th of June 2025	Community Services
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved access to public facilities (including educational facilities-provincial mandate)	CC5	To promote diligent and sustainable utilization of all Newcastle municipal community facilities	CC5.1	Establishment and provision of community facilities	CC5.1.1	Construction and completion of wheelchair ramp at Carnegie Art Gallery by the 30th of June 2025	New	Completion of wheelchair ramp at Art Gallery by the 30th of June 2025.	Community Services
Output 1: Implement a differentiated approach to municipal financing, planning and support	Improved access to public facilities (including educational facilities-provincial mandate)	CC6	Improved access to sports facilities	CC6.1	Increase the number of sports facilities in Newcastle	CC6.1.1	Completion of outdoor gym, outdoor games indigenous building and final completion of Phase 1 (b) at Old Casino by the 30th of June 2025	Completion of top soiling for the cricket field and upgrading of ruby field for Phase 1 (b) at Old	Completion of outdoor gym, outdoor indigenous games building and final completion of Phase 1 (b) at Old Casino by the 30th of June 2025	Technical Services

OUTCOME 9	IDP PRIORITY	NO.	GOALS/OBJECTIVES	NO.	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATOR	BASELINE	ANNUAL TARGET 2024/25	RESPONSIBLE DEPARTMENT
								Casino by the 30th of June 2024		
Output 1: Implement a differentiated approach to municipal financing, planning and support.	Improved Community Safety	CC7	To ensure the provision of traffic management services	CC7.1	Intensify Law Enforcement activities	CC7.1.1	Purchase and delivery of 1 x Road Marking Machine by 31 March 2024	New	Purchase and delivery of 1 x Road Marking Machine by 31st of March 2025.	Community Services
Output 1: Implement a differentiated approach to municipal financing, planning and support.	Improved access to public facilities (including educational facilities - provincial mandate)	CC5	Improved access to community facilities	CC5.1	Provide sufficient furniture to community facilities in Newcastle.	CC5.1.2	Purchase and delivery of furniture and equipment for community halls (60 x Tables, 1700 x Chairs & 1 x Scaffolding) by 31 March 2025	New	Purchase of furniture and equipment for community halls (60 Tables, 1700 Chairs & 1 Scaffolding) by the 31st of March 2025	Community Services
Output 1: Implement a differentiated approach to municipal financing, planning and support.	Environmental sustainability (Environmental conservation /management)	CC2	To ensure efficient use, maintenance and management of community facilities and open space.	CC2.1	Improvement and provision of access to community facilities (Parks, Sports Recreation Facilities and Cemeteries)	CC2.1.2	Purchase and delivery of 1 x Heavy Duty 1.5 Meter POWA Mower Rotary Slasher by 31 March 2025	Purchased and delivery of 9 x brush cutters and 1 x Chainsaw by 30 June 2024)	Purchase and delivery of 1 x Heavy Duty 1.5 Meter POWA Mower Rotary Slasher by 31 March 2025	Community Services

CHAPTER 5:

CAPITAL FUNDING AND EXPENDITURE.

5. CAPITAL FUNDING AND EXPENDITURE.

5.1. Three Year Investment Programme.

5.1.1.Capital Investment Plan.

To ensure the practical application and success of the spatial principles, concepts, strategies and policies of the SDF, a multifaceted implementation plan is required. The implementation of the SDF also requires the alignment of spatial strategies and infrastructure planning and budgeting through the IDP.

The Newcastle Municipality developed a capital investment framework as part of this SDF, which identify where funds will be allocated through the spatial priorities and corresponding implementation strategies identified within the Western Service Delivery Region (WSDR), Eastern Service Delivery Region (ESDR) and Rural Service Delivery Region (RSDR). This Capital Investment Framework guides the Newcastle Municipality's capital expenditure in order to achieve citizen-centred public service and to shape the desired form of the municipality. It intends to bridge the gap between the spatial priorities, strategies and the implementation plan and sets the background and basis on which other sector plans should focus with their priorities.

The process of developing a Capital Investment Framework includes the collection of information from other municipal departments and verifying it where necessary. **Collected information from other departments will give an indication of the current development profile of the different departments through the Service Delivery and Budget Implementation Plan (SDBIP).** This is followed by a spatial illustration to also inform spatial interventions and investments for example bulk infrastructure and corridor development.

The Capital Investment Framework explores areas that present potential for sustainable economic and corridor development, therefore attracting private sector investment and creating long term employment for the public. In conclusion, the Capital Investment Framework for this SDF assists the Newcastle Municipality to address spatial distortions and inequalities of past policies in the form of densification, compaction and nodal development.

The major key capital projects with a spatial dimension/implication, which are currently planned or underway as part of the IDP process and have a spatial impact or significance are listed below and illustrated on the attached Capital Projects Plan.

5.2. Medium Term Expenditure Framework.

5.2.1.NLM CAPEX (2024/25): Capital Projects.

6. FINAL CAPITAL BUDGET 2024/2025												
FUNDING SOURCE	**PROJECT DESCRIPTION**	**NEW/RENEWAL/UPGRADE**	**IDP PRIORITY**	**NO.**	**IDP STRATEGIC OBJECTIVE**	**NO.**	**IDP STRATEGY**	**IDP PROJECT NUMBER**	**WARD**	**FINAL BUDGET 24/25**	**DRAFT BUDGET 25/26**	**DRAFT BUDGET 26/27**
COMMUNITY SERVICES												
MUSEUM ART GALLERY GRANT	AMPHITHEATHRE: PHASE 2: FORT AMIEL	NEW	Improved access to public facilities (including educational facilities - provincial mandate)	CC11	To ensure efficient use and management of community facilities.	CC11.1	Establishment and provision of community facilities	CSS0046/2022/05	4	217 000,00	320 000,00	320 000,00
MUSEUM ART GALLERY GRANT	CONSTRUCTION OF WHEELCHAIR RAMP	NEW	Improved Community Safety	CC10	To ensure efficient use and management of community facilities.	CC10.1	Establishment and provision of community facilities	CSS0045/2022/05	25	50 000	=	=
SPORTS & RECREATION GRANT	CONSTRUCTION OF SPORTS FACILITY (OLD CASINO)	UPGRADE	Improved access to public facilities (including educational facilities - provincial mandate)		To ensure efficient use and management of community facilities.		Establishment and provision of community facilities	CSS0047/2023/05		10 000 000	10 000 000	10 000 000
MIG	CONSTRUCTION OF SPORTS FACILITY	UPGRADE	Improved access to public facilities (including educational facilities - provincial mandate)		To ensure efficient use and management of community facilities.		Establishment and provision of community facilities	CSS0051/2024/05		8 964 576	10 558 042	=
MUSEUM ART GALLERY GRANT	ART PURCHASES	NEW	Improved community safety	CC10	To ensure efficient use and management of community facilities	CC10.1	Establishment and provision of community facilities	CSS0043/2022/04	25	29 000	=	=
INTERNALLY FUNDED	REFUSE BULK CONTAINERS		Improved access to public facilities (including educational facilities - provincial mandate)		To ensure efficient use and management of community facilities.		Establishment and provision of community facilities	CSS0049/2023/05		=	800 000,00	800 000,00

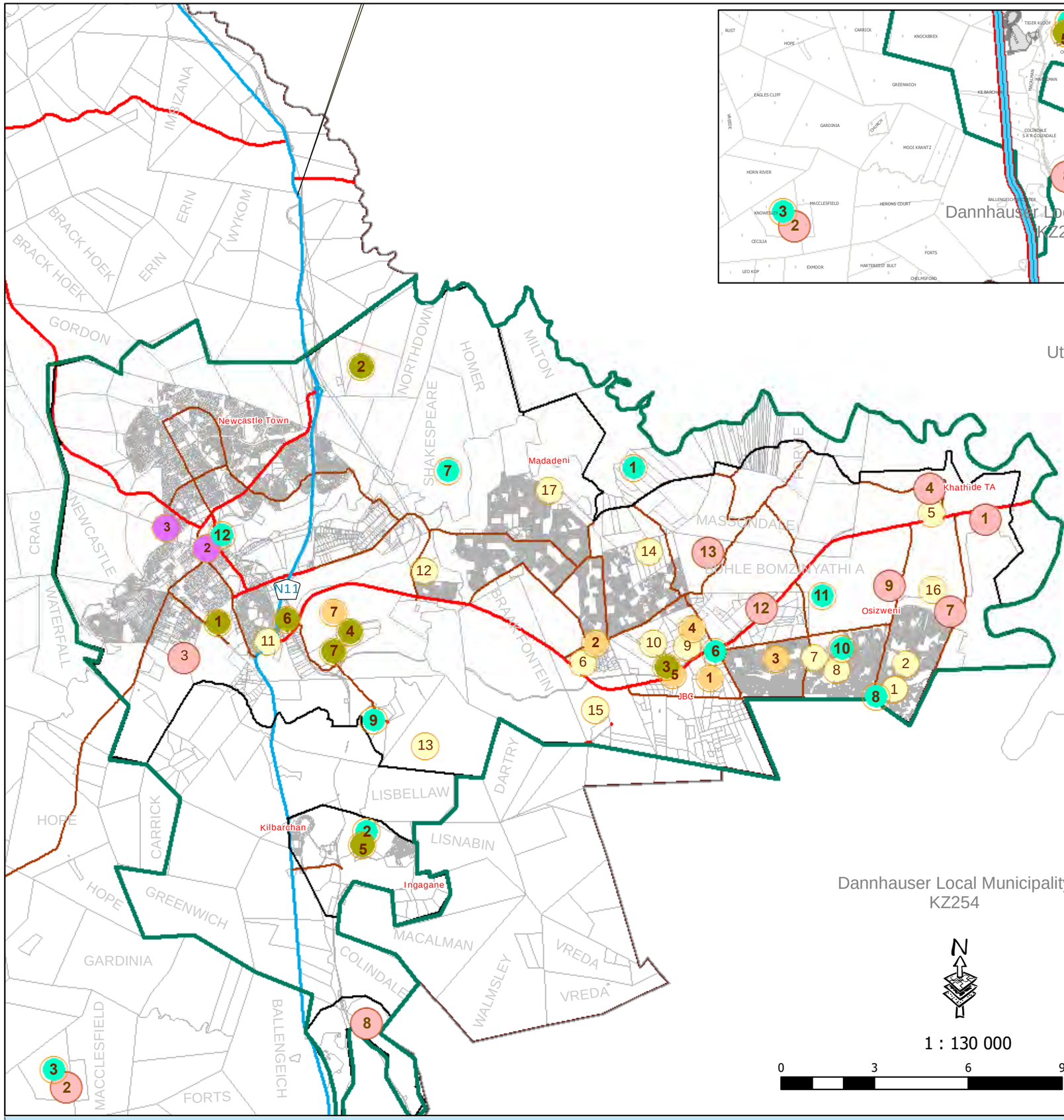
6. FINAL CAPITAL BUDGET 2024/2025												
FUNDING SOURCE	**PROJECT DESCRIPTION**	**NEW/RENEWAL/UPGRADE**	**IDP PRIORITY**	**NO.**	**IDP STRATEGIC OBJECTIVE**	**NO.**	**IDP STRATEGY**	**IDP PROJECT NUMBER**	**WARD**	**FINAL BUDGET 24/25**	**DRAFT BUDGET 25/26**	**DRAFT BUDGET 26/27**
INTERNALLY FUNDED	ROAD MAKING MACHINE	NEW	Improved Community Safety		To ensure the provision of traffic management services		Intensify Law Enforcement activities.	CSS0053/2024/05		90 000	=	=
INTERNALLY FUNDED	FURNITURE FOR COMMUNITY HALLS	NEW	Improved access to public facilities (including educational facilities - provincial mandate)		To ensure efficient use and management of community facilities.		Establishment and provision of community facilities	CSS0054/2024/05		400 000		
INTERNALLY FUNDED	GRASS CUTTER	NEW	Improved access to public facilities (including educational facilities - provincial mandate)		To ensure efficient use and management of community facilities.		Establishment and provision of community facilities	CSS0055/2024/05		70 000	=	=
CORPORATE SERVICES												
INTERNALLY FUNDED	OVERHEAD PROJECTOR AND PROJECTION SCREEN	NEW	Sound Financial Management/ Viability		To purchase tools of trade for the use by staff members and councillors of the municipality		To purchase furniture and equipment.	BTO0015/2024/05		50 000	=	=
INTERNALLY FUNDED	PURCHASE OF VEHICLES	NEW	Sound Financial Management/ Viability		To purchase tools of trade for the use by staff members and councillors of the municipality		To purchase furniture and equipment.	BTO0016/2024/05		800 000	=	=
BUDGET AND TREASURY OFFICE												
INTERNALLY FUNDED	FURNITURE EQUIPMENT	NEW	Sound Financial Management/ Viability	FV7.1	To purchase tools of trade for the use by staff members and councillors of the municipality	FV7.1.1	To purchase furniture and equipment.	BTO0013/2022/05		300 000	300 000	300 000
INTERNALLY FUNDED	MACHINERY AND EQUIPMENT	NEW	Sound Financial Management/ Viability	FV7.1.	To purchase tools of trade for the use by staff members and councillors of the municipality	FV7.1.1	To purchase Machinery Equipment	BTO0014/2022/05		100 000	100 000	100 000

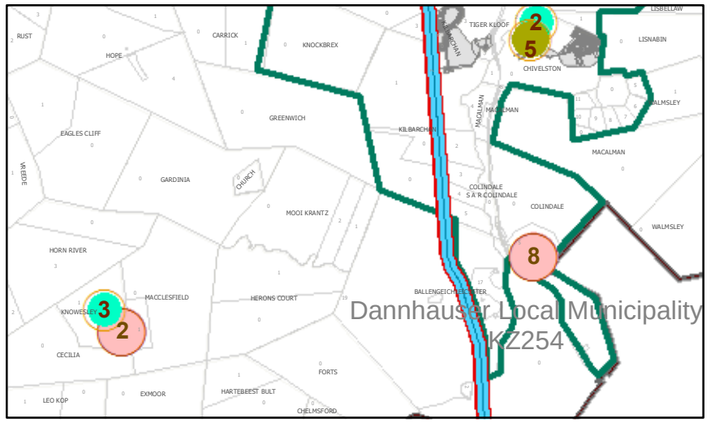
6. FINAL CAPITAL BUDGET 2024/2025												
FUNDING SOURCE	**PROJECT DESCRIPTION**	**NEW/RENEWAL/UPGRADE**	**IDP PRIORITY**	**NO.**	**IDP STRATEGIC OBJECTIVE**	**NO.**	**IDP STRATEGY**	**IDP PROJECT NUMBER**	**WARD**	**FINAL BUDGET 24/25**	**DRAFT BUDGET 25/26**	**DRAFT BUDGET 26/27**
INTERNALLY FUNDED	IT EQUIPMENT	NEW	Sound Financial Management/ Viability		To purchase tools of trade for the use by staff members and councillors of the municipality		To purchase IT equipment.	BTO0004/2021/04		2 000 000	2 000 000	2 000 000
DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS												
NDPG	CONSTRUCTION OF ROADS	NEW	Improved quality of roads and storm water infrastructure (including sidewalks	BS10	Upgrade of gravel roads to tarred roads with storm water infrastructure	BS10.1	Upgrade of gravel roads to tarred roads with storm water infrastructure	DPHS0017/2022/04		20 000 000,00	2 000 000	5 000 000
HOUSING LEVEL 2 ACCREDITATION GRANT	FURNITURE & EQUIPMENT	NEW	Sound Financial Management/ Viability		To purchase tools of trade for the use by staff members and councillors of the municipality		To purchase office equipment.	DPHS0020/2023/05		500 000	500 000	500 000
INTERNALLY FUNDED	CONSTRUCTION OF THE NEW ATNS TOWER	UPGRADE	Local Economic Development (Eradication of poverty and unemployment)		To facilitate economic development that will result in sustainable job creation and growth of the Town		Facilitation and Promotion of SMME development and Entrepreneurship	DPHS0021/2024/05		4 500 000	=	=
INTERNALLY FUNDED	REFURBISHMENT OF HANGER BUILDING	UPGRADE	Local Economic Development (Eradication of poverty and unemployment)		To facilitate economic development that will result in sustainable job creation and growth of the Town		Facilitation and Promotion of SMME development and Entrepreneurship	DPHS0022/2024/05		500 000	=	=
INTERNALLY FUNDED	AIRPORT SOFTWARE	NEW	Local Economic Development (Eradication of poverty and unemployment)		To facilitate economic development that will result in sustainable job creation and growth of the Town		Facilitation and Promotion of SMME development and Entrepreneurship	DPSH0023/2024/05		1 000 000	=	=
TECHNICAL SERVICES												
MIG	UPGRADE & REFURBISHMENT OF BULK SEWER PIPELINE FROM SIYAHLALA LA	UPGRADE	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS1	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle Municipality.	BS1.2	Increase number of households with access to basic potable (drinkable) water.	TCS0029/2021/04	25	11 000 000	28 837 541,22	=

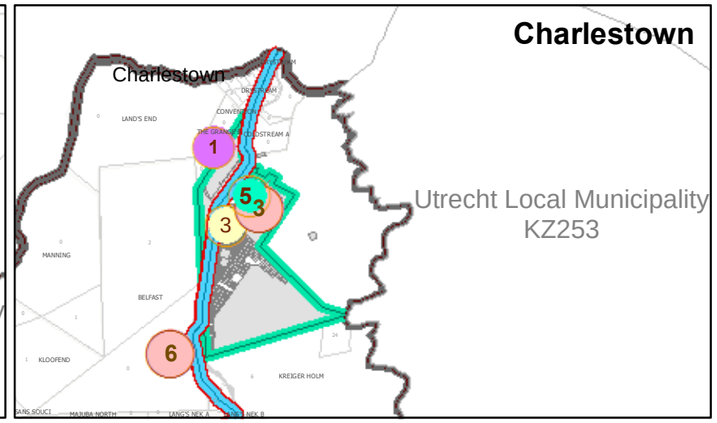
6. FINAL CAPITAL BUDGET 2024/2025												
FUNDING SOURCE	**PROJECT DESCRIPTION**	**NEW/REN EWAL/UP GRADE**	**IDP PRIORITY**	**NO.**	**IDP STRATEGIC OBJECTIVE**	**NO.**	**IDP STRATEGY**	**IDP PROJECT NUMBER**	**WARD**	**FINAL BUDGET 24/25**	**DRAFT BUDGET 25/26**	**DRAFT BUDGET 26/27**
MIG	CHARLESTOWN BULK WATER SUPPLY	UPGRADE	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS1	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle Municipality.	BS1.2	Increase number of households with access to basic potable (drinkable) water.	TCS0040/2024/05	1	-	4 812 844,41	30 000 000,00
MIG	UPGRADE OF VOORTREKKER PUMPSTATION & ASSOCIATED WORKS	UPGRADE	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS1	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle Municipality.	BS1.2	Increase number of households with access to basic potable (drinkable) water.	TCS0041/2024/05		-	4 000 000,00	28 799 461,60
MIG	CONSTRUCTION & REHABILITATION OF JR2 ROAD	NEW	Improved quality of roads and storm water infrastructure (including sidewalks)	BS9	Upgrade of gravel roads to tarred roads with storm water infrastructure	BS9.2	Implementation of the Capital Program (MIG+INTERNAL FUNDING)	TCS0033/2022/05	18	10 000 000,00	=	=
MIG	CONSTRUCTION OF OSIZWENI TARED ACCESS ROAD	NEW	Improved quality of roads and storm water infrastructure (including sidewalks)	BS9.2.	Upgrade of gravel roads to tarred roads with storm water infrastructure	BS9.2.3	Implementation of the Capital Program (MIG+INTERNAL FUNDING)	TCS0024/2021/04	9, 10 &32	13 000 000,00	20 879 209,60	34 426 939,07
MIG	CONSTRUCTION MADADENI TARED ACCESS ROAD	NEW	Improved quality of roads and storm water infrastructure (including sidewalks)	BS9.2.	Upgrade of gravel roads to tarred roads with storm water infrastructure	BS9.2.2	Implementation of the Capital Program (MIG+INTERNAL FUNDING)	TCS0004/2021/04	28 & 29	13 050 546,38	20 269 782,72	29 335 851,90
MIG	UPGRADE OF MADADENI WASTEWATER TREATMENT	UPGRADE	Improved access to basic service delivery (i.e. Water, sanitation, electricity,	BS1	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle Municipality.	BS1.3	Upgrade wastewater collection and treatment facilities	TCS0023/2021/04	31	1 000 000,00	=	=

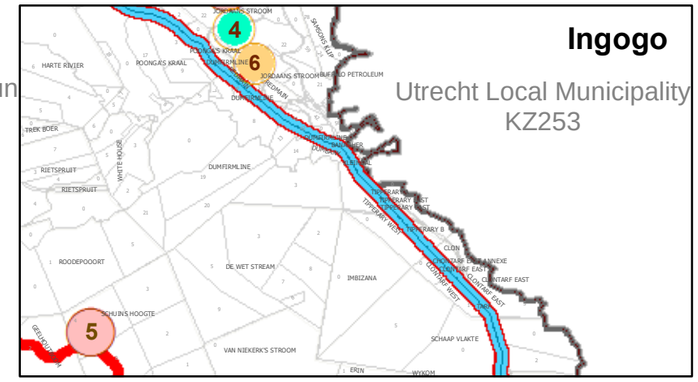
6. FINAL CAPITAL BUDGET 2024/2025												
FUNDING SOURCE	**PROJECT DESCRIPTION**	**NEW/RENEWAL/UPGRADE**	**IDP PRIORITY**	**NO.**	**IDP STRATEGIC OBJECTIVE**	**NO.**	**IDP STRATEGY**	**IDP PROJECT NUMBER**	**WARD**	**FINAL BUDGET 24/25**	**DRAFT BUDGET 25/26**	**DRAFT BUDGET 26/27**
			housing, waste removal)									
MIG	BLAAUWBOSCH BULK WATER	UPGRADE	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS1	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle Municipality.	BS1.5	Provide housing and other development projects reticulated water service through provision of new infrastructure and existing infrastructure upgrades	TCS0012/2021/04	6,12,15,16,18	8 703 374,76	=	=
MIG	PIPE REPLACEMENT AND UPGRADE PROJECT	UPGRADE	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS11	To reduce water loss	BS11.1	To reduce the percentage of water losses.	TCS0013/2021/04	2,5 & 34	30 487 876,00	=	=
MIG	VILIOENPARK BULK WATER & SANITATION	UPGRADE	Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	BS1	To ensure the provision of appropriate sanitation and potable water to all households in Newcastle Municipality.	BS1.1	Increase number of households with access to basic potable (drinkable) water.	TCS0011/2021/04	25 & 34	13 000 000, 00	31 488 878,95	9 006 169,36
MIG	FURNITURE EQUIPMENT	NEW	Sound Financial Management/ Viability		To purchase tools of trade for the use by staff members and councillors of the municipality		To Purchase Furniture Equipment	TCS0014/2021/04	N/A	30 000	1 00 000,00	150 000,00
INTERNALLY FUNDED	HIGH VOLTAGE TEST EQUIPMENT	NEW	Improved quality of roads and storm water infrastructure (including sidewalks)	BS6	To ensure the provision and maintenance of safe roads and effective storm water infrastructure.	BS6.1	Refurbishment and maintenance of roads, storm water infrastructure, traffic calming devices and provision of pedestrian walkways.	TCS0037/2023/05	25	1 300 000	=	=
INEP	CONSTRUCTION OF11KV SWITCHING	NEW	Improved quality of roads and storm	BS13	To ensure the provision and maintenance of safe roads and effective	BS13.1	Refurbishment and maintenance of roads, storm water	TCS0038/2023/05	3 & 25	7 700 000,00	6 000,000.00	6 500,000.00

6. FINAL CAPITAL BUDGET 2024/2025												
FUNDING SOURCE	**PROJECT DESCRIPTION**	**NEW/RENEWAL/UPGRADE**	**IDP PRIORITY**	**NO.**	**IDP STRATEGIC OBJECTIVE**	**NO.**	**IDP STRATEGY**	**IDP PROJECT NUMBER**	**WARD**	**FINAL BUDGET 24/25**	**DRAFT BUDGET 25/26**	**DRAFT BUDGET 26/27**
	STATION - CAPRICONA/LENNOXTON		water infrastructure (including sidewalks)		storm water infrastructure.		infrastructure, traffic calming devices and provision of pedestrian walkways.					
INEP	CONSTRUCTION OF 132/11KV SUBSTATION - EQUARAND	NEW	Improved quality of roads and storm water infrastructure (including sidewalks)	BS14	To ensure the provision and maintenance of safe roads and effective storm water infrastructure.	BS14.1	Refurbishment and maintenance of roads, storm water infrastructure, traffic calming devices and provision of pedestrian walkways.	TCS0039/2023/05	34	14 644 000 .00	12,000,000.00	12,000,000.00
TOTAL BUDGET										173 486 373	154 966 300	169 238 422









Utrecht Local Mun
KZ253

Dannhauser Local Municipality
KZ254

N

1 : 130 000

0 3 6 9 Kilometers

LEGEND

Households (2013 SBC)

Existing Roads

- Class 1
- Class 2
- Class 3
- Class 4

Other

- Airport
- Railway Line

Boundary

- Newcastle Urban Edge
- Development Boundary

Existing Roads

- Housing Projects
- Electricity Projects
- DPHS Projects
- Community Services Projects
- Community Services Projects

5.2.1.NLM OPEX (2024/25): High-level.

ITEM DESCRIPTION	DRAFT BUDGET 2024/25	FINAL BUDGET 24/25	CASHFLOW FINAL 24/25	DRAFT BUDGET 25/26	CASHFLOW DRAFT 25/26	DRAFT BUDGET 26/27	CASHFLOW DRAFT 26/27
REVENUE							
0200: Revenue By Source / Property rates	- 423 760 279	-423 760 279	-364 433 840	-412 859 715	-373 126 714	-437 631 298	-393 594 834
0300: Service charges - electricity revenue	- 870 386 686	-870 386 686	-834 787 871	-957 425 355	-928 702 594	-1 053 167 890	-1 026 838 693
0400: Service charges - water revenue	- 237 039 675	-237 039 675	-137 483 011	-250 803 719	-140 172 368	-265 347 771	-148 078 540
0500: Service charges - sanitation revenue	- 142 374 684	-142 374 684	-93 967 291	-150 083 602	-91 261 365	-158 171 699	-95 820 128
0600: Service charges - refuse revenue	- 114 956 623	-114 956 623	-73 572 239	-121 120 441	-70 254 647	-127 580 730	-73 662 988
0700: Sales of Goods and Rendering of Services	- 7 243 100	-14 166 498	-14 166 498	-14 818 158	-14 818 158	-21 486 330	-21 486 330
0800: Rental of facilities and equipment	- 11 643 320	-11 643 320	-11 643 320	-12 178 913	-12 178 913	-17 659 423	-17 659 423
0900: Interest earned - external investments	- 5 591 537	-5 591 537	-5 591 537	-5 848 748	-5 848 748	-8 480 684	-8 480 684
1000: Interest earned - outstanding debtors	- 4 140 413	-4 140 413	-	-4 330 873	-	-6 279 765	-
1200: Fines, penalties and forfeits	- 7 600 938	-7 600 938	-1 520 188	-7 950 581	-1 590 116	-11 528 342	-2 305 668
1300: Licences and permits	- 35 901	-35 901	-35 901	-37 552	-37 552	-54 451	-54 451
1500: Transfers and subsidies	- 632 258 000	-686 117 627	-666 117 627	-709 580 701	-689 580 701	-713 249 578	-713 249 578
1600: Other revenue	- 8 278 238	-1 354 838	-1 354 838	-1 417 161	-1 417 161	-2 054 883	-2 054 883
1700: Revenue By Source/Gains	- 5 757 000	-99 416 255	-5 757 000	-105 035 810	-5 757 000	-110 992 539	-5 757 000
3300: Revenue By Source / Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) Total		-162 376 373	-162 376 373	-151 766 299	-151 766 299	-166 038 422	-166 038 422
TOTAL REVENUE	- 2,463,823,294	- 2,780,961,647	-2 372 807 534	-2 905 257 626	-2 486 512 335	-3 099 723 807	-2 675 081 622
2000: Employee related costs	724,535,732	762 698 327	762 698 327	780 252 997	780 252 997	815 148 066	815 148 066
2100: Remuneration of councillors	28,442,547	28 442 548	28 442 548	29 750 905	29 750 905	31 089 696	31 089 696
2200: Debt impairment	311,263,829	294 207 326	-	299 425 387	-	305 164 657	-
2300: Depreciation and asset impairment	379,138,608	352 716 398	-	371 011 352	-	389 731 863	-

ITEM DESCRIPTION	DRAFT BUDGET 2024/25	FINAL BUDGET 24/25	CASHFLOW FINAL 24/25	DRAFT BUDGET 25/26	CASHFLOW DRAFT 25/26	DRAFT BUDGET 26/27	CASHFLOW DRAFT 26/27
2400: Finance charges	32,205,273	30 300 149	30 300 149	26 544 764	26 544 764	22 466 506	22 466 506
2500: Bulk purchases	664,932,502	725 201 396	725 201 396	736 079 417	736 079 417	846 491 329	846 491 329
2600: Other materials	159,853,634	184 865 266	184 865 266	192 860 843	192 860 843	200 569 561	200 569 561
2700: Contracted services	179,360,873	230 990 563	230 990 563	218 303 900	218 303 900	202 985 563	202 985 563
2800: Irrecoverable Debts Written Off		93 659 255	-	89 350 929	-	85 330 137	-
2900: Other expenditure	135,461,967	183 777 221	183 777 221	187 598 109	187 598 109	193 472 071	193 814 071
TOTAL EXPENDITURE	2,937,375,464	2,886,585,449	2 146 275 470	2 931 178 604	2 171 390 935	3 092 449 449	2 312 564 792
GRAND TOTAL	- 229,631,990	105,896,802	-226 532 063	25 920 977	-315 121 400	-7 274 358	-362 516 831
Opening Balance as per BFP			-6 839 396		-59 186 181		-118 190 427
Capex			173 486 373		154 966 299		169 238 422
Loan repayment			32 985 915		36 789 140		40 305 305
Eskom Debt			-		-		-
Salaries backpays			-		-	-	
VAT Payments / Input			224 748 123		223 471 285		241 964 842
VAT Receipts /Output			-175 046 260		-188 811 432		-207 531 915
VAT Refunds			-71 988 873		49 701 863		34 659 853
Proceeds from PPE			-10 000 000		-20 000 000		-10 000 000
B7 POSITION			**-59 186 181**		**-118 190 427**		**-212 070 752**
Unspent conditional Grants			124 409 528		94 409 528		85 826 844
Statutory Requirements			62 819 015		60 253 125		66 588 156
Provisions			14 261 467		14 831 925		15 425 202
Other Working Capital Requirements			225 036 000		100 245 362		223 012 450
Reserves to be Cashed-Backed			32 292 354		34 053 000		35 755 650
B8 POSITION			399 632 183		185 602 513		214 537 550

5.3. AMAJUBA CATALYTIC PROJECTS

PROJECT - DESCRIPTION	ESTIMATED BUDGET	KEY STAKEHOLDERS	LOCAL MUNICIPALITY	NUMBER OF JOBS TO BE CREATED
RASET PROGRAME – Vegetables Production	Partially Funded R300,000	Amajuba DM; KZN DARD; Farmers Associations; LMs	Emadlangeni; Dannhauser & Newcastle	75
Hemp Project including Cannabis Produce (Medicinal Plants)	Not funded	Amajuba DM DARD Private Sector	Emadlangeni; Dannhauser & Newcastle	150
Industrial Economic Hub – Clothing & Textile Hub	Partially funded R46 mil	Amajuba DM Newcastle LM EDTEA	NLM - Section 6 Ithala Industrial Area Madadeni Ward 19	300
Ingogo Agri- Park	R4 million	Newcastle LM DARD, DALRRD	Newcastle	250
Hemp Project including Cannabis Produce (Medicinal Plants)	R5 million	Amajuba DM DARD Private Sector	Various wards in the District (Traditional Authority Areas)	300
Regional Waste Site	R150 million	Amajuba DM Newcastle LM EDTEA	Newcastle	200
Electronic Component Recycling	R150 million	Amajuba DM Newcastle LM EDTEA	Newcastle	150
Widening of the N11	R250 million	SANRAL Amajuba DM Newcastle LM	Newcastle Ward 34	150
Revamp and Development of Dams	R15 million	DWS Amajuba DM Newcastle LM Private Sector	Newcastle Ncandu Dam Ward 21	200
Medical City	R250 million	Newcastle LM DOH Private Sector	Newcastle Ward 34	50

PROJECT - DESCRIPTION	ESTIMATED BUDGET	KEY STAKEHOLDERS	LOCAL MUNICIPALITY	NUMBER OF JOBS TO BE CREATED
Sustainable land management (rotational grazing, land restoration and rehabilitation)	R400m	Amajuba DM	Dannhauser & Newcastle	20
Waste Pickers/ Collectors Support programme	R1 250 000	Environmental Management Unit	Emadlangeni; Dannhauser & Newcastle	150
IWWP Development	R700 000	Environmental Management Unit, DFFE and EDTEA	Emadlangeni; Dannhauser & Newcastle	50
Ambient Air Monitoring	R500 000	Environmental Management Unit, DFFE and ADTEA	Emadlangeni; Dannhauser & Newcastle	50
Climate smart agriculture with digital, solar and biogas solution	R400 000	Environmental Management Unit, DFFE, ADTEA and DARD	Emadlangeni; Dannhauser & Newcastle	50
Sustainable Land Management	R700 000	Environmental Management Unit DFFE, ADTEA and DARD	Emadlangeni; Dannhauser & Newcastle	100
Removal of alien plant and invasive species	R700 000	Environmental Management Unit, DFFE and ADTEA	Emadlangeni; Dannhauser & Newcastle	150
SDF	R800 000	Amajuba DM, DALRRD and COGTA	Emadlangeni; Dannhauser & Newcastle	10
NODAL STUDY	R800 000	Amajuba DM and DALRRD	Emadlangeni; Dannhauser & Newcastle	10
LUMF	R800 000	Amajaba DM and COGTA	Emadlangeni; Dannhauser & Newcastle	10
Transport Plan	R800 000	Amajuba DM and DOT	Emadlangeni; Dannhauser & Newcastle	50
IWMP	R800 000	Amajuba DM, Environmental Management Unit and ADTEA	Emadlangeni; Dannhauser & Newcastle	100

5.4. SECTOR DEPARTMENTS PROJECTS 2024/2025

5.4.1.DEPARTMENT OF HEALTH

Project Name	Milestone Reached	Total Project Cost	Budget 2023/2024	Estimated Construction Start Date	Estimated Construction End Date
Newcastle Hospital -Package D-CCTV cameras and access control, heat pumps ,fire detection	Construction 1% - 25%	R194,034,844	R27,300,000	03/10/2022	31/08/2024
Newcastle Hospital Package E - Upgrade to Bulk Sewer , Stormwater , Hot and Cold water reticulation	Tender	R57,000,000	R10,512,196	09/02/2023	30/09/2024
Madadeni Hospital - New Psychiatric Hospital	Pre-feasibility	R1,000,000,000	R0	01/09/2023	31/12/2026
Madadeni Hospital : Upgrades to the Student Accommodation	Tender	R67,461,225	R25,000,000	30/11/2022	30/04/2024

5.4.2.DEPARTMENT OF EDUCATION

SCHOOL NAME	STATUS
Celani Primary School	Tender
Kadwa Secondary School	Feasibility
Siphumelele Primary School	Project Initiation
Thembinkosi Primary School	Construction 1% - 25%

5.4.3.DEPARTMENT OF HUMAN SETTLEMENTS

5.4.3.1. Planning IRDP

HOUSING PROJECT	TYPE	UNITS	STATUS	BUDGET 2023/2024	Draft BUDGET 2024/2025
Boschhoek	Urban	2370	Planning studies underway – 10%	R5 303 798,40	R3 961 950,00
Normandien	Rural/Farm dwellers	300	Contract being drafted. Planning activities to commence once contract has been concluded	R1 153 735,20	R1 120 580,00

5.4.3.2. Planning - Informal Settlement Upgrade

MUNICIPALITY	PROJECT	UNITS	STATUS	BUDGET 2023/2024	Draft BUDGET 2023/2024
Newcastle	Soulcity/Stamford Hill Phase 1	820	- Planning studies underway – 50% -SPLUMA Application has been submitted to Municipality -Awaiting SPLUMA approval	R379 391,80	R125 000,00
Newcastle	Soulcity/Stamford Hill Phase 2	1500	Contracting being finalised - Planning studies underway – 0%	R0,00	R4 612 067,50
Newcastle	Drycut	900	- Planning studies underway –90% - Awaiting for Close Out Report to be submitted	R200 000,00	R200 000,00

5.4.3.3. **Bulks**

PROJECT	UNITS	STATUS	BUDGET 2023/2024	Draft Budget 2024/2023
JBC Phase 2 and 3	8985	Sewer Reticulation: 80% Roads Surfacing : 0% Piped Stormwater : 85% Overall: 54%	R2 910 000,00	R3 600 000,00
Drycut	1000	-Bulks servicing to commence. -0%	R0,00	R8 000 000,00

5.4.3.4. Internal Servicing

PROJECT	UNITS	STATUS	BUDGET 2023/2024	Draft BUDGET 2024/2025
JBC Phase 1	2518	Water: 100% Sewer: 99% Roads: 99% Stormwater : 100% Testing of sewer lines: 24% Overall: 99,5%	R2 865 764,86	-
JBC Phase 2	5101	Water: 97% Sewer: 81% Roads: 90% Stormwater : 67% Overall: 84%	R61 845 404,80	72 169 644,80
JBC Phase 3	3884	Water: 51% Sewer: 8% Roads: 7% Stormwater : 10% Overall: 19%	R54 344 500,00	78 730 521,60
Kwamathukuza	221	Water: 30% Sewer: 38%	R3 279 648,18	

		Roads: 0% Stormwater : 0% Overall: 17%		

5.4.3.5. Construction of Top - Structure

MUNICIPALITY	HOUSING PROJECT	UNITS	STATUS	BUDGET 2023/2024	Draft BUDGET 2024/2025
NLM	JBC Phase 1	2518	Stage 3 application underway	R 14 789 300,00	R26 000 000,00
NLM	Charlestown	500	Construction of Top Structure underway Construction of 230 out of 500 Top Structure has completed -46%	R 14 789 360,00	R27 000,00
NLM	Ubuhlebomzinyathi Phase 1	2500	Construction of Top Structure underway Construction of 994 out of 2500 Top Structure has completed – 40%	R 15 751 500,00	R29 700 000,00
NLM	Fairleigh/siyahlala-la	705	Construction of Top Structure underway Construction of 547 out of 705Top Structure has completed - 78%	R120 900,00	R27 000,00
NLM	Khathide Phase 2	220	Construction of Top Structure underway Construction of 102 out of 220 Top Structure has completed 46%	R4 725 450,00	R400 000,00
NLM	Emawoseni- Phase 1	100	Construction of Top Structure underway Delays due to inaccessible land	R12 090,00	R13 500,00

			Construction of 0 out of 100 Top Structure has completed 0%		
NLM	Madadeni H39		Construction of Top Structure underway Construction of 425 out of 500 Top Structure has completed 85%	R0,00	R6 440 982,00

5.4.3.6. CRU/Social Housing

PROJECT	Type	Yield	STATUS	BUDGET
N11 CRU	CRU	540	Rental accommodation Construction is underway 190 units out of 540 units completed 35%	R268 464 148.06
Hospital Street	Social Housing	1056	Rental accommodation Construction is underway 0 units out of 1056 units completed 0%	R 387 471 436.80

5.4.3.7. Pipeline Projects 2024/2025

HOUSING PROJECTS	UNITS	WARD NUMBER	PROGRAMME
Ncandu Extension	433	7	Serviced sites
Wykom	TBC	-	UISP
15048	TBC	-	Serviced sites
15049	TBC	-	Serviced sites

The Newcastle Municipality has a budget of R227 151 425,00

5.4.4.EDTEA PROJECTS

5.4.4.1. Amajuba Vula Detergents Centre

- A site has been identified at Madadeni Industrial Estate, Amajuba District, for the construction of the shared production facility for detergents and cleaning chemicals.
- Construction of the centre commenced in September 2023.

5.4.4.2. Newcastle Infrastructure Project

- The LM is using the internal Technical Services capacity to renovate the market stalls. 50% complete. Delays being addressed.
- R1 000 000 Budget

CHAPTER 6:

FINANCIAL PLAN.

6. FINANCIAL PLAN.

6.1. INTRODUCTION

The 2023/24 medium term budget framework indicates that the municipality will be operating with an unfunded budget for at least the next financial year. It is therefore imperative that a credible plan that will respond to the current situation be crafted and monitored by the Council. The importance of tabling funded budgets was indicated to council before through the various National Treasury circulars, however the situation in Newcastle Municipality warrants a budget funding plan to be put in place and implemented since the budget is current unfunded.

6.2. BUDGET FUNDING PLAN

6.2.1. High Level Operational Results

The table below reflects a high level of annual operating results of the municipality's budget over the next three years. Evidently, the municipality is projecting a deficit of R266.0 million, R123.2 million and R83.6 million for the 2024/25, 2025/26 and 2026/27 financial years respectively:

Table 67 Budget summary (financial and capital performance)

Description	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
	R'000	**R'000**	**R'000**
Total Revenue Budget	2 621 561	2 788 518	3 005 9395
Total Expenditure Budget	2 887 643	2 911 809	3 089 547
Surplus/(Deficit)	(266 082)	(123 290)	(83 608)
Capital expenditure	**167 486**	**154 966**	**169 238**

From Table 1 the above, it is evident that the municipality is not financially viable and not having sufficient revenue and it will not be able to continue to provide services to the community if the situation is not addressed. The municipality is currently experiencing operating with the operational deficit, making in financial not viable to provide for all its requirements including the impairment of assets and depreciation.

A high-level assessment that performed by the municipality and KZN Provincial Treasury on a continuous basis has revealed that the following factors as the main contributors to the financial crisis that the Newcastle Municipality is faced with:

- The municipality is operating at an operating deficit;
- Escalation of outstanding debtors, especially the domestic consumers;
- Huge operating expenditure base from employee costs, contracted services and other expenditure;
- Over-commitment on external borrowing;
- Huge Eskom and uThukela Water debts;

- Tariffs not cost-reflective, especially for water and sanitation;
- Limitation in other revenue generation streams;
- Reserves, conditional grants and reserves not cash-backed;
- Reduction in the equitable share allocation due to the unspent grants at each year-end;
- The high increase in the electricity bulk purchases tariffs compared to the revenue tariff increase;
- High water and electricity losses;
- Indigent consumers consuming more that what they can afford;
- Actions and spending that give rise to unplanned cash outflows.

6.2.2. Strategic objectives of the Revised Budget Funding Plan (BFP) 2023/24

The main objective of the BFP is to ensure financial viability and sustainability, achieve a funded budget and to subsequently ensure the ability of the municipality to meet its obligations in terms of the Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP). In order to achieve these objectives, the municipality has developed strategies which are aimed at improving its financial status over the next 5 years. These strategies have been developed by senior management of the municipality, in consultation will all other internal and external stakeholders. The plan indicates the key focus areas, the responsible officials, the time frames for implementation of activities, the revenue and costs projected to be generated or incurred over the duration of the plan.

The following table contain a list of the strategies that management has put together in order to ensure that the budget of the municipality will be funded within the next five years and beyond:

6.2.2.1. Increase on the collections rates for service charges and property rates

The Newcastle Municipality is planning to apply a steady tariff increase of at least 6% in line with the consumer price index (CPIX) target, and in line with National Treasury budget guidelines. Electricity is projected to increase by between 11% to 15% based on the recent NERSA guidelines. The municipality however introduce the implementation of tariff tool, which will ensure that cost-reflective tariffs are phased-in gradually as required by National Treasury. Furthermore, through various revenue enhancement strategies the collection rate is projected to steadily improve from 82% to 87% over the next five financial years. The incentive schemes that have been approved by council and are being rolled-out to communities will ensure that the collection rate improves.

6.2.2.2. Full access to conditional grants.

The municipality will drive an aggressive strategy to submit business plans to ensure that its capital programme is gradually and eventually fully funded from government grants only. The departments are being encouraged to investigate and access

all grant opportunities available with other external stakeholders in order lessen the impact of rates and service charges to deliver services. Equally, the municipality will be putting measures in place to ensure that all grants are fully spent. This will also assist to ensure that no funds are reverted to the National Revenue Fund at the end of the financial year.

6.2.2.3. Disposal and rental of unused land and other properties.

The municipality has already identified and submitted items to council for disposal of unused land for private and commercial purposes. For some of the properties, the municipality has already received bids from the public and some have has been awarding through the supply chain management processes, with the transfer processes continuously underway. Strides are being made to rent out office space and to review rental agreements in other properties so that the municipality will generate more revenue going forward. The strategies include, but not limited, the upgrading of the Human Resources Development unit's building for use by University of South Africa (Unisa), servicing and disposal of land next to the Medical Precinct Centre next to Mediclinic, renting out of the office space to KZN CoGTA and review of the golf course rental. These processes are already at advanced stages.

6.2.2.4. Delay recruitment of non-critical positions

The delay in the appointment of new staff has been one of the strategies to limit monthly employee-related costs. These include positions that will be exited in the past financial years and those considered as not critical. Management will also make use of reinstated employees to allocate skills where they are needed accordingly. The allocation of overtime work will also been monitored through the Interim Finance Committee to ensure hat is kept to bear minimum.

6.2.2.5. No commitment to new loans

One of the challenges of the Newcastle Municipality is faced with is its over-commitment on external long-term loans. In order to deal with the funding position, the municipality is not planning to take any long-term loans until a favourable funding position has been achieved. No loans are planned to be taken over the next five years in order to deal with the impact of finance charges in the budget. The municipality will also consider the possibility of settling some of the loans earlier in order to reduce the impact of the finance charges in its budget.

6.2.2.6. Limit increase on non-core expenditure.

The municipality will enforce its cost containment policy to ensure that non-core expenditure is reduced or eliminated to bear minimum over the next five years. In this case, focus shall be given to other expenditure and contracted services. The municipality will utilise monthly reports to this plan, as well as the monthly section 71 reporting to trace and monitor expenditure. The municipality has also established the Interim Finance Committee which deals with scrutinising of all purchase requisitions in line with the budget and the cost containment policy.

6.2.2.7. Reduce internally funded capital expenditure.

The municipality is planning to reduce the internally-funded capital expenditure over the next five years. While it is acknowledged that this cannot be done at one go due to current commitments, internal funding is expected to be reduced gradually over the next five years. To supplement this, the municipality is planning to improve the submission business plans to donor institutions to ensure that those projects that were funded internally are in future funded from grants instead. It is evidence from the 2023/24 budget and beyond, that the internally funded capital budget has been reduced drastically in line with this strategy.

6.2.2.8. Improve payment of creditors

The municipality will make use of the Interim Finance Committee to ensure that the payment of key creditors is prioritised. These include the payment of current account and arrear debt to Eskom, uThukela Water, SARS, 3rd party payments and loans. The strategy will also be sued to ensure that all invoices are paid with 30 days as required by section 65 of the MFMA. This will assist to ensure the outstanding debt does not continue to escalate and that ensure that interest and penalties on late payment are not incurred. The municipality is planning to finalise the payment agreement with uThukela Water before the end of the financial in order to ensure the its debt is serviced with effect from 2024/25 going forward.

6.2.2.9. Cash-backing of provisions and reserves

One of the key challenges to the funding position of the budget is that provisions and reserves of the municipality are cash-backed. These include unspent grants, provisions, Housing Development Fund, Insurance Reserve and outstanding creditors which need to be cash-backed in line with the Funding and Reserves Policy of Council. The municipality will use the opportunity of each budget process to ensure all excess funds are invested to ensure funding of all provisions and reserves is achieved over the period of the plan. The municipality is planning to budget for the portion of the unspent condition grants in order to ensure that the balance is reduced and eventually eliminated during the implementation of the plan. Likewise, the payment of creditors, cost containment and improvement in the collection rate will result in the more cash been available to cash-back other provisions and reserves.

6.2.2.10. Claiming VAT Refunds from SARS

The municipality is already utilising the services of a specialist to ensure that VAT refunds due to the Municipality are claimed from SARS. While staff members of the municipality focus on the reconciliation and submission of VAT returns, the specialist is focusing on the VAT review covering the period of the past five years. The financial system has also been configured to ensure that VAT is accounted for correctly. The municipality has already engaged the VAT speciality to recover all the PAYE and VAT penalties and interest paid by the municipality in the past 8 financial year. This is estimated at R9 million.

6.2.3. Status of implementation of the BFP strategies

The following table depicts that status of the implementation of the BFP strategies at mid-year. Although the plan covers a period of five years, it is however clear from the status that most of the strategies are already being implemented.

Mid-Year Budget Funding Plan Reporting Template

Municip	Newcastle Local Municipality				DECEMBER	2023	
			Budget Funding Plan				
STATUS	Task completed:		mpleted:		mpleted:		
PERCEN	100%		%				

No.	Strategy	Key Activities	Responsible Person	Start Date	End Date	Status & percentage	Comments regarding status and progress related to activities
1	Inflation link triff increase and improved collection	Steadily increase revenue based on CPI target	MM & CFO	2018/01/07	Continous	85%	Task almost completed
2	increase and improved collection rate	Steadily increase revenue based on CPI target	MM & CFO	2018/01/07	Continous	85%	Task almost completed
3	Inflation link triff increase and improved collection	Steadily increase revenue based on CPI target	MM & CFO	2018/01/07	Continous	90%	Task almost completed
4	Ensure full access to all government grants	Submit business plans and ensure conditional grants are fully spent	MM & CFO	2020/01/07	Continous	70%	Task almost completed
5	Dispose unused land and other assets	Identify unused land for residential and business use	MM & CFO	2022/01/07	Continous	70%	Task almost completed
6	Curb recruitment on new personnel	Do not fill any non-critical positions being vacated	MM & CFO	2022/01/07	Continous	40%	Task commenced
7	No commitment on new loans - interest	No new capital expenditure will be financed through external loans	MM & CFO	2020/01/07	Continous	70%	Task almost completed
8	No commitment on new loans - capital	No new capital expenditure will be financed through external loans	MM & CFO	2020/01/07	Continous	70%	Task almost completed
9	Limit exhobotant increase in non-core expenditure	Reduction and very minimal increase on contracted services	MM & CFO	2020/01/07	Continous	70%	Task almost completed
10	Limit exhobotant increase in non-core expenditure	Reduction and very minimal increase on other expenditure	MM & CFO	2020/01/07	Continous	70%	Task almost completed
11	Reduce internally funded capital expenditure	Seperately invest conditional grants and fast track early appointment of service providers	MM & CFO	2018/01/07	Continous	85%	Task almost completed
12	Reduce unspent conditional grants	Priotise payment of grant related payments and clean up the grant register	MM & CFO	2018/01/07	Continous	45%	Task commenced
13	Improve payment of creditors	Keep up with the Eskom agreement and ensure timely payment of other creditors	MM & CFO	2020/01/07	Continous	30%	Task almost completed
14	Ensure cash-backing of provisions	Build up reserves up ensuring increased cash and cash equivalents	MM & CFO	2020/01/07	Continous	30%	Task commenced
15	Ensure cash-backing of reserves	Build up reserves up ensuring increased cash and cash equivalents	MM & CFO	2019/01/07	Continous	45%	Task commenced
16	Claim all vat receivable from SARS	Ensure timely payment of invoices and submission of Vat returns	MM & CFO	2020/01/07	Continous	85%	Task almost completed

Financial Impact of the Budget Funding Plan

No	Strategy	Focus Area	Key Activities	Key Activities			
				Draft Budget	Year 2	Year 3	Year 4
				2023/24	2024/25	2025/26	2026/27
1	Inflation linked tariff increase and inproved collection rate	Property rates	Steadily increase increase revenue based on CPI target	17 462 000	29 146 000	19 721 000	20 904 360
2	Inflation linked tariff increase and inproved collection rate	Service charges	Steadily increase increase revenue based on CPI target	134 045 961	110 848 000	139 745 000	84 026 460
3	Inflation linked tariff increase and inproved collection rate	Other revenue	Steadily increase increase revenue based on CPI target	-276 031 628	1 098 000	1 163 000	0
4	Ensure full access to all government grants	Transfers recognised - operational	Submit business plans and ensure conditional grants are fully spent	36 362 532	58 878 000	-40 550 000	0
5	Ensure full access to all government grants	Transfers recognised - capital	Submit business plans and ensure conditional grants are fully spent	43 345 958	-23 569 000	-3 829 000	0
6	Dispose unused land and other assets	Proceeds on disposal of PPE	Identify unused land for residential and business use	20 000 000	10 000 000	10 000 000	10 000 000
7	Curb recruitment of new personnel	Employee related costs	Do not fill any non-critical positions being vacated	88 121 465	51 686 637	55 629 697	41 592 603
8	No commitment on new loans - interest	Finance charges	No new capital expenditure will be financed through external loans	-32 205 000	-30 525 000	-28 549 000	-26 300 000
9	No commitment on new loans - capital	Repayment of borrowing	No new capital expenditure will be financed through external loans	-34 082 441	-35 156 170	-38 526 000	-40 797 840
10	Limit exhobotant increase in non-core expenditure	Contracted services	Reduction and very minimal increase on contracted services	-69 620 409	-15 255 296	18 377 710	-1 806 765
11	Limit exhobotant increase in non-core expenditure	Other expenditure	Reduction and very minimal increase on other expenditure	17 102 075	-417 946	7 349 723	-48 544 359
12	Reduce internally funded capital exoenduture	Internally generated funds	Separately invest conditional grants and fasttrack early appointment of service providers	-11 726 234	0	0	-5 400 000
13	Reduce unspent conditional grants	Unspent conditional transfers	Prioritise payment of grant related payments and clean up the grant register	-50 000 000	-54 000 387	-54 000 000	-26 999 631
14	Improve payment of creditors	Other working capital requirement	Keep up with the Eskom agreement and ensure timely payment of other creditors	-155 947 000	-91 800 000	-126 330 000	0
15	Ensure cash-backing of provisions	Other provisions	Buiide up reserves up ensuring increased cash and cash equivalents	1 115 400	629 600	1 442 987	254 960
16	Ensure cash-backing of reserves	Reserves to be cash-backed	Buiide up reserves up ensuring increased cash and cash equivalents	3 967 578	2 474 510	2 650 000	799 580
17	Claim all vat receivable from SARS	Statutory requirements	Ensure timely payment of invoices and submission of Vat returns	22 360 028	25 686 280	5 000 000	5 000 000

6.3. FINANCIAL IMPACT OF THE BUDGET FUNDING PLAN

It is expected that the strategies and activities put in the plan will have a positive financial impact to the municipality over a long-term period, which will ensure that the municipality's budget is fully funded from 2026/2027 financial year. Although some of the strategies reflect negative impact on the plan, it is however critical to reflect how these are likely to improve over a period, and eventually yield a positive long-term impact in funding the budget. The table below depicts the impact of each identified strategy on the budget:

Table 3: Financial Impact

The table above reflects the impact of the implementation of the strategies above over the next five financial years. The majority of strategies indicate that they will be a relatively improvement in revenue due to the steady increase in tariffs and grants. The strategies on expenditure indicate that they will be no significant increase in other expenditure, contracted services, finance charges and internally funded capital expenditure as required by the strategies. The payment of unspent grants, creditors will begin to improve. The impact of all these will result in the municipality being able to raise adequate cash to back-up its reserves and provisions.

6.4. OPERATING FINANCIAL PERFORMANCE

The municipality will continue its strides to accelerate revenue as part of its long-term plan. Property rates, water, sewer, refuse and sundry tariffs will be increase by at least 6% while the electricity tariffs will between 12%-15% as per the recent NERSA guideline over the medium-term framework and over the next five years. This will ensure that the municipality is able to provide minimum level of basic services within the CPIX increases but also not putting pressure to consumers. The municipality is also planning to ensure that non-essential expenditure is eliminated in order to ensure the operating deficit is recued on the period of the plan. While the increase will be noted on some of expenditure items like employee costs, councillor remuneration and bulk purchases however these increases be maintained at a bare minimum in order to continue to provide services within the projected increases. Expenditure items like contracted services and other expenditure have however been identified as those which need to be limited to bear minimum, except where the cost items are grant-funded.

The table below depicts the projected financial outcome of the plan.

Financial Impact of the Budget Funding Plan on the Financial Performance (Table A4/B4)

Description	Original Budget	Proposed Adjusted Budget	Increase / (Decrease)	Year 1	Year 2	Year 3	Year 4	Year 5
R thousand	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Revenue By Source								
Exchange Revenue								
Service charges - Electricity	882 022 129	863 906 961	-18 115 168	870 386 686	979 185 023	1 111 375 000	1 124 155 813	1 137 083 604
Service charges - Water	219 985 933	220 069 788	83 855	237 039 675	251 262 055	266 337 779	282 318 046	299 257 128
Service charges - Waste Water Management	133 580 398	154 290 398	20 710 000	142 374 684	150 917 165	159 972 195	169 570 527	179 744 758
Service charges - Waste Management	110 148 409	109 788 409	-360 000	114 956 623	121 854 021	129 165 262	136 915 178	145 130 088
Sale of Goods and Rendering of Services	7 198 622	13 504 766	6 306 144	7 243 100	7 576 282	10 985 609	11 644 746	12 343 430
Agency services	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Interest earned from Receivables	5 877 010	947 010	-4 930 000	4 140 413	4 330 873	6 279 765	6 656 551	7 055 944
Interest earned from Current and Non Current Assets	5 330 350	5 330 350	-	5 591 537	5 848 748	8 480 684	8 989 525	9 528 897
Dividends		-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-
Rental from Fixed Assets	8 804 450	11 099 450	2 295 000	11 643 320	12 178 913	17 659 423	18 718 988	19 842 128
Licence and permits		-	-				-	-
Operational Revenue	1 291 552	1 291 552	-	8 278 238	8 659 037	12 555 604	13 308 940	14 107 477
Non-Exchange Revenue			-					
Property rates	396 740 939	396 614 439	-126 500	423 760 280	412 859 715	437 631 298	463 889 176	491 722 526
Surcharges and Taxes		-	-				-	-
Fines, penalties and forfeits	4 830 888	7 245 888	2 415 000	7 600 938	7 950 581	11 528 342	12 220 043	12 953 245
Licences or permits	34 224	34 224	-	35 901	37 552	54 451	57 718	61 181
Transfer and subsidies - Operational	577 623 010	604 151 702	26 528 692	689 093 627	720 823 000	722 921 000	766 296 260	812 274 036
Interest		3 000 000	3 000 000	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-
Other Gains	2 000 000	5 757 000	3 757 000	99 416 255	105 035 810	110 992 539	117 652 091	124 711 217
Discontinued Operations		-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	2 355 467 914	2 397 031 937	41 564 023	2 621 561 277	2 788 518 775	3 005 938 951	3 132 393 601	3 265 815 660
Expenditure By Type								
Employee related costs	724 535 813	708 365 777	-16 170 036	762 698 000	780 252 997	815 148 066	872 208 430	924 540 936
Remuneration of councillors	28 442 547	26 986 547	-1 456 000	28 442 548	29 750 905	31 089 696	32 613 091	34 211 133
Bulk purchases - electricity	660 932 502	654 132 502	-6 800 000	725 201 396	716 079 417	823 491 329	928 486 474	1 039 904 851
Inventory consumed	117 640 738	86 571 574	-31 069 164	174 154 265	182 125 850	190 317 634	190 317 634	199 833 516
Debt impairment	308 145 223	285 207 327	-22 937 896	294 207 326	299 425 387	305 164 657	320 422 890	326 831 348
Depreciation and amortisation	379 138 608	379 138 608	-	352 716 398	371 011 352	389 731 863	409 218 456	425 587 194
Interest	32 205 273	32 545 273	340 000	30 300 149	26 544 764	22 466 506	19 096 530	16 232 051
Contracted services	207 716 038	267 155 439	59 439 401	259 597 694	246 614 728	250 718 900	213 111 065	181 144 405
Transfers and subsidies		-	-	-	-	-	-	-
Irrecoverable debts written off	89 312 265	93 659 255	4 346 990	93 659 255	89 350 929	85 330 137	72 530 616	61 651 024
Operational costs	134 306 808	155 613 661	21 306 853	166 666 534	170 653 254	176 088 701	149 675 396	127 224 086
Losses on disposal of Assets	-	-	-				-	-
Other Losses	-	-	-				-	-
Total Expenditure	2 682 375 815	2 689 375 963	7 000 148	2 887 643 565	2 911 809 583	3 089 547 489	3 207 680 582	3 337 160 543
Surplus/(Deficit)	-326 907 901	-292 344 026	34 563 875	-266 082 288	-123 290 808	-83 608 538	-75 286 982	-71 344 884
Transfers and subsidies - capital (monetary allocations)	240 769 990	232 034 755	-8 735 235	162 376 373	151 766 299	166 038 421	176 000 726	182 708 846
Transfers and subsidies - capital (in-kind - all)						-	-	-
Surplus/(Deficit) before taxation	-86 137 911	-60 309 271	25 828 640	-103 705 915	28 475 491	82 429 883	100 713 744	111 363 962
Income Tax								
Surplus/(Deficit) after taxation	-86 137 911	-60 309 271	25 828 640	-103 705 915	28 475 491	82 429 883	100 713 744	111 363 962
Share of Surplus/Deficit attributable to Joint Venture								
Share of Surplus/Deficit attributable to Minorities								
Surplus/(Deficit) attributable to municipality	-86 137 911	-60 309 271	25 828 640	-103 705 915	28 475 491	82 429 883	100 713 744	111 363 962
Share of Surplus/Deficit attributable to Associate								
Intercompany/Parent subsidiary transactions								
Surplus/ (Deficit) for the year	**-86 137 911**	**-60 309 271**	**25 828 640**	**-103 705 915**	**28 475 491**	**82 429 883**	**100 713 744**	**111 363 962**

Table 4 above indicates that the strategies that are in place will assist to improve the deficit of the municipality of the next 5 years from the deficit of R266.0 million in 2024/25 to R71.3 million in 2028/29 financial years. When taking into account the capital transfers, the municipality will be sitting at the operating deficit of R103.7 million in the 2023/2024 financial year and at surplus of R111.3 million in 2028/29. It therefore becomes critical that the municipality closely monitors this plan in order to achieve such favourable outcome. In order improve the financial viability and to achieve a positive A7/B7 positions, the following has been budgeted for in 2024/25 budget.

6.5. CAPITAL FINANCIAL PERFORMANCE

The municipality will continue its drive to, by and large, the financing of its capital programme through the government grants. The municipality is also not planning to take any new loans over the next five financial years. This is necessary in order not to exert additional financial pressure to the Municipality. The Municipality is further planning to cut on funding the capital expenditure from internal reserves gradually over the next five years.
The table below depicts the projected capital performance over the next five years.

Table 5: Capital Financial Performance

Financial Impact of the Budget Funding Plan on the Capital Financial Performance (Table A5/B5)

Description	Original Budget	Proposed Adjusted Budget	Increase / (Decrease)	Year 1	Year 2	Year 3	Year 4	Year 5
R thousand	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Capital Expenditure - Functional								
Governance and administration	**4 700 000**	**7 329 583**	**2 629 583**	**3 250 000**	**2 400 000**	**-**	**-**	**-**
Executive and council	-	1 756 824	1 756 824				-	-
Finance and administration	4 700 000	5 572 759	872 759	3 250 000	2 400 000		-	-
Internal audit		-	-				-	-
Community and public safety	**35 375 705**	**41 277 337**	**5 901 632**	**20 230 576**	**22 178 042**	**11 120 000**	**11 664 880**	**12 236 459**
Community and social services	937 705	1 307 866	370 161	766 000	1 120 000	1 120 000	1 174 880	1 232 449
Sport and recreation	33 938 000	39 169 471	5 231 471	18 964 576	20 558 042	10 000 000	10 490 000	11 004 010
Public safety		-	-				-	-
Housing	500 000	800 000	300 000	500 000	500 000	-	-	-
Health		-	-				-	-
Economic and environmental services	**60 257 836**	**65 619 973**	**5 362 137**	**56 080 546**	**52 061 838**	**92 819 960**	**97 368 138**	**102 139 177**
Planning and development	191 000	6 277 689	6 086 689	30 000	100 000		-	-
Road transport	60 066 836	59 342 284	-724 552	56 050 546	51 961 838	92 819 960	97 368 138	102 139 177
Environmental protection	-	-	-				-	-
Trading services	**154 204 155**	**136 664 922**	**-17 539 233**	**87 925 250**	**78 326 419**	**65 298 462**	**67 140 886**	**69 209 310**
Energy sources	21 550 000	27 836 250	6 286 250	23 644 000	18 000 000	6 500 000	6 366 100	6 270 879
Water management	116 407 368	100 054 339	-16 353 029	52 191 250	31 488 878	30 000 000	31 017 600	32 130 302
Waste water management	15 796 787	7 940 757	-7 856 030	12 000 000	28 837 541	28 798 462	29 757 186	30 808 128
Waste management	450 000	833 576	383 576	90 000	-		-	-
Other	800 000	10 000	-790 000				-	-
Total Capital Expenditure - Functional	**255 337 696**	**250 901 815**	**-4 435 881**	**167 486 372**	**154 966 299**	**169 238 422**	**176 173 905**	**183 584 946**
Funded by:								
National Government	228 011 990	213 180 999	-14 830 991	151 580 373	140 946 299	155 218 422	162 824 125	170 802 507
Provincial Government	12 758 000	18 853 756	6 095 756	10 796 000	10 820 000	10 820 000	11 350 180	11 906 339
District Municipality		-	-				-	-
Transfers and subsidies - capital (in-kind)		-	-			-	-	-
Transfers recognised - capital	**240 769 990**	**232 034 755**	**-8 735 235**	**162 376 373**	**151 766 299**	**166 038 422**	**176 000 726**	**182 708 846**
Borrowing		-				-	-	-
Internally generated funds	14 567 705	18 867 061	4 299 356	5 110 000	3 200 000	3 200 000	3 356 800	3 521 283
Total Capital Funding	**255 337 695**	**250 901 816**	**-4 435 879**	**167 486 373**	**154 966 299**	**169 238 422**	**179 357 526**	**186 230 129**

Capital expenditure is projected to increase from R250.9 million in 2023/24 to R186.2 million in 2028/29 financial year. It is noted from the plan that the municipality is planning to fund the bulk of the capital expenditure from government grants, with internal finding reducing from R14.5 million in the current year to only 3.5 million in 2028/29.

6.6. FINANCIAL POSITION PLAN

The municipality is projecting to remain within a favourable equity position, with the total assets exceeding total liabilities by a large margin. The net current position of the municipal is also projected to improve over the next three years, which is a good indicator of the ability of the municipality to meet its short-term obligations over the next three years.

The table below depicts the Financial Position Plan of the municipality for the next four years:

Table 6: Financial Position

Financial Impact of the Budget Funding Plan on the Financial Position (Table A6/B6)

Description	Original Budget	Proposed Adjusted Budget	Increase / (Decrease)	Year 1	Year 2	Year 3	Year 4	Year 5
R thousand	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
ASSETS								
Current assets								
Cash and cash equivalents	216 699 447	72 754 632	-143 944 815	68 159 251	337 758 402	654 994 329	687 089 051	720 756 415
Trade and other receivables from exchange tran	308 821 724	752 914 870	444 093 146	703 567 031	738 041 816	774 205 864	812 141 952	851 936 907
Receivables from non-exchange transactions	7 550 396	131 716 964	124 166 568	135 961 237	142 623 338	149 611 881	156 942 863	164 633 064
Current portion of non-current receivables	-	-	-				-	-
Inventory	109 015 410	77 946 246	-31 069 164	334 854 175	493 020 877	658 649 153	690 922 962	724 778 187
VAT	67 531 246	68 482 401	951 155				-	-
Other current assets	-	2 732 503	2 732 503				-	-
Total current assets	**709 618 223**	**1 106 547 616**	**396 929 393**	**1 242 541 694**	**1 711 444 432**	**2 237 461 228**	**2 347 096 828**	**2 462 104 572**
Non current assets								
Investments		1 473 726	1 473 726				-	-
Investment property		-	-	371 567 782	389 774 603	408 873 559	428 908 363	449 924 873
Property, plant and equipment	6 227 835 405	6 174 907 875	-52 927 530	5 883 676 182	6 171 976 315	6 727 454 183	7 057 099 438	7 402 897 311
Biological assets		-	-				-	-
Living and non-living resources		-	-				-	-
Heritage assets	4 153 832	4 312 832	159 000	11 981 732	12 568 837	13 184 710	13 830 761	14 508 468
Intangible assets	-4 559 152	-2 065 490	2 493 662	118 770	124 590	130 695	137 099	143 816
Trade and other receivables from exchange tran	-	-	-				-	-
Non-current receivables from non-exchange tran	-	-	-				-	-
Other non-current assets	142 171 037	101 739 024	-40 432 013	101 739 024	106 724 236	111 953 724	116 991 641	122 256 265
Total non current assets	**6 369 601 122**	**6 280 367 967**	**-89 233 155**	**6 369 083 490**	**6 681 168 581**	**7 261 596 870**	**7 616 967 302**	**7 989 730 733**
TOTAL ASSETS	**7 079 219 345**	**7 386 915 583**	**307 696 238**	**7 611 625 184**	**8 392 613 013**	**9 499 058 098**	**9 964 064 130**	**10 451 835 306**
LIABILITIES								
Current liabilities								
Bank overdraft		-	-				-	-
Financial liabilities	-	35 281 856	35 281 856	32 985 915	36 789 140	40 305 305	42 119 044	44 014 401
Consumer deposits	2 297 983	35 598 586	33 300 603	37 149 129	38 969 436	40 878 939	42 718 491	44 640 823
Trade and other payables from exchange transa	912 108 268	505 557 410	-406 550 858	795 510 651	834 490 673	875 380 716	914 772 848	955 937 626
Trade and other payables from non-exchange tran	201 091 837	172 373 198	-28 718 639	190 488 169	199 822 089	209 613 372	219 045 973	228 903 042
Provisions	49 259 458	23 649 080	-25 610 378		-	-	-	-
VAT	-188 519 619	97 992 923	286 512 542		-	-	-	-
Other current liabilities	-	-	-	15 115 169	15 855 812	16 632 747	17 381 221	18 163 376
Total current liabilities	**976 237 927**	**870 453 053**	**-105 784 874**	**1 071 249 033**	**1 125 927 151**	**1 182 811 078**	**1 236 037 577**	**1 291 659 268**
Non current liabilities								
Borrowing	296 562 735	243 273 475	-53 289 260	249 099 099	-	-	-	-
Provisions	65 212 118	72 549 158	7 337 040	260 797 666	273 576 752	286 982 012	299 896 203	313 391 532
Long term portion of trade payables		214 036 479	214 036 479	-	-	-	-	-
Other non-current liabilities	175 370 254	199 462 348	24 092 094				-	-
Total non current liabilities	**537 145 107**	**729 321 460**	**192 176 353**	**509 896 765**	**273 576 752**	**286 982 012**	**299 896 203**	**313 391 532**
TOTAL LIABILITIES	**1 513 383 034**	**1 599 774 513**	**86 391 479**	**1 581 145 798**	**1 399 503 902**	**1 469 793 091**	**1 535 933 780**	**1 605 050 800**
NET ASSETS	**5 565 836 311**	**5 787 141 070**	**221 304 759**	**6 030 479 386**	**6 993 109 110**	**8 029 265 007**	**8 428 130 350**	**8 846 784 506**
COMMUNITY WEALTH/EQUITY								
Accumulated Surplus/(Deficit)	5 534 949 401	5 754 849 405	219 900 004	5 996 247 417	6 957 199 775	7 991 596 115	8 388 766 357	8 805 649 133
Funds and Reserves	30 886 910	32 291 665	1 404 755	34 231 969	35 909 335	37 668 893	39 363 993	41 135 372
Other		-	-			-	-	-
TOTAL COMMUNITY WEALTH/EQU	**5 565 836 311**	**5 787 141 070**	**221 304 759**	**6 030 479 386**	**6 993 109 110**	**8 029 265 007**	**8 428 130 350**	**8 846 784 506**

The equity position of the municipality is expected to improve drastically over the next five years with the implementation of the BFP strategies. Total asset are projected to increase from R5.7 billion in 2023/24 to R8.8 billion in 2028/29.

6.7. CASH FLOW PLAN

The municipality is planning to improve its collection rate of the five financial years in order to ensure that adequate revenue is collected, while cash payments are monitored accordingly as per the strategies. The table below depicts Cash Flow Plan over the next five years.

Table 7: Cash Flow

Financial Impact of the Budget Funding Plan on the Cash Flow (Table A7/B7)

Description	Original Budget	Adjusted Budget	Increase / (Decrease)	Year 1	Year 2	Year 3	Year 4	Year 5
R thousand	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates	299 539 409	337 122 273	37 582 864	364 433 840	350 930 757	371 986 603	375 706 469	379 463 534
Service charges	1 144 534 896	1 128 137 107	-16 397 789	1 139 810 412	1 273 133 295	1 426 313 952	1 440 577 092	1 454 982 862
Other revenue	231 189 336	278 926 678	47 737 342	281 512 880	305 842 347	345 424 768	348 879 015	352 367 805
Transfers and Subsidies - Operational	547 623 010	559 406 010	11 783 000	669 093 627	700 823 000	722 921 000	730 150 210	737 451 712
Transfers and Subsidies - Capital	240 769 990	232 034 990	-8 735 000	162 376 373	151 766 299	166 038 422	167 698 806	169 375 794
Interest	5 330 350	5 330 350	-	5 591 537	5 848 748	8 480 684	8 565 491	8 651 146
Dividends	-	-	-	-	-	-	-	-
Payments			-				-	-
Suppliers and employees	-2 175 156 030	-2 248 816 954	-73 660 924	-2 340 726 377	-2 320 445 094	-2 501 919 268	-2 802 149 580	-2 830 171 076
Finance charges	-32 205 273	-32 545 273	-340 000	-30 300 149	-26 544 764	-22 466 506	-22 691 171	-22 918 083
Transfers and Subsidies	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	**261 625 688**	**259 595 181**	**-2 030 507**	**251 792 143**	**441 354 589**	**516 779 654**	**246 736 331**	**249 203 695**
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts						-	-	-
Proceeds on disposal of PPE	20 000 000	20 000 000	-	10 000 000	20 000 000	10 000 000	10 450 000	10 920 250
	-	-					-	-
Decrease (increase) in non-current receivables	-	-		-	-	-	-	-
Decrease (increase) in non-current investments	-	-		-	-	-	-	-
Payments							-	-
Capital assets	-255 337 695	-250 901 815	4 435 880	-167 486 373	-154 966 299	-169 238 422	-179 357 526	-186 230 129
NET CASH FROM/(USED) INVESTING ACTIVITIES	**-235 337 695**	**-230 901 815**	**4 435 880**	**-157 486 373**	**-134 966 299**	**-159 238 422**	**-168 907 526**	**-175 309 879**
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	-	-		-	-	-	-	-
Borrowing long term/refinancing	-	-		-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-
Payments								
Repayment of borrowing	-34 081 616	-34 081 616	-	-32 985 915	-36 789 140	-40 305 305	-42 280 265	-44 351 998
NET CASH FROM/(USED) FINANCING ACTIVITIES	**-34 081 616**	**-34 081 616**	**-**	**-32 985 915**	**-36 789 140**	**-40 305 305**	**-42 280 265**	**-44 351 998**
NET INCREASE/ (DECREASE) IN CASH HELD	**-7 793 623**	**-5 388 250**	**2 405 373**	**61 319 855**	**269 599 150**	**317 235 927**	**35 548 540**	**29 541 818**
Cash/cash equivalents at the year begin:	27 482 000	12 227 078		6 839 396	68 159 251	337 758 402	654 994 329	690 542 869
Cash/cash equivalents at the year end:	**19 688 377**	**6 838 828**	**2 405 373**	**68 159 251**	**337 758 402**	**654 994 329**	**690 542 869**	**720 084 687**

The table A7/B7 shows a positive cash surplus of R68.1 million in 2024/25 financial year to R720 million in 2028/29 financial year. This means that the municipality will be able to cover all its short-term cash requirements during the budget years.

6.8. CASH BACKED RESERVES PLAN

Through its five-year plan, the municipality aims to ensure that adequate reserves are generated to cover for any unspent conditional grants, provisions and reserves that are required to be cash backed in terms of GRAP and the municipal policies. By far possible, the municipality will ensure that all provisions and reserves have been reliably and adequately provided for. The municipality will also ensure that its working capital position improves over the planning period.

Table 8: Cash-backed Reserves

Financial Impact of the Budget Funding Plan on the Cash backed reserves/accumulated surplus (Table A8/B8)

Description	Original Budget	Proposed Adjusted Budget	Increase / (Decrease)	Year 1	Year 2	Year 3	Year 4	Year 5
R thousand	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Cash and investments available								
Cash/cash equivalents at the year end	19 688 377	6 839 396	-12 848 981	68 159 251	337 758 402	654 994 329	690 542 869	720 084 687
Other current investments > 90 days	–	–	-	-	-	-	-	-
Non current assets - Investments	–	–	-	-	-	-	-	-
Cash and investments available:	**19 688**	**6 839**	**-12 848 981**	**68 159 251**	**337 758 402**	**654 994 329**	**690 542 869**	**720 084 687**
	–	–						
Application of cash and investments								
Unspent conditional transfers	115 115	124 410	9 294 856	124 409 528	94 409 528	85 826 844	93 551 260	85 046 600
Unspent borrowing	113 479	–	-113 478 932				-	-
Statutory requirements	26 978 467	26 978 467	-	62 819 015	60 253 125	66 588 156	73 646 500	81 453 029
Other working capital requirements	-6 459 117	-15 303 930	-78 836 631	225 036 000	100 245 362	223 012 450	243 083 571	264 961 092
Other provisions	11 105 000	14 261 000	3 156 000	14 261 467	14 831 925	15 425 202	16 181 037	16 973 908
Long term investments committed		-	-	-	-	-	-	-
Reserves to be backed by cash/investmen	30 886 912	32 292 039	1 405 127	32 292 354	34 053 000	35 755 650	37 507 677	39 345 553
Total Application of cash and investme	**291 104 866**	**182 637 104**	**-178 459 580**	**458 818 364**	**303 792 940**	**426 608 302**	**463 970 045**	**487 780 182**
Surplus(shortfall)	**-271 416 489**	**-175 797 708**	**165 610 599**	**-390 659 113**	**33 965 461**	**228 386 027**	**226 572 825**	**232 304 505**

Table 8 above indicates that the budget is currently unfunded by R390.6 million. With the implementation of strategies mentioned above, as well as the monitoring of this plan, the municipality is planning to have a funded budget by the year 2025/26, where it is projecting to generate a surplus of R33.9 million.

The municipality therefore appears to be currently unfunded until the end of 2024/25 financial year. With effect from 2025/26 the table reflects that the municipality will be fully funded and will be able to provide some provisions and reserves. A positive and improving trend is anticipated to continue as the municipality will continue to implement the strategies even beyond the period of the plan.

CHAPTER 7:

IMPLEMENTATION PLAN.

7. ANNUAL IMPLEMENTATION PLAN.

7.1. Top-Layer Service Delivery and Budget Implementation Plan (2024/25).

7.1.1.Municipal Transformation and Institutional Development.

FINAL TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN														
INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT 2024/2025														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	2024/2025 BUDGET		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 2024 / 2025	YEAR 4 2025/2026	YEAR 5 2026/2027		VOTE DESCRIPTION	BUDGET	SOURCE
Accelerated Municipal Transformation and Corporate Development	To align jobs with organisational strategy for effective service delivery.	To review and align job descriptions to departmental and organisational goals for efficiency and effective service delivery	IT1.1.1	Review of job descriptions as per the 2024/2025-year plan by the 30th of June 2025	75	N/A	Job Descriptions for: DPHS, BTO, Technical Services and Community services	Job Descriptions for: DPHS, BTO, Technical Services and Community services by the 30th of June 2025	Reviewed job descriptions	Reviewed job descriptions	CORPORATE SERVICES	Salaries	R15 477 813,83	Internal Funding
Accelerated Municipal Transformation and Corporate Development	To enhance organizational performance by attracting and retaining the best talent by 2025	To implement the Workplace Skills Plan	IT 2.1.1	Percentage of the municipality's approved budget actually spent on implementing its workplace skills plan	0,13%	100%	0.13%	0,13%	0.13%	0.13%	CORPORATE SERVICES	intern's stipend Skills Development SKILLS Stipend Bursary Scheme ABET Study Assistance	R 2 115 000 R 1 170 000 R 281 536,20 R 98 995,50 R 8007,30 R150 331,50	
Accelerated Municipal Transformation and Corporate Development	Facilitate effective logistics management & related activities to support Council committees, Management Committee & other related meetings, and provide timely protocol	To provide quality administrative services, to support optimal organizational performance	IT4.1.1	Number of meetings arranged as per approved annual meeting plan by the 30th of June 2025	New KPI	100%	115	16 (4 x council) (4 x Exco) (4 x MPAC) (4 x Audit Committee)	115	115	CORPORATE SERVICES	Salaries	R18 076 508	Internal Funding

FINAL TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN														
INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT 2024/2025														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	2024/2025 BUDGET		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 2024 / 2025	YEAR 4 2025/2026	YEAR 5 2026/2027		VOTE DESCRIPTION	BUDGET	SOURCE
Accelerated Municipal Transformation and Corporate Development	To render an Effective and efficient records management system.	Ensure sound records management through accessibility of electronic and paper-based records by authorized users	IT6.1.1	Annual disposal of Municipal records either by transferring them to KZN Archives Services and/or destroying records without value by the 30th of June 2025	Transfer A20 records to KZN archives or destroy ephemeral records and design the destruction certificate for ephemeral records (D), in terms of authorisation received from KZN Archives.	Transfer A20 records to KZN archives or destroy ephemeral records and design the destruction certificate for ephemeral records (D), in terms of authorisation received from KZN Archives	Transfer A20 records to KZN archives or destroy ephemeral records and design the destruction certificate for ephemeral records (D), in terms of authorisation received from KZN Archives	Transfer A20 records to KZN archives or destroy ephemeral records and design the destruction certificate for ephemeral records (D), in terms of authorisation received from KZN Archives by the 30th of June 2025	Transfer A20 records to KZN archives or destroy ephemeral records and design the destruction certificate for ephemeral records (D), in terms of authorisation received from KZN Archives	Transfer A20 records to KZN archives or destroy ephemeral records and design the destruction certificate for ephemeral records (D), in terms of authorisation received from KZN Archives	CORPORATE SERVICES	Salaries	R18 076 508	Internal funding
Accelerated Municipal Transformation and Corporate Development	To promote labour stability through effective employee relations	To organize regular sitting of LLF meetings	IT3.1.1	Number of LLF meetings organised per quarter by the 30th of June 2025	4	100%	4	4 LLF meetings organised as per quarter by the 30th of June 2025	4	4	CORPORATE SERVICES	Salaries	R15 477 813,83	Internal Funding
Accelerated Municipal Transformation and Corporate Development	To create a health and safe environment through zero fatalities	To organize and conduct Health and Safe Awarenesses	IT5.1.1	Number of Health and Safety awareness sessions conducted by the 30th of June 2025	4	100%	4	4 Health and Safety awareness sessions conducted by the 30th of June 2025	4	4	CORPORATE SERVICES	Salaries	R15 477 813,83	Internal Funding
Accelerated Municipal Transformation and Corporate Development	To mitigate the negative impact of personal, psychological, financial and other related problems to employee performance and productivity.	To roll out employee assistance programme (EAP) that addresses financial, mental and other related programmes that hinder	IT7.1.1	Number of Wellness sessions held per quarter	4	N/A	4	4 Wellness sessions held per quarter by the 30th of June 2025	Approval of the reviewed individual performance management policy framework by council	Approval of the reviewed individual performance management policy framework by council	CORPORATE SERVICES	Salaries	R15 477 813,83	Internal Funding

FINAL TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN														
INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT 2024/2025														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	2024/2025 BUDGET		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 2024 / 2025	YEAR 4 2025/2026	YEAR 5 2026/2027		VOTE DESCRIPTION	BUDGET	SOURCE
		employee productivity.												
Accelerated Municipal Transformation and Corporate Development	To enhance organizational performance by attracting and retaining the best talent by 2024	To fill all vacancies budgeted for in FY 2024/2025	IT6.2.1	The number of people from preferred employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan	3	TBC	4	4 positions from the top three highest levels of management filled by the 30th of June 2025	4	4	CORPORATE SERVICES	Salaries	R15 477 813,83	Internal Funding
Accelerated Municipal Transformation and Corporate Development	Provide stable, robust and secure ICT infrastructure for Municipal users	To provide continuous IT solutions and support services	IT8.1.1	Percentage of uptime maintained 100% (total number of users that logged incidents in the month + (total hours per month, that all services should be available. In 4 weeks, the agreed service time time 160 hours - the total hours in which users were not able to	100%	n/a	n/a	100% (total number of users that logged incidents in the month + (total hours per month, that all services should be available. In 4 weeks, the agreed service time time 160 hours - the total hours in which users were not able to connect to the internet, email and financial system) x 100/ total number of	tbc	tbc	CORPORATE SERVICES	Salaries	R1 104 000,00	Internal Funding

FINAL TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN

INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT 2024/2025

IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	2024/2025 BUDGET		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 2024 / 2025	YEAR 4 2025/2026	YEAR 5 2026/2027		VOTE DESCRIPTION	BUDGET	SOURCE
				connect to the internet, email and financial system) x 100/ total number of users that logged incidents in the month				users that logged incidents in the month						
Accelerated Municipal Transformation and Corporate Development	Provide stable, robust and secure ICT infrastructure for Municipal users	To implement more effective ICT controls	IT8.2.1	Number of ICT Security Audits by the 30th of June 2025	4	n/a	n/a	4 ICT Security audits by the 30th of Juen 2025	TBC	TBC	CORPORATE SERVICES	Salaries	R1 104 000,00	Internal Funding
Accelerated Municipal Transformation and Corporate Development	To ensure that the municipality has and maintains an accountable, transparent and standardized ICT systems	To provide ICT systems access to authorized users	IT9.1.1	Frequency of user access reviews by the 30th of June 2025	4	n/a	n/a	4 user access reviews by the 30th of June 2025	TBC	TBC	CORPORATE SERVICES	Salaries	R1 104 000,00	Internal Funding
Accelerated Municipal Transformation and Corporate Development	Facilitate the provision of tools of trade for councillors and employees	To provide councilors and employees with tools of trade in order to perform their duties.	IT10.2.1	Number of vehicles purchased by the 31st of December 2024	4	n/a	n/a	Purchase and delivery of 1 x Vehicle by the 31st of December 2024	TBC	TBC	CORPORATE SERVICES	Purchases of vehicles	R400 000,00	Internal Funding
Accelerated Municipal Transformation and Corporate Development	Facilitate effective logistics management & related activities to support Council committees,	To provide quality administrative services, to support optimal	IT11.1.1	Procurement of 1 x overhead projector and 1 x projection screen	New KPI	N/A	N/A	Procurement of 1 x overhead projector and 1 x projection screen by the 31st of December 2024	TBC	TBC	CORPORATE SERVICES	Overhead Projector and projection screen	R50 000,00	Internal Funding

FINAL TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN														
INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT 2024/2025														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	2024/2025 BUDGET		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 2024 / 2025	YEAR 4 2025/2026	YEAR 5 2026/2027		VOTE DESCRIPTION	BUDGET	SOURCE
	Management Committee & other related meetings, and provide timely protocol	organizational performance		by the 31st of December 2024										

7.1.2.Good Governance and Public Participation.

TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
GOOD GOVERNANCE 2024/2025														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 /2025	YEAR 4 2025/2026	YEAR 5 2026/2027		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Accelerated Municipal Transformation and Corporate Development	To ensure good governance through openness, transparency and accountability in the organization.	Implementation of resolutions taken by council committees to ensure good governance through openness, transparency and accountability.	GG1.1.1	Monthly submission of execution of resolution registers to Exco, Council and Mpac.	15 (5 x Exco) (5 x Council) (5 x Mpac)	N/A	Submission of Quarterly Progress Reports on execution of resolutions for Audit Committee, EXCO, Council and MPAC	30 (10 x Exco) (10 x Council) (10 x Mpac)	Submission of Quarterly Progress Reports on execution of resolutions for Audit Committee, EXCO, Council and MPAC	Submission of Quarterly Progress Reports on execution of resolutions for Audit Committee, EXCO, Council and MPAC	Office of The Municipal Manager (Manager Executive Support)	Salaries	R2 510 560 468,00	Internal
Accelerated Municipal Transformation and Corporate Development	To promote and enhance good governance in the organization.	To facilitate the implementation of an effective Risk Management System towards ensuring the achievement of the organizational objectives and	GG2.1.1	Strategic and Fraud Risk Registers for 2024/25 approved by Audit Committee by 30 June 2025	Approval of Strategic and Fraud Risk Registers for 2024/25 by Audit Committee in June 2024	Approval of Strategic and Fraud Risk Registers for 2023/24 by Audit Committee in June 2023	Approval of Strategic and Fraud Risk Registers for 2024/25 by Audit Committee in June 2024	Approval of Strategic and Fraud Risk Registers for 2024/25 by Audit Committee in June 2025	Approval of Strategic and Fraud Risk Registers for 2026/27 by Audit Committee in June 2026	Approval of Strategic and Fraud Risk Registers for 2027/28 by Audit Committee in June 2027	Office of The Municipal Manager (Chief Risk Officer)	Salaries	R2 510 560 468,00	Internal Funding

TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
GOOD GOVERNANCE 2024/2025														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 /2025	YEAR 4 2025/2026	YEAR 5 2026/2027		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
		service delivery targets.												
Accelerated Municipal Transformation and Corporate Development	To promote and enhance good governance in the organization.	To facilitate the implementation of an effective Risk Management System towards ensuring the achievement of the organizational objectives and service delivery targets.	GG2.1.2	Quarterly monitoring of implementation of risk management action plans submitted to Audit Committee	4	4	4	4	4	4	Office of The Municipal Manager (Chief Risk Officer)	Salaries	R2 510 560 468,00	Internal Funding
Accelerated Municipal Transformation and Corporate Development	To promote and enhance good governance in the organization.	To facilitate the implementation of an effective Risk Management System towards ensuring the achievement of the organizational objectives and service delivery targets.	GG2.1.3	Quarterly progress reports on implementation of management action plan for AG findings submitted to Audit Committee	4	4	4	4	4	4	Office of The Municipal Manager (Chief Risk Officer)	Salaries	R2 510 560 468,00	Internal Funding
Accelerated Municipal Transformation and Corporate Development	To promote and enhance good governance in the organization.	To facilitate the implementation of an effective Risk Management System towards ensuring the achievement of the organizational	GG2.1.4	Quarterly compliance monitoring reports submitted to Audit Committee	4	4	4	4	4	4	Office of The Municipal Manager (Chief Risk Officer)	Salaries	R2 510 560 468,00	Internal Funding

TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
GOOD GOVERNANCE 2024/2025														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 /2025	YEAR 4 2025/2026	YEAR 5 2026/2027		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
		objectives and service delivery targets.												
Accelerated Municipal Transformation and Corporate Development	To facilitate good governance by providing assurance to council on internal controls, risk management and governance processes.	Providing recommendations and advice to management to improve internal controls, risk management and governance processes.	GG3.1.1	Percentage of Projects implemented as per the 2024/2025 Internal Audit Plan	100% of Projects implemented as per Internal Audit Plan (number of implemented planned audit projects/number of planned audit projects x 100)	100% (number of implemented planned audit projects/number of planned audit projectsx100)	100% (number of implemented planned audit projects/number of planned audit projectsx100)	100% of Projects implemented as per Internal Audit Plan (number of implemented planned audit projects/number of planned audit projects x 100)	100% (number of implemented planned audit projects/number of planned audit projectsx100)	100% (number of implemented planned audit projects/number of planned audit projectsx100)	Office of The Municipal Manager (Chief Internal Auditor)	Salaries	R2 510 560 468,00	Internal Funding
Accelerated Municipal Transformation and Corporate Development	To facilitate good governance by providing assurance to council on internal controls, risk management and governance processes.	Providing recommendations and advice to management to improve internal controls, risk management and governance processes.	GG3.1.2	Number of Audit Committee meetings convened	4	4	4	4	4	4	Office of The Municipal Manager (Chief Internal Auditor)	Salaries	R2 510 560 468,00	Internal Funding
Accelerated Municipal Transformation and Corporate Development	To ensure good governance through openness, transparency and accountability in the organization.	To provide effective and efficient legal support services	GG1.3.1	Quarterly Legal Services reports submitted to Audit Committee	New KPI	N/A	N/A	4	TBC	TBC	Office of The Municipal Manager (Legal Services)	Salaries	R24 819 335,00	Internal Funding
Accelerated Municipal Transformation and Corporate Development	To keep the communities and stakeholders informed and involved in the affairs of the Municipality	To improve both internal and external communication	GG4.1.1	Number of Ward Functionality Reports compiled in preparation for COGTA Assessment	3	1	4	4	4	4	Office of The Municipal Manager (Director IGR,PP & SD)	Salaries	R24 819 335,00	Internal

TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
GOOD GOVERNANCE 2024/2025														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 /2025	YEAR 4 2025/2026	YEAR 5 2026/2027		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Accelerated Municipal Transformation and Corporate Development	To obtain a clean audit on the Audit of Performance Objectives by 2027	To ensure good governance through openness, transparency and accountability in the organization.	GG6.1.1	Quarterly performance reports submitted to Audit Committee	4	4	4	4	4	4	Office of The Municipal Manager	Salaries	R24 819 335,00	Internal
Accelerated Municipal Transformation and Corporate Development	To promote good governance through the Annual performance reporting process	To ensure compliance with Annual report process	GG7.1.1	Approval of the Annual Report and Oversight Report by Council by 31 March 2025	Tabling of the Annual Report to Council by 31 January 2024 and Approval of Annual Report and Oversight Report by 31 March 2024	Tabling of the Annual Report to Council by 31 January 2023 and Approval of Annual Report and Oversight Report by 31 March 2023	Tabling of the Annual Report to Council by 31 January 2024 and Approval of Annual Report and Oversight Report by 31 March 2024	Tabling of the Annual Report to Council by 31 January 2025 and Approval of Annual Report and Oversight Report by 31 March 2025	Tabling of the Annual Report to Council by 31 January 2026 and Approval of Annual Report and Oversight Report by 31 March 2026	Tabling of the Annual Report to Council by 31 January 2027 and Approval of Annual Report and Oversight Report by 31 March 2027	Office of The Municipal Manager	Salaries	R24 819 335,00	Internal
Accelerated Municipal Transformation and Corporate Development	To ensure the development and the maintenance of credible IDP	To develop IDP in line with 5th generation guide packs / guidelines	GG8.1.1	Review and Adoption of IDP by 31 May 2025 by Council	Review and Adoption of IDP by 31 May 2024	Approval of IDP in May 2023 by Council	Approval of IDP in May 2024 by Council	Approval of IDP by Council by 31st of May 2025	Approval of IDP by Council by 31st of May 2026	Approval of IDP by Council by 31st of May 2027	Development Planning and Human Settlements	Salaries	R24 819 335,00	Internal
Accelerated Municipal Transformation and Corporate Development	To provide the guidelines necessary for the consistent use of the Municipal brand identity, in order for stakeholders to recognise our corporate ambition through its expression	To develop and implement a Corporate Identity Manual, that will facilitate the brand identity of the Municipality by enhancing its visibility and outlining permissible corporate identity to its internal & external stakeholders	GG9.1.1	Approval of the Corporate Identity Manual by Council in June 2025	New KPI	N/A	N/A	Approval of the Corporate Identity Manual in June 2025 by Council	TBC	TBC	Office of the Municipal Manager (Director: Communications & Customer Relations)	Salaries	R24 819 335,00	Internal

TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
GOOD GOVERNANCE 2024/2025														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 /2025	YEAR 4 2025/2026	YEAR 5 2026/2027		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Accelerated Municipal Transformation and Corporate Development	To keep the communities and stakeholders informed and involved in the affairs of the Municipality	Publication of the Municipal newsletter	GG10.1.2	Number of Internal municipal newsletter published	New KPI	N/A	N/A	4	TBC	TBC	Office of the Municipal Manager (Director: Communications & Customer Relations)	Salaries	R24 819 335,00	Internal
Accelerated Municipal Transformation and Corporate Development	To provide a platform wherein internal & external stakeholders will discuss matters of interest and identifying problem areas	To facilitate the implementation of an integrated Complaints Committee for an effective complaints management system and to take binding resolutions on strategic matters aimed at improving service delivery complaints	GG13.1.1	Number of internal Complaints Committee meetings held	New KPI	N/A	N/A	12	TBC	TBC	Office of the Municipal Manager (Director: Communications & Customer Relations)	Salaries	R24 819 335,00	Internal
Accelerated Municipal Transformation and Corporate Development	To provide a platform for sharing departmental programmes and complaints, aimed at profiling the work of the Municipality and sharing ideas of best practices to resolve service delivery issues	To facilitate the implementation of effective Communication & Customer Relations towards improving service delivery and ensuring the achievement of a credible and efficient municipality	GG14.1.1	Number of Internal Communications and Customer Relations Forum held	New KPI	N/A	4	4	4	4	Office of the Municipal Manager (Director: Communications & Customer Relations)	Salaries	R24 819 335,00	Internal

TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
GOOD GOVERNANCE 2024/2025														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 /2025	YEAR 4 2025/2026	YEAR 5 2026/2027		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Accelerated Municipal Transformation and Corporate Development	To enhance public participation in the affairs of the municipality	Implementation of public participation mechanisms in line with the Ward Committee Establishment and Operations Policy as adopted by council	GG11.1.1	Percentage of Ward Visitations as per the 2024/25 Year Plan	45% of ward visitations as per Year Plan	N/A	100% of ward visitations as per year plan	100% of ward visitations as per Year Plan (total number of Ward Visitation held / total number of Ward Visitation planned x 100)	100% of ward visitations as per year plan	100% of ward visitations as per year plan	Office of The Municipal Manager (Director IGR, PP & SD)	Salaries	R24 819 335,00	Internal
Accelerated Municipal Transformation and Corporate Development	To monitor and prevent protest action within Newcastle jurisdictional area	To identify hotspots threatened by protest action	GG12.1.1	Number of Municipal Rapid Response Meeting held	2	N/A	4	4	100% of ward visitations as per year plan	100% of ward visitations as per year plan	Office of The Municipal Manager (Director IGR, PP & SD)	Salaries	R24 819 335,00	Internal

7.1.3.Financial Viability and Management.

FINAL-TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024 /2025														
MUNICIPAL FINANCIAL VIABILITY MANAGEMENT														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP/COST CENTER	KEY PERFORMANCE INDICATOR	BASELINE	5 YEARS TARGETS					RESPONSIBLE DEPARTMENT	BUDGET INFORMATION 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 2024/2025	YEAR4 2025/2026	YEAR5 2026/2027		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Sound Financial Management/ Viability	To improve access to basic services	To promote and / improve indigent subsidy and / benefit by ensuring that all indigent are eligible for the support and to eradicate a culture of non payment	FV1.1.1	Percentage of formal households earning less than R1100 per month with access to free basic services; (R5000 for individuals and R6000 for pensioners as per approved NLM indigent policy).	23,3% (11500/49329*100)	23,3% (11500/49329*100	23,3% (11500/49329*100)	23,3% (11500/49329*100)	23,3% (11500/49329*100	23,3% (11500/49329*100	Budget & Treasury Office	Salaries	R62 751 976	Internal
Sound Financial Management/ Viability	To ensure implementation of capital programme	To ensure compliance with budget planning and implementation	FV2.1.1	Percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the Municipality's Integrated Development Plan (IDP).	85% (year to date actual spent / approved budget)	100%	80%	85% (year to date actual spent / approved budget)	80%	80%	Budget & Treasury Office	All Capital budget MSCOA description	R173 486 373	

FINAL-TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024 /2025														
MUNICIPAL FINANCIAL VIABILITY MANAGEMENT														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP/COST CENTER	KEY PERFORMANCE INDICATOR	BASELINE	5 YEARS TARGETS					RESPONSIBLE DEPARTMENT	BUDGET INFORMATION 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 2024/2025	YEAR4 2025/2026	YEAR5 2026/2027		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Sound Financial Management/ Viability	Improve the quality of credit control and the quality of revenue management	To ensure effective and efficient billing and revenue collection processes in order to achieve the norm of 95% which has been set by National Treasury.	FV3.1.1	Revenue collection rate on services provided for 2024/2025 FYR.	84% (Opening debtors balance + Billed revenue - Closing debtors - bad debts written off) / Billed revenue	87%	84	84% (Opening debtors balance + Billed revenue - Closing debtors - bad debts written off) / Billed revenue	80%	80%	Budget & Treasury Office	Salaries	R62 751 976	Internal funding
Sound Financial Management/ Viability	Achieve Value for money	To have an effective Supply Chain Management system in place;	FV4.1.1	Approval of 2025/2026 Annual Procurement Plan by the Municipal Manager by the 30th of June 2025.	Approval of 2024/2025 Annual Procurement plan by the Municipal Manager by the 30th of June 2024	Approved 2023/2024 annual procurement plan by June 2023 by the Municipal manager	Approval of 2024 / 2025 Annual Procurement plan by the Municipal Manager in June 2024	Approval of 2025 / 2026 Annual Procurement plan by the Municipal Manager by the 30th of June 2025	Approval of 2026 / 202 Annual Procurement plan by the Municipal Manager by the 30th of June 2026	Approval of 2027 / 2026 Annual Procurement plan by the Municipal Manager by the 30th of June 2027	Budget & Treasury Office	Salaries	R62 751 976	Internal
Sound Financial Management /Viability	Revenue enhancement	To report on the implementation of the Revenue Enhancement Strategy.	FV5.1.1	Percentage of quarterly implementation of the Revenue Enhancement Action Plan for Budget & Treasury Office.	100% (Number of Implemented Revenue Enhancement Action Plan / Number of Revenue Enhancement Action Plans)	100%	100% (Number of Implemented Revenue Enhancement Action Plan / Number of Revenue Enhancement Action Plans)	100% (Number of Implemented Revenue Enhancement Action Plan / Number of Revenue Enhancement Action Plans)	100% (Number of Implemented Revenue Enhancement Action Plan / Number of Revenue Enhancement Action Plans)	100% (Number of Implemented Revenue Enhancement Action Plan / Number of Revenue Enhancement Action Plans)	Budget & Treasury Office	Salaries	R62 751 976	Internal

FINAL-TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024 /2025														
MUNICIPAL FINANCIAL VIABILITY MANAGEMENT														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP/COST CENTER	KEY PERFORMANCE INDICATOR	BASELINE	5 YEARS TARGETS					RESPONSIBLE DEPARTMENT	BUDGET INFORMATION 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 2024/2025	YEAR4 2025/2026	YEAR5 2026/2027		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Sound Financial Management/ Viability	Achieve Value for money	To have an effective Supply Chain Management system in place.	FV4.2.1	Percentage of quarterly implementation of the 2024/2025 Procurement Plan.	100% (Actual number of SCM Activities completed / Number of SCM Activities planned)	100%	100%	100% (Actual number of SCM Activities completed / Number of SCM Activities planned)	100%	100%	Budget & Treasury Office	Salaries	R62 751 976	Internal
Sound Financial Management/ Viability	To ensure sound financial and fiscal management and good governance	Review the financial policies to ensure sound financial and fiscal management and good governance	FV6.1.1	Number of Financial policies reviewed and approved by Council in May 2025: 1. Provision for doubtful debt and debtors write-off policy. 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy 8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy	Approval of 16 Financial policies by Council by the 31st of May 2024	Approval by Exco and Council for the final financial policies: 1. Provision for doubtful debt and debtors write-off policy. 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy	Approval by Exco and Council for the final financial policies: 1. Provision for doubtful debt and debtors write-off policy. 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy	Approval by Exco and Council for the final financial policies: 1. Provision for doubtful debt and debtors write-off policy. 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy 8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14 Asset management policy 15 SCM Policy	Approval by Exco and Council for the final financial policies: 1. Provision for doubtful debt and debtors write-off policy. 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy	Approval by Exco and Council for the final financial policies: 1. Provision for doubtful debt and debtors write-off policy. 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy	Budget & Treasury Office	Salaries	R62 751 976	Internal

FINAL-TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024 /2025														
MUNICIPAL FINANCIAL VIABILITY MANAGEMENT														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP/COST CENTER	KEY PERFORMANCE INDICATOR	BASELINE	5 YEARS TARGETS					RESPONSIBLE DEPARTMENT	BUDGET INFORMATION 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 2024/2025	YEAR4 2025/2026	YEAR5 2026/2027		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
				11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14 Asset management policy 15 SCM Policy 16, Cost containment policy		8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14 Asset management policy 15 SCM Policy 16, Cost containment policy.	8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14 Asset management policy 15 SCM Policy 16,Cost containment policy.	16,Cost containment policy.	8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14 Asset management policy 15 SCM Policy 16,Cost containment policy.	8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14 Asset management policy 15 SCM Policy 16,Cost containment policy.				
Sound Financial Management/ Viability	Revenue enhancement	Facilitate the annual Review of the Revenue Enhancement Strategy	FV5.2.1	Annual review and approval of the Revenue Enhancement Strategy by Council by the 30th of June 2025	Approval of Revenue Enhancement Strategy and Action Plan by Council by 30 June 2024	Approval of Revenue Enhancement Strategy and Action Plan by Council in June 2022	Approval of Revenue Enhancement Strategy and Action Plan by Council in June 2023	Approval of Revenue Enhancement Strategy and Action Plan by Council by 30 June 2025	Approval of Revenue Enhancement Strategy and Action Plan by Council by 30 June 2026	Approval of Revenue Enhancement Strategy and Action Plan by Council by 30 June 2027	Budget & Treasury Office	Salaries	R62 751 976	Internal funding
Sound Financial Management/ Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV6.2.1	Percentage compliance with Municipal Finance Management Act (MFMA) Calendar for all	100% compliance with MFMA Calendar for all Financial Reporting	100% compliance with MFMA Calendar for all Financial Reporting	100% compliance with MFMA Calendar for all Financial Reporting	100% compliance with MFMA Calendar for all Financial Reporting	100% compliance with MFMA Calendar for all Financial Reporting	100% compliance with MFMA Calendar for all Financial Reporting	Budget & Treasury Office	Salaries	R62 751 976	Internal Funding

FINAL-TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024 /2025

MUNICIPAL FINANCIAL VIABILITY MANAGEMENT

IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP/COST CENTER	KEY PERFORMANCE INDICATOR	BASELINE	5 YEARS TARGETS					RESPONSIBLE DEPARTMENT	BUDGET INFORMATION 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 2024/2025	YEAR4 2025/2026	YEAR5 2026/2027		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
				Financial Reporting.										
Sound Financial Management/ Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV6.2.2	Financial viability in terms of debt coverage within the financial year.	≤ 45%	5,0%	4,7%	≤ 45% (Debt(short term borrowing + bank overdraft + short term lease + long term borrowings + long term lease) / total operating revenue - operating conditional grants) x 105	4,7%	4,7%	Budget & Treasury Office	Salaries	R62 751 976	Internal Funding
Sound Financial Management/ Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV6.2.3	Financial viability in terms of cost coverage within the financial year.	1:3 months	1 month	1-3months	1:3 months (Cash and cash equivalents- unspent grants- overdraft) + Short term investment / monthly fixed operational expenditure excluding(depreciation, amortisation and provision for bad debts, impairment and loss on disposal of assets))	1-3months	1-3months	Budget & Treasury Office	Salaries	R62 751 976	Internal Funding
Sound Financial Management/ Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV6.2.4	Financial viability in terms of outstanding service debtors as of 30 June 2025.	30 days	<1	30days	30 days (Net debtors@30 June / Actual billing for the year) x 365 days	30days	30days	Budget & Treasury Office	Salaries	R62 751 976	Internal funding
Sound Financial Management/ Viability	To purchase tools of trade for the use by staff members and councillors of the municipality	To purchase furniture and equipment	FV7.2.1	Procurement of Furniture and Equipment by the 30th of June 2025.	Delivery of (10x Boardroom Chairs, 1x Filing cabinet, 2x Visitors Chairs, 13x High Back Office Chairs, 1x Office	Purchase and delivery of furniture and equipment as per the approved Purchase of Furniture and Equipment Plan	Purchase and delivery of furniture and equipment as per the approved Purchase of Furniture and Equipment Plan	Delivery of (60x Tables 1700x chairs and 1x scaffolding)	Purchase and delivery of furniture and equipment as per the approved Purchase of	Purchase and delivery of furniture and equipment as per the approved Purchase of	Budget & Treasury Office	Furniture and Equipment Furniture Equipment Furniture for Community Halls	R300 000 R30 000 R400 000 R500 000	Internal Funding

FINAL-TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024 /2025														
MUNICIPAL FINANCIAL VIABILITY MANAGEMENT														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP/COST CENTER	KEY PERFORMANCE INDICATOR	BASELINE	5 YEARS TARGETS					RESPONSIBLE DEPARTMENT	BUDGET INFORMATION 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 2024/2025	YEAR4 2025/2026	YEAR5 2026/2027		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
					Blinds and 10x Boardroom Chairs)				Furniture and Equipment Plan	Furniture and Equipment Plan		Furniture and Equipment		
Sound Financial Management/ Viability	To purchase tools of trade for the use by staff members and councillors of the municipality	To purchase furniture and equipment	FV7.3.1	Procurement of Machinery Equipment by the 30th of June 2025.	Delivery of (1x Fridge, 4x Vacuum Cleaners, 5x Money Counters, 1x Mobile air cooler, 1x Microwave oven and 1x Fridge)	Purchase of machinery, plant and equipment in terms of the Approved Purchase of Machinery, Plant and Equipment Plan	Purchase of machinery, plant and equipment in terms of the Approved Purchase of Machinery, Plant and Equipment Plan	Delivery of Machinery and Equipment	Purchase of machinery, plant and equipment in terms of the Approved Purchase of Machinery, Plant and Equipment Plan	Purchase of machinery, plant and equipment in terms of the Approved Purchase of Machinery, Plant and Equipment Plan	Budget & Treasury Office	Machinery Equipment	R100 000,00	Internal Funding

7.1.4.Basic Service Delivery.

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
BASIC SERVICE DELIVERY														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5- YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						ANNUAL TARGET YEAR 1 2022/2023	ANNUAL TARGET YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 / 2025	ANNUAL TARGET YEAR 4 2025/2026	ANNUAL TARGET YEAR 5 2027/2028		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing,	To ensure the provision of appropriate sanitation and potable water to all households within the Newcastle	Increase number of households with access to basic potable (drinkable) water.	BS1.1.1	Number of formal households with access to basic water	51665	51390	51585	51765	52085	TBC	Technical Services	Salaries	R51 317 612	Internal

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
BASIC SERVICE DELIVERY														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5- YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						ANNUAL TARGET YEAR 1 2022/2023	ANNUAL TARGET YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 / 2025	ANNUAL TARGET YEAR 4 2025/2026	ANNUAL TARGET YEAR 5 2027/2028		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
waste removal)	Municipality jurisdiction													
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To ensure the provision of appropriate sanitation and potable water to all households within the Newcastle Municipality jurisdiction	Increase number of households with access to basic sanitation	BS1.2.1	Number of formal households with access to basic sanitation	51665	51390	51585	51765	52085	TBC	Technical Services	Rural Schemes: VIP Toilets Rural Schemes: VIP Toilets Salaries	R450 000 R450 000 R51 317 612	
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To limit the non-revenue water	To reduce the percentage of non-revenue water	BS2.1.1	Limit the non-revenue water to below ≤40%	≤ 40%	≤ 40%	≤ 40%	≤ 40% (Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold / Number of Kilolitres Water Purchased or Purified x 100)	≤ 40%	≤ 40%	Technical Services	Pipe Replacement and Upgrade Project	R30 487 876	MIG
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To ensure the provision of appropriate sanitation and potable water to all households within the Newcastle Municipality jurisdiction.	To ensure that waste water quality and sanitation services is rendered in an efficient and affordable manner	BS1.4.1	Achieve 90% waste water quality as per General Authorisation limits in terms of Section 39 of National Waters Act	90%	90%	90%	90% (Compliance samples/ total number of samples x 100)	90%	90%	Technical Services	Maintenance Plant Operations	R2 098 000,00	

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
BASIC SERVICE DELIVERY														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5- YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						ANNUAL TARGET YEAR 1 2022/2023	ANNUAL TARGET YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 / 2025	ANNUAL TARGET YEAR 4 2025/2026	ANNUAL TARGET YEAR 5 2027/2028		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To ensure the provision of appropriate sanitation and potable water to all households within the Newcastle Municipality jurisdiction.	Increase number of households with access to basic potable (drinkable) water.	BS1.1.3	Percentage implementation of the water maintenance plan	100%(10/10)	100%	100% (10/10x100)	100% (Number of planned activities implemented / number of planned activities x 100)	100%	100%	Technical Services	Maintenance Plant Operations Installation Reticulation: Water Installation Reticulation: Sewer	R2 098 000 R1 258 800 R1 258 800	
Improved quality of roads and storm water infrastructure (including sidewalks)	To ensure the provision and maintenance of safe roads and effective storm water infrastructure.	Refurbishment and maintenance of roads, storm water infrastructure, traffic calming devices and provision of pedestrian walkways.	BS4.1.5	Completion of 0,5 Km's of road re-gravelled in Madadeni - ward 23 by the 30th of September 2024	1 Km of roads gravelled (MB24-Imbalenhle in Ward 22 = 0,5 Km's and Esididini Bus Route in Ward 31 = 0,5 Km's)	Completion of 1,5km's of roads re-gravelling	Completion of 3 km's of roads gravelled (Carr Street in Ward 1=0,5km's, MP29 in Ward 14=0,5 km's, KwaNtshangase Road in Ward 15=0,5km's, MB24-Imbalenhle in Ward22= 0,5km's and Esididini Bus Route in Ward 31-1Km)	0,5 Km's of road re-gravelled in Madadeni - ward 23 by the 30th of September 2024	2,5km's of road gravelled in Madadeni	2,5km's of road gravelled in Madadeni	Technical Services	Regravelling of Roads (Madadeni)	R314 700,00	
Improved quality of roads and storm water infrastructure (including sidewalks)	To ensure the provision and maintenance of safe roads and effective storm water infrastructure.	Refurbishment and maintenance of roads, storm water infrastructure, traffic calming devices and provision of pedestrian walkways.		Completion of 0,5 Km's of road re-gravelled in Osizweni - ward 7 by the 30 31st of December 2024	1 Km of roads gravelled (Thiyasizwe School Road in Ward 30 = 1 Km)	Completion of 3,5km's of roads re-gravelling	Completion of 3 km's roads gravelled (Mndozo Clinic Road in Ward 7=0,5km's, OC-Indoni School in Ward 8=05km's, Thiyasizwe School Road in Ward 30= 0,5km's, OE33 in Ward 9=0,5km's, Kilbarchan in Ward 21= 1km)	Completion of 0,5 Km's of road re-gravelled in Osizweni - ward 7 by the 30 31st of December 2024	2,5km's of road gravelled in Osizweni	2,5km's of road gravelled in Osizweni	Technical Services	Regravelling of Roads (Osizweni)	R314 700,00	

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
BASIC SERVICE DELIVERY														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5- YEAR TARGETS						BUDGET 2024/2025		
						ANNUAL TARGET YEAR 1 2022/2023	ANNUAL TARGET YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 / 2025	ANNUAL TARGET YEAR 4 2025/2026	ANNUAL TARGET YEAR 5 2027/2028	RESPONSIBLE DEPARTMENT	VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Improved quality of roads and storm water infrastructure (including sidewalks)	To ensure the provision and maintenance of safe roads and effective storm water infrastructure.	Refurbishment and maintenance of roads, storm water infrastructure and provision of pedestrian walkways.	BS4.1.6	Percentage implementation of the road maintenance plan	100% (212/212)	n/a	n/a	100% (Number of implemented planned activities/ number of planned activities x 100)	Tbc	tbc	Technical Services	Roads Sidewalks Stormwater	R524 500 R524 500 R524 500	
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To ensure the provision of appropriate sanitation and potable water to all households within the Newcastle Municipality jurisdiction	Provide housing and other development projects reticulated water service through provision of new infrastructure and existing infrastructure upgrades	BS1.5.1	Installation and completion of 11,50 Km's of 450ND steel gravity main water supply pipeline from Braakfontein to Blaauwbosch by the 31st of December 2024	Completion of 2,4 Km's of trench excavations and 3,4 Km's of pipeline for the installation 450ND steel gravity main water supply from Braakfontein to Blaauwbosch	Construction and completion of 11,5kms of 450ND steel gravity main water supply pipeline from Braakfontein to Blaauwboch	Completion of 6,8 Km's of trench excavations and pipe laying and final completion of 11,5km's for 450ND steel gravity main water supply pipeline from Braakfontein to Blaauwbosch	Installation and completion of 11,50 Km's of 450ND steel gravity main water supply pipeline from Braakfontein to Blaauwbosch by the 31st of December 2024	N/A	N/A	Technical Services	Blaauwbosch Bulk Water	R8 703 375	MIG
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To ensure the provision of appropriate sanitation and potable water to all households within the Newcastle Municipality jurisdiction	Increase number of households with access to basic potable (drinkable) water.	BS1.1.2	Installation of 1,80 Km's of sewer rising main pipeline at Viljoenpark - Ncandu by the 30th of June 2025	Submission of Sewer Master Plan and Water Use Licence Application (WULA) to Department of Water and Sanitation (DWS) by the Consultant by the 31st of March 2024	Laying of 1,2kms of Ncandu Rising main pipeline	Completion of 1,1km's of trench excavation and pipe laying for sewer rising main pipeline in Viloenpark-Ncandu	Installation of 1,80 Km's sewer rising main pipeline at Viljoenpark - Ncandu by the 30th of June 2025	Trench excavation and pipe laying at Viljoenpark Ncandu sewer Rising Main	Final completion of Viljoenpark Ncandu sewer rising main	Technical Services	Viljoenpark Bulk Water & Sanitation	R13 000 000	MIG

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
BASIC SERVICE DELIVERY														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5- YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						ANNUAL TARGET YEAR 1 2022/2023	ANNUAL TARGET YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 / 2025	ANNUAL TARGET YEAR 4 2025/2026	ANNUAL TARGET YEAR 5 2027/2028		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To ensure the provision of appropriate sanitation and potable water to all households within the Newcastle Municipality jurisdiction	Increase number of households with access to basic potable (drinkable) water.		Construction and completion of generator building, installation of new screen and de-gritter equipment at Viljoenpark - Ncandu by the 31st of March 2025	New KPI	N/A	N/A	Completion of generator building, installation of new screen and de-gritter equipment at Viljoenpark - Ncandu by the 31st of March 2025	N/A	N/A	Technical Services			
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To ensure the provision of appropriate sanitation and potable water to all households within the Newcastle Municipality jurisdiction	Increase number of households with access to basic sanitation	BS1.2.3	Installation of 1,30 Km's of bulk sewer pipeline from Siyahlala-la to Voortrekker Pump Station by the 30th of June 2025	Submission of Sewer Master Plan and Water Use Licence Application (WULA) to Department of Water and Sanitation (DWS) by the Consultant by the 31st of March 2024	Sewer pipeline from Siyahlala-la to Voortrekker Pup Station	Completion of 0,95 km's trench excavation and pipe laying from Siyahlala-la to Voortrekker pup Station	Installation of 1,30 Km's of bulk sewer pipeline from Siyahlala-la to Voortrekker Pump Station by the 30th of June 2025	N/A	N/A	Technical Services	Upgrade & Refurbishment of bulk sewer pipeline from Siyahlala	R11 000 000	MIG
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To ensure the provision of appropriate sanitation and potable water to all households within the Newcastle Municipality jurisdiction	Increase number of households with access to basic potable (drinkable) water.	BS11.1.2	Installation and completion of 18,04 Km's pipeline in ward 5 by the 31st of December 2024	Completion of 11,58 Km's of trench excavations and pipelaying	n/a	n/a	Installation and Completion of 18,04 Km's of pipeline by the 31st of December 2024	TBC	TBC	Technical Services	Pipe Replacement and Upgrade Project	R30 487 876	MIG

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
BASIC SERVICE DELIVERY														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5- YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						ANNUAL TARGET YEAR 1 2022/2023	ANNUAL TARGET YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 / 2025	ANNUAL TARGET YEAR 4 2025/2026	ANNUAL TARGET YEAR 5 2027/2028		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To ensure the provision of appropriate sanitation and potable water to all households within the Newcastle Municipality jurisdiction	Increase number of households with access to basic potable (drinkable) water.		Installation and completion of 7,00 Km's of pipeline in ward 34 by the 31st of March 2025	14,98 Km's of trench excavation and pipe laying completed	N/A	N/A	Installation and completion of 7,00 Km's of pipeline by the 31st of March 2025	TBC	TBC	Technical Services			
Improved quality of roads and storm water infrastructure (including sidewalks)	Upgrade of gravel roads to tarred roads with storm water infrastructure	Implementation of the Capital Program (MIG+INTERNAL FUNDING)	BS9.2.2	Completion of 1,90 Km's of road upgraded from gravel to blacktop including 1,80 Km's of stormwater pipelaying for JR 2 road	Completion of 1,00 Km of road bed, 1,00 Km of sub-base layer and 0,5 Km's of stormwater installation for JR2 road	N/A	N/A	Construction and completion of 1,90 Km's of road upgraded from gravel to blacktop including 1,80 Km's of stormwater pipelaying	TBC	TBC	Technical Services	Construction & Rehabilitation of JR2 Road	R10 000 000	MIG
Improved quality of roads and storm water infrastructure (including sidewalks)	Upgrade of gravel roads to tarred roads with storm water infrastructure	Implementation of the Capital Program (MIG+INTERNAL FUNDING)	BS9.2.3	Construction and completion of 1,00 Km tarred road including 0,90 Km's of stormwater pipelaying in Madadeni	New KPI	N/A	N/A	Construction and completion of 1,00 Km tarred road including 0,90 Km's of stormwater pipelaying	TBC	TBC	Technical Services	Construction of Madadeni tarred access roads	R13 050 546	MIG
Improved quality of roads and storm water infrastructure (including sidewalks)	Upgrade of gravel roads to tarred roads with storm water infrastructure	Implementation of the Capital Program (MIG+INTERNAL FUNDING)	BS9.2.4	Construction and completion of 1,00 Km tarred road including 0,90 Km's of stormwater pipelaying in Osizweni	New KPI	N/A	N/A	Construction and completion of 1,00 Km tarred road including 0,90 Km's of stormwater pipelaying	TBC	TBC	Technical Services	Construction of Osizweni tarred access roads	R13 000 000	MIG

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
BASIC SERVICE DELIVERY														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5- YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						ANNUAL TARGET YEAR 1 2022/2023	ANNUAL TARGET YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 / 2025	ANNUAL TARGET YEAR 4 2025/2026	ANNUAL TARGET YEAR 5 2027/2028		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To ensure access to electricity within the Newcastle Licence area	To provide electricity within the Newcastle Municipality Licensed Areas.	BS6.2.1	Number of formal households with access to electricity	50971	50423	50870	50971	TBC	TBC	Technical Services	Salaries	R16 609 314	
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To relocate and upgrade the existing electricity infrastructure from private land to the municipal land	Stabilise the supply of electricity to Lennoxton, Fairleigh, Siyahlala la and Paradise areas	BS13.1.1	Construction and installation of electrical equipment for 11kV switching station - Capricona/Lennoxton by the 30th of June 2025	Finalisation of Detailed Design Report by the Consultant by the 30th of June 2024	N/A	N/A	Construction of a 11kV switching station and installation of electrical equipment at Capricorn/Lennoxton by the 30th of June 2025	TBC	TBC	Technical Services	Construction of 11kV switching station - Capricona/Lennoxton	R7 700 000	INEP
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To establish new capacity for areas around equarand i.e. Newcastle Central, Siyahlala la and Fairleigh areas	Stabilise the supply of electricity to Newcastle Central, Siyahlala la and Fairleigh areas	BS14.1.1	Construction and installation of electrical equipment for 132/11kV substation - Equarand by the 30th of June 2025	Finalisation of Detailed Design Report by the Consultant by the 30th of June 2024	N/A	Completion of substation building by June 2024	Construction of 132/11kV substation and installation of electrical equipment at the Equarand by the 30th of June 2025	TBC	TBC	Technical Services	Construction of 132/11kV substation - Equarand	R14 644 000	INEP

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025															
BASIC SERVICE DELIVERY															
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5- YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						ANNUAL TARGET YEAR 1 2022/2023	ANNUAL TARGET YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 / 2025	ANNUAL TARGET YEAR 4 2025/2026	ANNUAL TARGET YEAR 5 2027/2028		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To ensure access to electricity within the Newcastle Licence area	To provide electricity within the Newcastle Municipality Licensed Areas.	BS6.2.2	Percentage implementation of the electricity maintenance plan	100% (62/62x100)	100%	100% (62/62x100)	100% (Number of planned activities implemented / number of planned activities x 100)	TBC	TBC	Technical Services	Maintenance by Test Section, Switch Gear Maintenance, Robot Maintenance	R839 200 R629 400 R1 258 800	
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To ensure an effective street lighting service	To provide and maintain street lighting for Newcastle	BS12.1.1	Percentage of public lighting complaints addressed as reported	90%	N/A	85%	80% (Number of unplanned activities implemented / number of unplanned activities received x100)	TBC	TBC	Technical Services	Machinery Equipment	R2 622 500	
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To ensure access to electricity within the Newcastle Licence area	To comply with NERSA set standard	BS6.3.1	Maintain electricity losses within 0-12% of total usage	0-12% of total usage	N/A	0-12% of total usage	0-12% of total usage (Total purchases - total sales / total purchases)	TBC	TBC	Technical Services	Salaries	R16 609 314	Internal
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing,	To reduce high cost and maintenance of Thumping electrical machines	To Purchase Thumping electrical machine	BS15.1.1	Procurement of High Voltage Test Equipment by the 30th of June 2025	New KPI	N/A	N/A	Procurement of High Voltage Test Equipment by 30th of June 2025	TBC	TBC	Technical Services	High Voltage Test Equipment	R1 300 000	Internal Funding

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
BASIC SERVICE DELIVERY														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5- YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						ANNUAL TARGET YEAR 1 2022/2023	ANNUAL TARGET YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 / 2025	ANNUAL TARGET YEAR 4 2025/2026	ANNUAL TARGET YEAR 5 2027/2028		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
waste removal)														
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To create a safe and healthy environment	To establish a new landfill site including management of the existing facility	BS3.3.2	Submission of the Environmental Impact Assessment (EIA) report for the establishment of a new landfill site to EDTEA by the 30th of June 2025	Preparation and submission of scoping report for the establishment of a new landfill site to Environmental Affairs by the 30th of June 2024	Engagements with Environmental Affairs with regards to the progress made by the municipality	EIA Assessment	Submission of the Environmental Impact Assessment (EIA) report for the establishment of a new landfill site to EDTEA by the 30th of June 2025	Commencement of servicing of landfill site	Completion of servicing of landfill site	Development Planning & Human Settlement	Consultant Fees	R180 000	
Improved quality of roads and stormwater infrastructure (including sidewalks)	Upgrade of gravel road to tarred road with stormwater infrastructure	Implementation of capital programme (NDPG)	BS10.1.1	Completion of 1.85 Km's of road upgraded from gravel to blacktop including stormwater for JB3 road in wards 12, 16 & 18 by the 30 of June 2025	Km's of roads upgraded from gravel to blacktop including stormwater for JB3 road in wards 12, 16 & 18	Completion of 3,8km sub-base layer works	Practical completion of 1,9km of road phase1 JB 3 Road	Completion of 1.85 Km's of road upgraded from gravel to blacktop including stormwater for JB3 road in wards 12, 16 & 18 by the 30 of June 2025	TBC	TBC	Development Planning & Human Settlement	Construction of roads	20 000 000	NDPG
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To facilitate the provision of sustainable human settlements in line with the national and provincial norms and standards.	To reduce housing backlog to meet the provincial and national targets	BS7.1.1	Number of Top-structures (completed with access to water and sanitation) constructed in wards 1,6,12 & 19	179	130	190	100 (by the 30th of June 2025)	250	TBC	Development Planning & Human Settlement	Housing Projects: Contracted Services	R20 000 000	

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BASIC SERVICE DELIVERY														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5- YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						ANNUAL TARGET YEAR 1 2022/2023	ANNUAL TARGET YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 / 2025	ANNUAL TARGET YEAR 4 2025/2026	ANNUAL TARGET YEAR 5 2027/2028		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To facilitate the provision of sustainable Human settlements in line with the national and provincial norms and standards.	To reduce housing backlog to meet the provincial and national targets	BS7.1 2	Number of Top-structures constructed to roof level in wards 1, 6, 12 & 19	176	130	190	120 (by the 30th of June 2025)	250	TBC	Development Planning & Human Settlement	Housing Projects: Contracted Services	R20 000 000	
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To facilitate the provision of sustainable Human settlements in line with the national and provincial norms and standards.	To reduce housing backlog to meet the provincial and national targets	BS9.1.1	Number of vacant sites connected to services in wards 16 & 18	2557	1500	2500	1200 (by the 30th of June 2025)	2000	TBC	Development Planning & Human Settlement	Housing Projects: Contracted Services	R20 000 000	
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To facilitate secure tenure and clear property rights	Fast-track Title Deed Restoration Project	BS8.1.1	Number of houses transferred through Enhanced Extended Discount Benefit Scheme (EEDBS) in wards 3,7,8,9,10,11,13,14,17,18,19, 20,21,22,23,24,25, 26,,27,28,29,30,31 & 32 by the 30th of June 2025	120	120	80	60 (by the 30th of June 2025)	120	TBC	Development Planning & Human Settlement	Housing Projects: Contracted Services	R20 000 000	
Improved access to land (including Land Reform)	To facilitate secure tenure and clear property rights	Disposal of municipal land in line with Land Disposal Policy	BS8.2.1	Number of Sites released for disposal by the 30th of June 2025	New KPI	Disposal of 39 sites for disposal	Disposal of 25 sites	25 Released for disposal by the 30th of June 2025	Disposal of 150 sites for disposal	TBC	Development Planning & Human Settlement	Salaries	R10 721 592,00	Internal Funding

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
BASIC SERVICE DELIVERY														
IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5- YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						ANNUAL TARGET YEAR 1 2022/2023	ANNUAL TARGET YEAR 2 2023/2024	ANNUAL TARGET YEAR 3 2024 / 2025	ANNUAL TARGET YEAR 4 2025/2026	ANNUAL TARGET YEAR 5 2027/2028		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To create a safe and healthy environment	To implement the Waste Management Strategy in line with relevant legislation	BS3.1.1	Annual Review and approval of the Integrated Waste Management Plan by Council by the 30th of June 2025	Annual Review and approval of Integrated Waste Management Plan by Council by the 30th of June 2024	Annual review and approval of Integrated Waste Management Plan by Council in June 2023	Annual review and approval of Integrated Waste Management Plan by Council in June 2024	Annual approval of Reviewed Integrated Waste Management Plan by Council by the 30th of June 2025	Annual review and approval of Integrated Waste Management Plan by Council in June 2026	Annual review and approval of Integrated Waste Management Plan by Council in June 2027	Community Services	Salaries	R63 277 060	Internal Funding
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To create a safe and healthy environment	To provide a refuse removal service to the Newcastle Community	BS3.2.1	Number of formal households serviced: Refuse Removal	51665	51390	51585	51665	52085	TBC	Community Services	Salaries	R63 277 060	Internal
Improved access to basic service delivery (i.e. Water, sanitation, electricity, housing, waste removal)	To create a safe and healthy environment	To establish a new landfill site including management of the existing facility	BS3.3.1	4 Internal monitoring checklists performed to ensure compliance with Economic Development, Tourism and Environmental Affairs (EDTEA) requirements for a landfill site	4	Quarterly internal monitoring checklists performed to ensure compliance with EDTEA requirements for a landfill site	Quarter monitoring compliance checklist completed with progress in addressing non-compliance issues	4 (by the 31st of June 2025)	Quarter monitoring compliance checklist completed with progress in addressing non-compliance issues	Quarter monitoring compliance checklist completed with progress in addressing non-compliance issues	Community Services	Salaries	R63 277 060	Internal

7.1.5.Local Economic Development.

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
LOCAL ECONOMIC DEVELOPMENT														
IDP PRIORITY	GOAL / OBJECTIVE	STRATEGY	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						ANNUAL TARGET YEAR1 2022/23	ANNUAL TARGET YEAR 2 2023/24	ANNUAL TARGET YEAR3 2024 /2025	ANNUAL TARGET YEAR 4 2025/26	ANNUAL TARGET YEAR 5 2026/27		VOTE DESCRIPTION	BUDGET AMOUNT	SOURCE
Local Economic Development (Eradication of poverty and unemployment)	Local Economic Development (eradication of poverty and unemployment)	To promote economic development that will result in sustainable job creation	ED2.1.1	The Number of jobs created through municipality's Expanded Public Works Program (EPWP) by the 30th of June 2025	509	942	450	450 (By the 30th of June 2025)	450	450	Technical Services	Salaries	R1 594 510,00	INTERNAL FUNDING
Local Economic Development (Eradication of poverty and unemployment)	To facilitate economic development that will result in sustainable job creation and growth of the Town	Facilitation and Promotion of SMME development and Entrepreneurship	ED1.1.2	Number of SMME's Trained in all wards by the 30th of June 2025	102	100	100	100 (by the 30th of June 2025	100	100	Development Planning & Human Settlement	SMME DEVT. PROGRAMME	R13 931,10	
Local Economic Development (Eradication of poverty and unemployment)	To facilitate economic development that will result in sustainable job creation and growth of the Town	Commercialization of the Newcastle Airport.	ED1.2.1	Refurbishment of the Airport Hanger to accommodate the emergency services by 30th of June 2025	NEW	n/a	n/a	Completion of the refurbishment of the airport hanger building by the 30th of June 2025.	n/a	n/a	Development Planning and Human Settlements	REFURBISHMENT OF HANGER BUILDING	R500 000	INTERNAL FUNDING
Local Economic Development (Eradication of poverty and unemployment)	To facilitate economic development that will result in sustainable job creation and growth of the Town	Commercialization of the Newcastle Airport.	ED1.2.2	TBC BY SED	NEW	n/a	n/a	Supply and installation of the ATN System by the 30th of June 2025	n/a	n/a	Development Planning and Human Settlements	AIRPORT SOFTWARE	R1 000 000	INTERNAL FUNDING
Local Economic Development (Eradication of poverty and unemployment)	To facilitate economic development that will result in sustainable job creation and growth of the Town	Commercialization of the Newcastle Airport.	ED1.2.3	Construction of the Air Traffic Control Tower by 30th of June 2025	NEW	n/a	n/a	Commence and completion of construction for the Tower building at the Airport by the 30th of June 2025.	n/a	n/a	Development Planning and Human Settlements	CONSTRUCTION OF ROADS	R4 500 000	INTERNAL FUNDING

7.1.6.Cross-Cutting Issues.

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
CROSS CUTTING														
IDP PRIORITY	GOAL / OBJECTIVE	STRATEGY	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 ANNUAL TARGET 2024 /2025	YEAR 4 2025/2026	YEAR 5 2026/2027		SOURCE	VOTE DESCRIPTION	BUDGET AMOUNT
Improved access to land (including Land Reform)	To develop an efficient and effective land use management system so as to promote a rational and harmonious land use activity system.	To undertake efficient and effective building controls.	CC1.1.1	100% compliance in respect of statutory time frames for processing of building plans	NEW KPI	N/A	N/A	100% compliance in respect of statutory time frames for processing of building plans (total number of days taken to process a building plan/ total number of plans received)	TBC	TBC	Development Planning & Human Settlement	Internal funding	Salaries	R8 032 696,00
Improved access to land (including Land Reform)	To ensure an effective and integrated Geographic Information Management System.	To ensure that the Geographic Information System facilitates the effective updates of information and provides support to other departments	CC2.1.1	100 % capture of the properties that change ownership during the 2024/2025 Financial Year	100 % capture of the properties that change ownership during the 2023/2024 Financial Year	N/A	100% capture of the properties that change ownership	100 % capture of the properties that change ownership (Properties from the valuation roll/ Properties in the GIS + properties from SG Diagrams x 100)	100% capture of the properties that change ownership	100% capture of the properties that change ownership	Development Planning & Human Settlement	Internal funding	Salaries	R8 032 696,00
Improved access to land (including Land Reform)	To promote spatial restructuring and integration	Development of municipal SDF in line with the 5th Generation of IDP	CC1.1.3	Approval of Spatial Development Framework by Council by 31st of May 2025	Approved SDF by council in May 2024	Approved Spatial Development Framework by Council in May 2023	Approved Spatial Development Framework by Council in May 2024	Approved Spatial Development Framework by Council by the 31st of May 2025	Approved Spatial Development Framework by Council in May 2026	Approved Spatial Development Framework by Council in May 2027	Development Planning & Human Settlement	Internal	Salaries	R8 032 696,00

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
CROSS CUTTING														
IDP PRIORITY	GOAL / OBJECTIVE	STRATEGY	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 ANNUAL TARGET 2024 /2025	YEAR 4 2025/2026	YEAR 5 2026/2027		SOURCE	VOTE DESCRIPTION	BUDGET AMOUNT
Improved Community Safety	To facilitate the responsive role of the municipality in OSS (National and Provincial government, Civil society and private sector)	To mainstream programmes with the National and Provincial government; Civil society, private sector and OSS structures	CC1.1.7	Number of Local Task Team meetings held to refer issues relating to Operation Sukuma Sakha in compliance with the Intergovernmental Relations Framework Act	12	8	12	12 (by the 30th of June 2025)	12	12	Office of the Municipal Manager	Internal	Salaries Operation Sukuma Sakhe	R24 819 335,00 R93 328.20
Improved Community Safety	To facilitate the responsive role of the municipality in OSS (National and Provincial government, Civil society and private sector)	To mainstream programmes with the National and Provincial government; Civil society, private sector and OSS structures	CC1.1.8	Percentage of Fora meeting held as per the 2024/25 Social Development Year Plan	100% (total number of Fora meetings held/ total number of Fora meeting planned x 100)	n/a	100% (number of issues referred by Special Programmes/number of issues raised and received by Special Programmesx100)	100% of Fora meeting held as per Year Plan (total number of Fora meetings held/ total number of Fora meeting planned x 100)	100% (number of issues referred by Special Programmes/number of issues raised and received by Special Programmesx100)	100% (number of issues referred by Special Programmes/number of issues raised and received by Special Programmesx100)	Office of the Municipal Manager	Internal	Salaries Children Senior Citizens Disability Men Woman HIV & AIDS Substance Abuse	R24 105 335 R45302 R36 000 R72 000 R54 000 R76 983 R54 000 R27 000
Improved Community Safety	To respond to the needs of vulnerable groups within Newcastle jurisdictional area	Empowerment of target groups (Senior citizens, Disability, People living with HIV/AIDS, Women and Men) through human rights activities	CC1.1.9	Percentage implementation of the Special Programmes 2024/25 Year Plan	100% (total number of implemented planned events/total number of planned Special Programmes event x 100)	N/A	100% implementation of the Special Programmes Year Plan (number of implemented planned events/number of planned Special Programmes event x 100)	100% implementation of the Special Programmes Year Plan (number of implemented planned events/number of planned Special Programmes event x 100)	100% implementation of the Special Programmes Year Plan (number of implemented planned events/number of planned Special Programmes event x 100)	100% implementation of the Special Programmes Year Plan (number of implemented planned events/number of planned Special Programmes event x 100)	Office of the Municipal Manager	Internal	Salaries	R24 819 335,00

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
CROSS CUTTING														
IDP PRIORITY	GOAL / OBJECTIVE	STRATEGY	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 ANNUAL TARGET 2024 /2025	YEAR 4 2025/2026	YEAR 5 2026/2027		SOURCE	VOTE DESCRIPTION	BUDGET AMOUNT
Improved Community Safety	To ensure the provision of traffic management services	Intensify Law Enforcement activities	CC1.1.4	24 Internal roadblocks conducted by 30 June 2025	24	24	24	24 Internal roadblocks conducted by 30 June 2025	24	24	Community Services	Internal	Salaries	R27 291 311,00
Improved Community Safety	To ensure provision of fire and disaster management services	To provide and maintain an efficient and effective disaster management service to Newcastle.	CC1.1.5	12 Disaster Management Awareness Campaigns conducted by 30 June 2025	12	N/A	12	12 Disaster Management Awareness Campaigns conducted by 30 June 2025	12	12	Community Services	Internal	Salaries	R26 709 828,00
Improved Community Safety	To ensure provision of fire and disaster management services	To provide and maintain an efficient and effective disaster management service to Newcastle.	CC1.1.6	Percentage of disaster related incidents attended in all wards as reported	100% (number of disaster incidents attended/number of disaster incidents reported x 100) 128/128 x 100	100%	100% (number of disaster incidents attended/number of disaster incidents reported x 100)	100% (number of disaster incidents attended/number of disaster incidents reported x 100)	100% (number of disaster incidents attended/number of disaster incidents reported x 100)	100% (number of disaster incidents attended/number of disaster incidents reported x 100)	Community Services	Internal	Emergency Services	R630 000,00
Environmental sustainability (Environmental conservation /management	To ensure a healthy environment in compliance with legislation	Conducting inspections at Funeral undertaker premises	CC2.2.1	Number of funeral undertaker inspections conducted by 30 June 2025	10	N/A	N/A	10 (by the 10th of the June 2025)	TBC	TBC	Community Services	Internal	Salaries	R6 046 615,00
Environmental sustainability (Environmental conservation /management	To ensure a healthy environment in compliance with legislation	Conduction of inspections at food premises	CC2.2.2	Number of food premises inspected by 30 June 2025	50	N/A	N/A	50 (by the 30th of June 2025)	TBC	TBC	Community Services	Internal	Salaries	R6 046 615,00

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025

CROSS CUTTING

IDP PRIORITY	GOAL / OBJECTIVE	STRATEGY	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 ANNUAL TARGET 2024 /2025	YEAR 4 2025/2026	YEAR 5 2026/2027		SOURCE	VOTE DESCRIPTION	BUDGET AMOUNT
Improved Community Safety	To ensure provision of Fire and Disaster Management Services	To improve the fire-fighting services.	CC2.3.1	Number of fire inspections conducted by 30 June 2025	240	N/A	N/A	240 (by the 30th of June 2025)	TBC	TBC	Community Services	Internal	Salaries	R26 709 828,00
Improved access to public facilities (including educational facilities - provincial mandate)	To ensure efficient use, maintenance and management of community facilities and open space.	Improvement and provision of access to community facilities (Parks, Sports Recreation Facilities and Cemeteries)	CC2.4.1	Percentage of grass cutting cycle plan implemented by 30 June 2025	100% (number of grass cutting areas completed/number of grass cutting areas planned x 100)	N/A	N/A	100% (number of grass cutting areas completed/number of grass cutting areas planned x 100)	TBC	TBC	Community Services	Internal	Salaries	R42 723 742,00
Improved access to public facilities (including educational facilities - provincial mandate)	To ensure efficient use, maintenance and management of community facilities and open space.	Improvement and provision of access to community facilities (Parks, Sports Recreation Facilities and Cemeteries)	CC2.4.2	Percentage of informal ground grading plan implemented by 30 June 2025	100% of Grading informal grounds Plan Implemented	N/A	N/A	100% of Grading informal grounds Plan Implemented (Number of planned graded grounds completed/ number of planned graded grounds x 100)	TBC	TBC	Community Services		Machinery Hire	R54 000,00
Improved Community Safety	To ensure the provision of traffic management services	Intensify Law Enforcement activities	CC7.1.1	Purchase and delivery of 1 x Road Marking Machine by 31 March 2025	New	n/a	n/a	Purchase and delivery of 1 x Road Marking Machine by 31st of March 2025.	TBC	TBC	Community Services	Internal Funding	Road Making Machine	R90 000,00
Environmental sustainability (Environmental conservation /management	To ensure a healthy environment in compliance with legislation	Conducting awareness campaigns on burial procedures	CC2.5.1	Number of Awareness campaign on burial procedures held by 30 June 2025	New	n/a	n/a	4 (by the 30th of June 2025)	TBC	TBC	Community Services	Internal Funding	Salaries	R43 216 523,98

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
CROSS CUTTING														
IDP PRIORITY	GOAL / OBJECTIVE	STRATEGY	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 ANNUAL TARGET 2024 /2025	YEAR 4 2025/2026	YEAR 5 2026/2027		SOURCE	VOTE DESCRIPTION	BUDGET AMOUNT
Improved access to public facilities (including educational facilities - provincial mandate	Preservation and promotion of arts, culture and heritage	Establishment and provision of community and Heritage facilities and services	CC3.1.1	Number of Programmes conducted at Arts Culture and Amenities by 30 June 2025	New	n/a	n/a	12 (by the 30th of June 2025)	TBC	TBC	Community Services	Internal Funding	Salaries	R14 138 912 R530 805 R1 646 798
Improved access to public facilities (including educational facilities - provincial mandate	Provision of security services to secure Council assets, people, property and information	To ensure provision of Security Services	CC4.1.1	8 Security reports submitted to Community Services Portfolio Standing Committee by 30 June 2025	New	n/a	n/a	8 (by the 30th of June 2025)	TBC	TBC	Community Services	Internal Funding	Security	R31 105 628
Improved access to public facilities (including educational facilities - provincial mandate)	To promote diligent and sustainable utilization of all Newcastle municipal community facilities	Establishment and provision of community facilities	CC11.1.1	Construction and completion of Amphitheatre Phase 3 Ward 25 by the 31st December 2024	Construction and completion of foundation for the Amphitheatre at Fort Amiel by the 30th of June 2024	Establishment of an amphitheatre Phase 1 (earthworks and foundation)	Construction and completion of Amphitheatre Phase 2 at Fort Amiel	Completion of Amphitheatre phase 3 project by the 31st of December 2024.	TBC	TBC	Community Services	Museum Art Gallery Grant	Amphitheatre phase 3	R217 000.00
Improved access to public facilities (including educational facilities - provincial mandate)	Preservation and promotion of arts, culture and heritage	Establishment and provision of community and Heritage facilities and services	CC3.1.2	Purchase and delivery of 3 x craft work Ward 25 by the 30th of June 2025	Purchase and delivery of 3 x mixed medium Artworks	N/A	N/A	Purchase and delivery of 3 craft work Ward 25 by the 30th of June 2025	TBC	TBC	Community Services	Museum Art Gallery Grant	Purchase of Artwork	R29 000.00

FINAL TOP-LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2024/2025														
CROSS CUTTING														
IDP PRIORITY	GOAL / OBJECTIVE	STRATEGY	KPI No. LINKED TO IDP	KEY PERFORMANCE INDICATOR	BASELINE	5 YEAR TARGETS					RESPONSIBLE DEPARTMENT	BUDGET 2024/2025		
						YEAR 1 2022/2023	YEAR 2 2023/2024	YEAR 3 ANNUAL TARGET 2024 /2025	YEAR 4 2025/2026	YEAR 5 2026/2027		SOURCE	VOTE DESCRIPTION	BUDGET AMOUNT
Improved access to public facilities (including educational facilities - provincial mandate)	To promote diligent and sustainable utilization of all Newcastle municipal community facilities	Establishment and provision of community facilities	CC5.1.1	Construction and completion of wheel Chair ramp at Carnegie Art Gallery by the 30th of June 2025	New	N/A	N/A	Completion of wheel chair ramp at Art Gallery by the 30th of June 2025.	TBC	TBC	Community Services	Museum Art Gallery Grant	Construction of wheel chair ramp at Art Gallery	R50 000.00
Improved access to public facilities (including educational facilities - provincial mandate)	Improved access to community facilities	Provide sufficient furniture to community facilities in Newcastle.	CC5.1.2	Purchase and delivery of furniture and equipment for community halls (60 x Tables, 1700 x Chairs & 1 x Scaffolding) by 31 March 2025	New	N/A	N/A	Purchase of furniture and equipment for community halls (60 Tables, 1700 Chairs & 1 Scaffolding) by the 31st of March 2025	TBC	TBC	Community Services	Internal Funding	Furniture for Community Halls	R 400 000.00
Improved access to public facilities (including educational facilities - provincial mandate)	Improved access to sport facilities	Increase the number of sports facilities in Newcastle.	CC6.1.1	Completion of outdoor gym, outdoor indigenous games building and final completion of Phase 1 (b) at Old Casino by the 30th of June 2025	Completion of top soiling for the cricket field and upgrading of ruby field for Phase 1 (b) at Old Casino by the 30th of June 2024	N/A	N/A	Completion of outdoor gym, outdoor indigenous games building and final completion of Phase 1 (b) at Old Casino by the 30th of June 2025	TBC	TBC	Technical Services	MIG	Construction of sports facility - MIG Construction of sports facility (Old Casino)	R8 964 576 R10 000 000
Environmental sustainability (Environmental conservation /management	To ensure effecient use, maintenance and management of community facilities and open space	Improvement and provision of access to community facilities (Parks, Sports Recreation Facilities and Cemetries)	CC2.1.2	Purchase and delivery of 1 x Heavy Duty 1,5 Meter POWA Mower Rotary Slasher by 31 March 2025	Purchased and delivery of 9 x brush cutters and 1 x chainsaw by 30 June 2024	N/A	N/A	Purchase and delivery of 1 x Heavy Duty 1,5 Meter POWA Mower Rotary Slasher by 31 March 2025	TBC	TBC	Community Services	Internal Funding	Grass cutter	R70 000.00

7.2. IDP, Budget and PMS Integration through the SDBIP.

7.2.1. Organisational Performance Management System (PMS).

Chapters 6 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000), requires local government to:-

- Develop a performance management system.
- Set targets, monitor and review performance based on indicators linked to the Integrated Development Plan (IDP)
- Publish an annual report on performance management for the councillors, staff, the public and other spheres of government.
- Incorporate and report on a set of general indicators prescribed nationally by the Minister responsible for local government.
- Conduct an internal audit on performance report audited by the Auditor-General.
- Involve the community in setting indicators and targets and reviewing municipal performance.

7.2.2. Rationale of Performance Management.

As outlined in Section 40 of the Municipal Systems Act of 2000, Newcastle Municipality must establish mechanisms to monitor and review its Performance Management System (PMS) so as to measure, monitor, review, evaluate and improve performance at organisational, departmental and employee levels. Section 34 of the MSA furthermore points out that the Integrated Development Plan (IDP) has to be reviewed on an annual basis, and that during the IDP review process the Key Performance Areas, Key Performance Indicators and Performance Targets are reviewed and this review will form the basis for the review of the municipal PMS and Performance Contracts of Section 57 Managers.

The Performance Management System (PMS) is informed by the following legislation and policy:

- The Municipal Systems Act, 2000 (Act 32 of 2000)
- DPLG Performance Management Guidelines 2001
- Municipal Planning and Performance Management Regulations (2001).
- Municipal Finance Management Act,2003 (Act 56 of 2003)
- Municipal Performance Regulation for Section 57 Employee (2006)
- The National Treasury Framework for Managing Programme Performance Information (FMPPI- 2007)
- The Municipal Finance Management Act of 2003, Circular 13 (31 January 2005)
- Department of Cooperate Governance Guidelines for the development of a pms policy framework in municipalities (2010)
- The Municipal Finance Management Act of 2003, Circular 88 (30 November 2017)

7.2.3. Objectives of the Performance Management System.

As indicated in the previous section, the Municipality's PMS is the primary mechanism to monitor, review and improve the implementation of its IDP and

to gauge the progress made in achieving the objectives set out in the IDP. The performance management system should fulfil the following objectives:

- Facilitate increased accountability - The performance management system should provide a mechanism for ensuring increased accountability between the local community, politicians, the Municipal Council and the municipal management team.
- Support municipal oversight - The performance management system should support oversight by the Council and community over the performance of the Executive Committee and Municipal Administration.
- Facilitate learning and improvement - The PMS should facilitate learning in order to enable the Municipality to improve delivery.
- Provide early warning signals - It is important that the system ensures decision-makers are timeously informed of performance related risks, so that they can facilitate intervention where necessary.
- Facilitate decision-making - The performance management system should provide appropriate management information that will allow efficient, effective and informed decision-making, particularly on the allocation of resources.

The objectives listed above are not exhaustive but summarise the intended benefits of the system. These intended objectives should be used to evaluate and review the performance management system on a regular basis.

7.2.4. Guiding principles of the Performance Management System.

The performance management system for Newcastle Municipality is guided by the following principles:

- *Simplicity* so as the facilitate implementation given any current capacity constraints,
- *Politically acceptable* to all political role-players,
- *Administratively managed* in terms of its day-to-day implementation,
- *Implementable* within any current resource constraints,
- *Transparency and accountability* both in terms of developing and implementing the system,
- *Efficient and sustainable* in terms of the ongoing implementation and use of the system,
- *Public participation* in terms of granting citizens their constitutional right to participate in the process,
- *Integration* of the PMS with the other management processes within the municipality,
- *Objectivity* based on credible information and lastly,
- *Reliability* of the information provided on the progress in achieving the objectives as set out in its IDP.

CRETERIA	REFERENCE TO PMRF
Consistency: Objectives, performance measures/ indicators and targets are consistent between planning and reporting documents	
1. Reported strategic or development objectives are	Sec 121(3)(f) of the MFMA Sec 41(a)-(c) &46 of the MSA

consistent or complete when compared to planned objectives	
2. Changes to strategic or development objectives are approved	Sec 25(2) of the MSA
3. Reported measures or indicators are consistent or complete when compared to planned measures or indicators	Sec121(3)(f) of the MFMA Sec 41(a)-(c) & sec 46 of the MSA
4. Changes to measures or indicators are approved	Sec25(2) of the MSA
5. Reported targets are consistent or complete compared to planned targets	Sec121(3)(f) of the MFMA Sec 41(a)-(c) &sec 46 of the MSA
6. Changes to targets are approved	Sec25(2) of the MSA
CRETERIA	REFERENCE TO PMRF
Consistency: Objectives, performance measures/ indicators and targets are consistent between planning and reporting documents	
7. Reported achievement is consistent with the planned and reported indicator and target	Sec 121(3)(f) of the MFMA
Measurability: Performance measures/ indicators are well defined and verifiable, and targets are specific, measures and time bound.	
1. A performance measure or indicator is well defined when it has a clear definition so that data will be collected	FMPPI chapter3.2

consistently and is easy to understand and use.	
2. A performance measure/ indicator is verifiable when it is possible to validate or verify the process and systems that produce the indicator	FMPPI chapter 3
3. A target is specific when the nature and required level of performance of the target is clearly identifiable	FMPPI chapter 3.3
4. A target is measurable when the required performance can be measured.	FMPPI chapter 3.3
5. A target is time bound when the timeframes for achievement of targets are indicated	FMPPI chapter 3.3
Relevance: Performance measures / indicators relate logically and directly to an aspect of the entity's mandate and realization of its strategy's goals and objectives.	
1. The performance measure/indicator and target relate logically and directly to an aspect of the entity's mandate and the realization of its strategic goals and objectives.	FMPPI chapter 3.2
Reliability: Recording, measuring, collating, preparing and presenting/target achievement is valid, accurate and complete.	

1. Reported performance occurred and pertains to the reporting entity(valid)	Section 45 of the MSA Chapter 5 of the FMPPI
2. Reported performance is recorded and reported accurately (accurate).	
3. All actual performance is recorded and included in the reported performance information (complete)	

Circular 88 of The Local Government Municipal Finance Management Act 56 of 2000, requires that municipalities include on the SDBIP's reporting information on expenditure for each KPI, The National Treasury have prescribed Indicators for metropolitan municipality, therefore in preparation of MSCOA compliance Newcastle Municipality will have each Capital Project linked to a specific KPI on the TLSDBIP. All operational budget items will be linked to a KPI on the TLSDBIP. Newcastle Municipality notes that National Treasury has advised on the rationalisation of KPI's and therefore more than one capital budget item or more than one operational budget item have been linked to one KPI.

7.2.5.Implementation of the scorecard.

The Newcastle Municipality, had adopted a two-level approach for managing performance information. The levels are:

- The Top-Layer SDBIP – is aligned to the IDP and reflects the strategic priorities of the municipality. This Top-layer SDBIP will also inform the individual Performance Plans of the Section 56/57 Managers.
- The Service SDBIP Level (SDBIP) – which captures the municipality's performance in each defined service by department and functional area, provides a comprehensive picture of the performance of a particular functional area as budgeted and consisted of objectives, indicators and targets.

The two levels of reporting will be utilized as the performance management system (PMS) of Newcastle Municipality. The two levels of reporting will be the Top-layer SDBIP and the SDBIP (departmental). All reporting on the municipality's performance will be informed by information derived from the two-level SDBIP and reflect the municipality's performance on the six (6) perspectives which are as follows:-

1. Basic Service Delivery.
2. Cross cutting.
3. Local Economic Development.
4. Municipal Transformation and Institutional Development.
5. Financial Viability and Management.
6. Good Governance.

7.2.6.Developing the scorecard and outlining the concept.

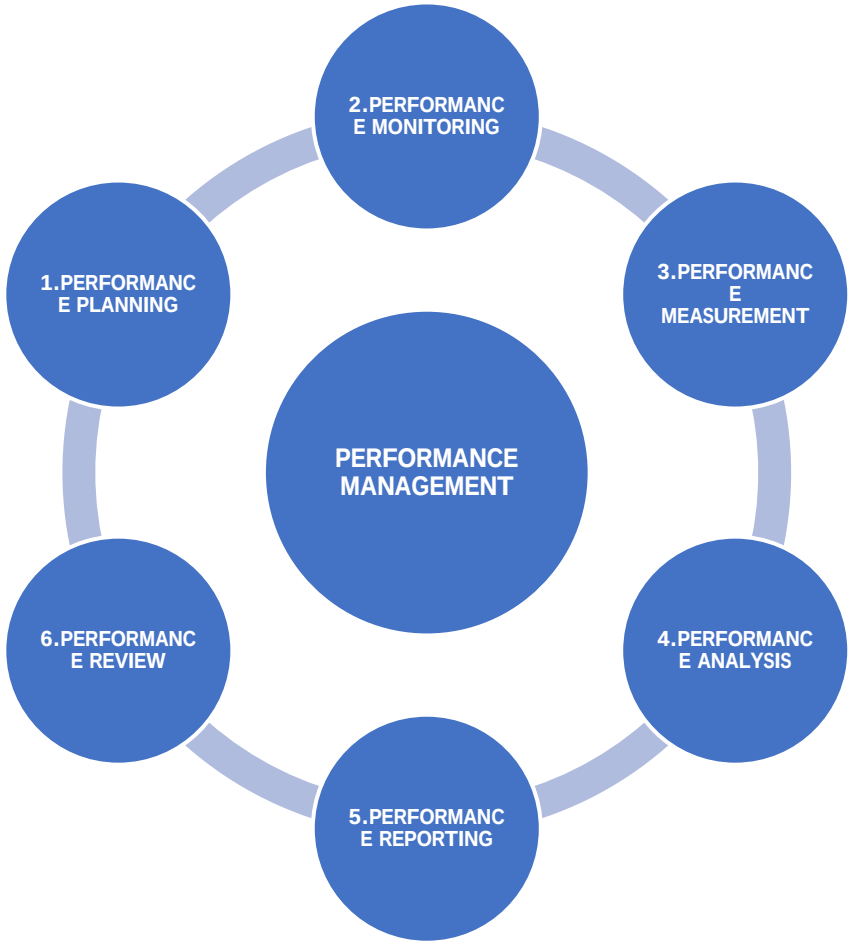
During the IDP process a corporate vision and mission were formulated for The Newcastle Municipality, together with broad key performance areas (KPA's), development objectives and key performance indicators (KPIs) which feed into the vision and mission. It is now necessary to take this process further into the performance management system, by developing an organizational or strategic Top-layer SDBIP that will encompass all the relevant areas or concepts that will allow measurement of the performance of the organization using this Top-layer SDBIP. This will be done by using relevant concepts to populate the organizational and service SDBIP's of The Newcastle Municipality. This process of developing the Top-layer SDBIP and service/departmental SDBIP's will be followed every year after adoption of the IDP and the budget and after evaluation of the previous year's SDBIP or municipal performance. An illustration of the components of the Top-layer SDBIP is reflected in figure 1 below.

7.3. Top-Layer SDBIP Concepts.

Step 1	Outline the National Key Performance Areas (KPA's) and IDP alignment
Step 2	Define Strategic Focus Areas (SFA's) that fall under each KPA
Step 3	Formulate appropriate development objectives (IDP Objectives) for each SFA
Step 4	Develop suitable Key Performance Indicators (KPIs)
Step 5	Indicate the types of Key Performance Indicators
Step 6	Provide baseline information
Step 7	Set annual targets for each KPI over the 5 year period to be reviewed annually
Step 8	Indicate quarterly targets to be met arising out of the each of the set annual targets based on the budget for the year under review which will cascade into the SDBIP
Step 9	Allocate responsibility to departments for execution of actions
Step 10	Provide frequency of reporting on progress
Step 11	Specify the source of evidence to be used for verification and auditing purposes

7.3.1.Implementation of the PMS.

The process of managing performance at organisational level at Newcastle Municipality involves the stages as set out in the following diagram:



The diagram provides for the cycle of performance management in Newcastle Municipality to commence with performance planning followed by performance monitoring, performance measurement, performance analysis, performance reporting and lastly performance review. The outcome of the performance review feeds back into the performance planning process. It is important to note that each of the stages in the cycle is underpinned by Council and community oversight over the performance of the Municipal Executive Committee and Administration.

Performance measurement refers to the formal process of collecting and capturing relevant and applicable performance data to enable reporting to take place for each key performance indicator and its related targets. Provision has been made in the Top-Layer SDBIP for the name of an official to be made responsible for reporting on each indicator (please note that this might not necessarily be the same official accountable for performance on an indicator).

The Line Managers and accountable officials should establish and maintain the performance information processes and systems within their areas of responsibility, considering the Standard Operating Procedures (Annexure "C"). This will ensure that responsible officials capture, collate and verify performance data related activities. Line Managers will ensure that relevant standard operating procedures are in place and adhered to by officials within their areas of responsibility to validate the integrity of performance information reporting.

15.4 RFORMANCE REPORTING AND REVIEW

NAME OF REPORT	TIMELINE	PROCESS	SUBMISSION DEPARTMENT
Submission of Quarterly PMS Reports from departments to PMS	5th working day after the end of the quarter, with the exception of the KPI's based on the financial ratios and norms that will be submitted on the 10th working day after the end of the Quarter.	Departments complete the TLSDBIP templates with supporting portfolio of evidence that is relevant, sufficient and reliable.	All Departments
Review of the TLSDBIP	6TH working day of every quarter.	PMS unit reviews the performance information in terms of reliability, sufficiency and relevance of the POE and the completed TLSDBIP templates from departments.	PMS Unit
Submission of the Pre-liminary Quarterly Performance reports to COGTA	The 15th working day after the end of the quarter	Cogta review of the quarterly reports and provides feedback to the municipality.	COGTA
Submission of the reviewed TLSDBIP to Internal Audit	The 20th working day after the end of the quarter	The reviewed TLSDBIP reports with all supporting POE is submitted to Internal Audit.	Internal Audit
Submission of the finalised Performance reports with inputs from Internal Audit to the Director: Governance and Support Services	The 35th working day of after the end of the quarter	The Internal Audit unit verifies the information to support actual status reported. PMS requests additional information from the relevant department if required and submits the information to	Director: Governance and Support Services

NAME OF REPORT	TIMELINE	PROCESS	SUBMISSION DEPARTMENT
		internal audit to clear findings if any.	

The following table provides a description on the criteria that is used to assess performance information:

Relevance	Closely connected or appropriate to what is being measured/ assessed.
Sufficiency	Enough or adequate evidence to support the actual
Reliable	Evidence that is good in quality, credible and trustworthy.

A performance dashboard will be used to score departments based on the actuals reported and the portfolio of evidence submitted to the PMS unit. Departments are required to submit sufficient evidence to support the actual performance reported and if a reason for variance is reported, supporting evidence must be submitted. The diagram below is an illustration of how the PMS unit scores departments:

LEVEL	TERMINOLOGY	DESCRIPTION	RATING DASHBOARD
4	Target Over Achieved	A KPI is scored as a Target Over Achieved, if the actual reported exceeds target and the evidence submitted to support the actual is relevant, sufficient and reliable. The actual reported must be: • Plausible • Factual • Results driven and • Should reflect that the department has been innovative	4
3	Target met	A KPI is scored as target met, if the target has been achieved and the evidence submitted supports the actual report and the evidence is relevant, sufficient and reliable.	3
1	Target not met	A KPI is scored as target not met, if the target has not been achieved. The evidence submitted does not support the actual reported as it is not relevant, sufficient and reliable or no evidence submitted.	1

The following table provides a description on the criteria that is used to assess performance information:

Relevance	Closely connected or appropriate to what is being measured/ assessed
Sufficiency	Enough or adequate evidence to support the actual
Reliable	Evidence that is good in quality, credible and trustworthy.

A performance dashboard will be used to score departments based on the actuals reported and the portfolio of evidence submitted to the PMS unit. Departments are required to submit sufficient evidence to support the actual performance reported and if a reason for variance is reported, supporting evidence must be submitted. The diagram below is an illustration of how the PMS unit scores departments:

7.3.2.Employee Performance Management.

Section 57 (1)(b), (4A), and (5) of the Local Government: Municipal Systems Act requires the municipal manager and managers reporting directly to the municipal managers to enter into performance agreement. A performance agreement is an agreement between an employer and the employee the – (a) outlines employers expectations of the employee's performance and (b) establishes procedures for assessment of the employee' performance against agreed criteria. In order to comply with the Systems Act and the Regulations all section 57 employees will be required to enter into performance agreements.

The performance regulations require Section 57 managers to enter into Performance Agreements with the municipality. These Performance Agreements define the municipality's performance expectations of section 57 managers and. Significantly the performance plans which integral part of the Performance Agreement are informed by institutional outputs and targets as captured in the municipality' Integrated Development Plan (IDP) and top layer and Service Delivery and Budget Implementation Plan (SDBIP).

The performance agreements to be entered into by Section 57 employees entail:–

- Specifying accountabilities as set out in the performance plan;
- Monitoring and measuring performance against targeted outputs;
- Establishing a transparent and accountable working relationship; and
- Assessing compliance with performance expectations.

7.4. Annual Performance Report (2022/2023).

7.4.1.Performance Management Framework.

A comprehensive report on the performance of the Municipality also needs to be compiled on an annual basis. The requirements for the compilation,

consideration and review of such an Annual Report are set out in chapter 12 of the MFMA. In summary the MFMA requires that:

- All municipalities for each financial year compile an Annual Report which report must include the municipal performance report.
- The Annual Report be tabled within seven months after the end of the financial year.
- The Annual Report be made public immediately after it has been tabled and that the local community be invited to submit representations thereon.
- The Municipal Council considers the Annual Report within nine months of the end of the financial year and adopts an Oversight Report containing the Council's comments on the annual report.
- Submission of the Annual Performance to Auditor General Office, Provincial Treasury and National Treasury.

The municipal performance report of a municipality is only one element of the annual report. To ensure that the Annual Report compilation, tabling and review process is completed in time to inform the next cycle of performance planning in accordance with the IDP compilation/review process, it is recommended that the Annual Performance Report be compiled and completed as soon after the end of each financial year as possible but ideally not later than two months after financial-year end.

The Oversight Report to be adopted provides the opportunity for the full Council to review the performance of the Municipality in line with its oversight role. The requirement that the Annual Report, once tabled, and the oversight report be made public also provides a mechanism for the general public to review the performance of the Municipality in line with the community's oversight role.

In order to facilitate the oversight process, it is recommended that a Municipal Oversight Committee be established consisting of a selected number of Councillors not serving on the Executive Committee. Council should also consider in line with oversight best practice that the chairperson of the Oversight Committee be a member of an opposition party.

The Oversight Committee will be responsible for the detailed analysis and review of the Annual Report and the drafting of the Oversight Report. In doing so the committee must establish mechanisms to receive and review representations made by the public on the Annual Report.

REPORT TYPE	DESCRIPTION
Quarterly SDBIP reporting	SDBIP is a key management, implementation and monitoring tool, which provides Mid-year and Annual Performance Report. It determines the Performance Agreements for the Municipal Manager and Managers reporting directly to the Municipal Manager, whose performance can then be monitored through Section 71 monthly reports and evaluated through the Annual Report process.
Mid-year budget and National and Provincial report	Section 72 of the MFMA requires the accounting officer to prepare and submit a report on the performance of the municipality during the first half of the financial year. The report must be submitted to the Mayor, National Treasury as well as the relevant Provincial Treasury. As with all other reports this is a crucial report for the Council to consider mid-year performance and what adjustments should be made, if necessary

REPORT TYPE	DESCRIPTION
Performance report	Section 46 of the Municipal Systems Act states that a municipality must prepare for each financial year, a performance report that reflects the following: • The performance of the municipality and of each external Service Provider (Entity) during that financial year. • A comparison of the performances referred to in the above paragraph with targets set for and performances in the previous financial year; and • Measures to be taken to improve on the performance. The performance report must be submitted at the end of the financial year and will be made public as part of the Annual Report in terms of Chapter 12 of the MFMA. The publication thereof will also afford the public the opportunity to judge the performance of the municipality against the targets set in the various planning instruments.

7.4.2. 2022/2023 TOP-LAYER SDBIP ANALYSIS

Accordingly, for the 2022/23 financial year, a total of 118 key performance indicators (relevant and applicable) are evaluated against targets set as summarized below:-

KEY PERFORMANCE AREA	TARGET MET	TARGET NOT MET	TOTAL NUMBER OF APPLICABLE KPI'S	PERCENTAGE
Basic Services	**27**	**15**	**42**	**64%**
Cross Cutting	**18**	**7**	**25**	**72%**
Financial Viability	**5**	**11**	**16**	**31%**
Good Governance	**13**	**7**	**20**	**65%**
Institutional Transformation & Development	**8**	**2**	**10**	**70%**
Local Economic Development	**2**	**3**	**5**	**40%**
Total	**73**	**45**	**118**	**61%**

the Basic Service National Key Performance Area has achieved 64% of all the planned targets. The total number of new households connected to water, sanitation and refuse removal for the 2022/23

financial year was 179, the municipality built 29 extra houses. The municipality has attempted to reduce water loss however due to ageing infrastructure and insufficient funding to upgrade and refurbish the existing infrastructure burst and leaking pipes remain as a constant challenge for the municipality. Development planning and Human Settlements has been challenged in identifying a suitable landfill site thus far. There were no roads that were resealed during the 2022/23 financial year due to budget constraints. The planned targets for the water projects were not achieved due to poor performance by the service providers. There were 120 title deeds transferred to first time home owners.

Figure 4 and table 4 illustrates that 72% of planned the targets for the Cross Cutting NKPA were achieved as at the 30th of June 2023. Community Services addressed all disaster related incidents from the community and ensured that Newcastle remains to be a safe and clean environment for its residents. The Community Service Department failed to complete the construction of the Fort Amiel building and the Zulu Umuzi building.

31% of all planned targets were achieved for the Financial Viability Key Performance Area for the 2022/2023 financial year. Despite the economical challenges that South Africa is undergoing currently the Budget and Treasury Office has been making all efforts to improve financial viability by developing and implementing a Cost Containment Policy, Unauthorised Irregular Wasteful Expenditure Strategy, Revenue Action Plan and a Budget Funding plan. As per the financial recovery plan that was submitted to National Treasury the municipality intends on having a funded budget by the 1st of July 2024. The number of unqualifying indigent accounts has reduced, this was as a result of strict implementation of the cost containment policy and data cleansing of the indigent data base. The collection rate for the municipality still remains as a colossal problem are for the municipality, the annual collection rate as at the 30th of June 2023 was 79%. The collection rate for Newcastle Municipality as at the end of the 2022/23 financial year was 16% below the national norm.

Local Economic Development (LED) Key Performance Area has not improved in their performance achievements as at the end of the 2022/2023 financial year, the total percentage of planned targets achieved was 40%. 102 SMME's were trained to empower them with skills to expand and efficiently manage their businesses. The Newcastle Hawker stall project was completed. Unfortunately, LED was unable to achieve the planned targets for the installation of the airport runway lights. Due to the slow performance by service providers, the municipality was unable to employ the planned number of EPWP workers.

There has been considerate improvement in performance for the Institutional Transformation and Development Key Performance Area, the department of Corporate Services achieved 70% of all planned targets. The challenge of implementing the approved Work Skills Plan (WSP) as approved for the municipality was not implemented due to budget constraints. The Administrative Section of Corporate Services was challenged in implementing the approved annual meeting plan due to there being no quorum for specific council meetings. Corporate Services has appointed the Municipal Manager, SED: Budget and Treasury, SED: Community Services, Director: Civils and Director Electrical positions.

7.4.3.Performance Achievements.

- Appointed the following SEDS:
    - The Municipal Manager
    - SED: Community Services
    - SED: Budget and Treasury
- The municipality constructed 179 new households including access to water, sanitation and refuse removal.
- 8431 households were provided with free basic electricity, water, refuse removal and sanitation.
- 64,8km of the water pipe-line for Newcastle East extension was completed
- 2171 standpipes were installed in Newcastle East
- 5km's of road was re-gravelled in Madadeni and Osizweni
- 2,34 Km's of road was upgraded from gravel to blacktop
- 1,95 km of storm-water drainage was installed
- 725 EPWP jobs were created to tackle the high number of unemployment within this municipality.
- The municipality trained 102 SMMEs.
- 100% of all disaster management issues reported were addressed by the Municipality
- The traffic section under the Community Department ensured that roadblocks were done to ensure that we have safe roads.
- The Health Section under the Community Services Department conducted health inspections at funeral undertakers and food premises.
- 120 title deeds were transferred though the EEDBS program
- 100% of the Electricity maintenance plan was implemented with the intention of maintaining the existing infrastructure and reducing power outages
- 100% of all building plans received by the municipality were processed within the statutory timeframes
- 100% compliance with MFMA Reporting requirements for all financial reporting

- The IDP/Budget/PMS were approved by council on the 31st of May 2023
- 100% of MIG Expenditure

7.4.4.Challenges and measure to improve performance

KEY PERFORMANCE AREA	SUMMARY OF CHALLENGE	MEASURE TO IMPROVE PERFORMANCE
BASIC SERVICE DELIVERY	Poor performance by service providers	Review of contracts for all service providers that have not performed as planned in terms of the bill of quantities and general conditions of contract
	High water losses due to burst pipes	A 3 year water reduction plan be developed and implemented in line with the available budget
	Vacant positions not filled	Review of the organogram
	Housing projects to the roof level were not completed as planned	Contracts to be reviewed every quarter. A new service provider as per the Department of Human Settlements be appointed
	Landfill site has not been identified	Assistance from COGTA to identify a suitable landfill site
	Ageing infrastructure	Development of master plans for infrastructure Development and submission of business plans
	The land to be disposed off was not completed by the 30th of June 2023.	The municipality identify land for disposal and ensure that the land is advertised for public tender.
CROSS CUTTING	Construction of Zulu Umuizi and	A new PIP be developed, implemented and monitored weekly.

KEY PERFORMANCE AREA	SUMMARY OF CHALLENGE	MEASURE TO IMPROVE PERFORMANCE
	Fort Amiel Admin Building	Application for a roll-over of the budget to the 2023/24 be submitted to BTO.
FINANCIAL VIABILITY **FINANCIAL VIABILITY**	Low collection rate due to economic factors Cost coverage Outstanding service debtors Capital expenditure	Campaigns will be convened to increase consumer awareness Discounts on arrear debts Write off on deceased accounts Payment arrangements Implementation of the Budget Funding Plan for Newcastle Municipality
	The Delegation's policy was not approved by Council	Legal services to submit the final Delegations Policy for council approval in July 2023.

KEY PERFORMANCE AREA	SUMMARY OF CHALLENGE	MEASURE TO IMPROVE PERFORMANCE
GOOD GOVERNANCE	100% ICT issues were not addressed The Batho Pele policy, Communications Strategy and Social Media Policy were not approved by Council. 100% of ward visitations year plan was not implemented	Development, approval and implementation of ICT plan Monitoring of ICT plan at the ICT steering committee The Director for Communications & Customer Relations was only appointed on the 6th of March 2023 and therefore there was insufficient time for the director to deliberate on the set key performance indicators so as to measure the performance of the department.

KEY PERFORMANCE AREA	SUMMARY OF CHALLENGE	MEASURE TO IMPROVE PERFORMANCE
		Ward visitation plan not executed due to the following reasons 1. IDP/ Budget road show 2. Ward committee by elections 3. Ward committee training.
INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	The Annual meeting not implemented as planned	Corporate services to revise the 2022/2023 KPI in line with functions and controls within the department
	The Political Office Bearers	Council referred back the political

KEY PERFORMANCE AREA	SUMMARY OF CHALLENGE	MEASURE TO IMPROVE PERFORMANCE
	Vehicle Policy was not approved by Council	bearers vehicle policy
	Cascading individual performance management (IPMS)to all employees below a section 57 and implementation of the amended staff regulations	Corporate services to request assistance from SALGA, National Treasury, and COGTA for the rolling out of IPMS to all employees.
LOCAL ECONOMIC DEVELOPMENT	Number of jobs created through the municipality's EPWP	The KPI target for the KPI on the Job creation for the 2022/2023 financial year has been aligned to the MIG projects and EPWP budget allocation.
	Installation of 68 airport runway lights	The bid has to be readvertised and the budget has to be rolled over to

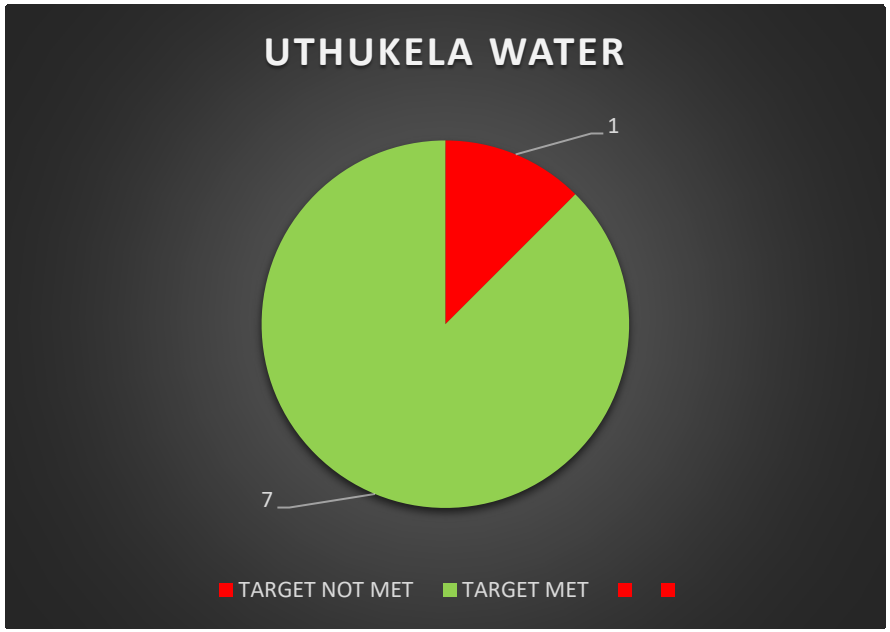
KEY PERFORMANCE AREA	SUMMARY OF CHALLENGE	MEASURE TO IMPROVE PERFORMANCE
		the 23/24 financial year.

7.4.5.Assessment of External Service Providers.

In terms of Section 121(4) of The Local Government Municipal Finance Management Act 56 of 2003 a municipality must prepare for each financial year a performance report reflecting-

(a) The performance of the municipality and of each external service provider during that financial year.

UThukela Water (Pty) Ltd is the only Municipal Entity for Newcastle Municipality. Uthukela Water renders the service of bulk water supply to Newcastle Municipality. UThukela Water (Pty) Ltd is an Entity of Newcastle Municipality. UThukela Water achieved 88% of all planned targets as at the 30th of June 2023 this is a significant improvement since the 2021/2022 financial year. All issues relating to Uthukela Water have been consistently reported to COGTA for intervention. The recommended corrective action will be monitored in the 2023/24 financial.



SECTION 8:

SECTOR PLANS.

8. SECTOR PLANS.

8.1. Newcastle Local Municipality Sector Plans.

Ref	Name of Sector Plan	Date of last review	Date of next review	Comments
1.	Disaster Management Plan/ Contingency Plan	03 August 2016	30 June 2021	Review of Disaster Management Plan
2.	Winter Contingency Plan	N/A	December 2021	Review of Winter Contingency Plan (In line with 2021/22 SDBIP targets)
3.	Summer Contingency Plan	N/A	June 2022	Review of Summer Contingency Plan (In line with 2021/22 SDBIP targets)
4.	Performance Management System (PMS)	May 2024	May 2025	-
5.	Skills Development Plan	30 April 2021	30 April 22	-
6.	Financial Management Plan	-	-	The municipality currently does not have a stand-alone financial management plan. The municipality treats the MTREF budget for each financial years as its financial plan. This covers a period of 3 years for each time of approval
7.	Capital Investment Framework (CIP)	June 2020	May 2021	-
8.	Environmental Management Framework	June 2015	2022/23	-
9.	Local Economic Development (LED)	Internal Amendment - 05/March/2021	May 2025	2022/23 – 2026/27 The LED Strategy is implemented. There can be amendments but not reviews in this period.
10.	Poverty Relief/Alleviation Programme	-	-	-
11.	Revenue Enhancement Strategy	01July 2020	01 July 2021	This Strategy is revised on an annual basis.
12.	Housing Sector Plan	May 2024	May 2025	-
13.	Water Services Development Plan (WSDP)	-	-	-
15.	Waste Management Plan (IWMP)	05 May 2021	2021/2022	SENT to MEC for endorsement
16.	Roads and Storm water Master Plan	-	-	
17.	Integrated Traffic and Transport Plan	February 2016	2021/22	-
18.	Electrification Plan	-	-	
19.	Tourism Strategy	2020	May 2025	-

Ref	Name of Sector Plan	Date of last review	Date of next review	Comments
20.	Land Use Scheme	October 2016	June 2021	
21.	Spatial Development Framework	May 2024	May 2025	-
22.	Gender Employment Equity Plan	01 September 2016	01 July 2021	-
23.	Communication Strategy			
24.	IT **Communications Policy**			
25.	**IT Policy**	05 March 2021	TBD	The IT Policy is only reviewed pending a need to do so.
26.	**IT Strategy**	31 March 2021	2023/2024	The IT Strategy is reviewed on a 3 year basis.
27.	**Asset Management Policy**	March 2021	March 2022	The policy is reviewed on an annual basis.
28.	Fraud and Corruption Prevention Strategy	27 January 2021	30 June 2021	-
29.	Cemetery Plan	-	-	The plan has not yet been established
30.	Ward Committee Policy	12 August 2020	2021/22	The next review will take place after the local elections
31.	Ward Committee Operational Plan	14 May 2021	2021/22	Document was sent to COGTA for approval on the 14th of May 2021. The next review will take place after the local elections
32.	Public Participation Policy	July 2020	2021/22	The next review will take place after the local elections
33.	Public Participation Strategy	July 2020	2021/22	The next review will take place after the local elections
34.	Business Retention and Expansion Strategy	2020	May 2025	-
35.	Capital Expenditure Framework	May 2024	May 2025	-