



MTHONJANENI
LOCAL MUNICIPALITY
UMASPALA WASE MTHONJANENI

EXCELLING IN SERVICE DELIVERY AND
GOOD GOVERNANCE TO ALL
OUR COMMUNITIES ... TRUST US.

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2024/2025 INTEGRATED DEVELOPMENT PLAN

ACRONYMS AND ABBREVIATIONS

AOC	-	Aircraft Operating Company
BEE	-	Black Economic Empowerment
B-BBEE	-	Broad-Based Black Economic Empowerment
CBD	-	Central Business District
CSC	-	Community Service Centres
DBSA	-	Development Bank of South Africa
DFP	-	Development Framework Plan
DLTG	-	Department of Local Government and Traditional Affairs
DM	-	District Municipality
DDM	-	District Development Model
DOE	-	Department of Education
DOH	-	Department of Housing
DOT	-	Department of Transport
HOD	-	Head of Department
EIA	-	Environmental Impact Assessment
EMP	-	Environmental Management Procedure
EPWP	-	Extended Public Works Programme
EXCO	-	Executive Committee
GE	-	Gender Equity
GGP	-	Gross Geographical Product
GIS	-	Geographical Information System
HIV/AIDS Syndrome	-	Human Immunodeficiency Virus/Acquired Immunodeficiency
HCT	-	HIV/AIDS counselling and Testing
IDP	-	Integrated Development Plan
ISR	-	Integrated Sustainable Rural Development Programme
ISRDS	-	Integrated Sustainable Rural Development Strategy
LM	-	Local Municipality
Municipality	-	Mthonjaneni Municipality

KZN	-	KwaZulu-Natal
LED	-	Local Economic Development
LRAD	-	Land Redistribution for Agriculture Development
LUMF	-	Land Use Management Framework
LUMS	-	Land Use Management System
MEC	-	Member of the Executive Council (Local Government and Traditional Affairs)
MFMA	-	Municipal Finance Management Act No. 56 of 2003
MIG	-	Municipal Infrastructure Grant
MPCC	-	Multi-Purpose Community Centre
MTC	-	Medium-Term Capital Framework
MTCT	-	Mother-To-Child HIV Transmission
NHBRC	-	National Home Builders Registration Council
NSDP	-	National Spatial Development Perspective
PGDS/P	-	Provincial Growth and Development Strategy/Plan
PIMS	-	Planning, Implementation and Management System
O/PMS	-	Organisational Performance Management System
PDA	-	Planning and Development Act 06 of 2008
PMTCT	-	Prevention from Mother to Child
RDP	-	Reconstruction and Development Programme
RIDS	-	Regional Industrial Development Strategy
RRTF	-	Rural Road Transport Forum
RSC	-	Regional Service Centre
SADC	-	South Africa Development Community
SEA	-	Strategic Environmental Assessment
SDF	-	Spatial Development Framework
SDBIP	-	Service Delivery and Budget Implementation Plan
SDP	-	Site Development Plan
SMME	-	Small, Medium and Micro Enterprise
TA	-	Tribal Authority
TLC	-	Transitional Local Council
VTC	-	Voluntary Testing and Counselling
WSDP	-	Water services Development Plan

THE STRUCTURE OF MTHONJANENI MUNICIPALITY'S IDP

The IDP is a comprehensive document which includes various chapters as per the summary of chapters below:

Chapter 1-Executive Summary: This section provides a brief overview of the Municipality i.e., Area, Population, Administrative etc.

Chapter 2- Planning and Development Principles and Government Priorities: The section provides details of the informants of this IDP- these include: the Sustainable Development Goals, the State of the Nation Address and State of the KZN Province 2024, the Medium-Term Strategic Framework, the 14 Outcomes of Government, the Provincial Growth and Development Plan as well as District Growth and Development Plan. A municipal response to these key policy informants is also provided.

Chapter 3-Situational Analysis: The section provides a detailed analysis of the statistics of Mthonjaneni relating to the Demographics, Spatial Planning, Environmental Management, Disaster Management, Municipal Transformation & Institutional Development, Service Delivery & Infrastructure, Economic and Social Development, Municipal Financial Management, Good Governance and Public Participation as Well As Cross-Cutting Interventions.

Chapter 4-Development Strategies: This chapter provides the strategic thrust of the IDP, including the strategic objectives of the IDP and the Municipal Vision as adopted by the Council.

Chapter 5-Strategic Mapping and Environmental Management: This section provides a mapping and brief overview of the municipal Spatial Development Framework as well as other national, provincial and regional spatial plans that influence it, such as the Mthonjaneni Spatial Development Framework, Mthonjaneni

Environmental Map, King Cetshwayo Spatial Development Framework, the Provincial Growth and Development Plan 2016 and the District Growth and Development Plan.

Chapter 6- Financial Plan: This section ought to provide an overview of the municipal budget. It is imperative to note that the budget is still at a draft stage. This Chapter, therefore, inevitably contains 2024/25 data – with the relevant refinements still outstanding and requiring attention by the Municipality.

Chapter 7-Annual Operational Plan/s: this section contains the municipality's draft organisational scorecard; departmental service delivery and budget implementation plans 202/2025 (the Municipality is in the process of doing the 2024/2025 scorecard and Departmental SDBIPs. Once the plans shall have been finalised, same will be incorporated into the Draft IDP 2024/2025) which serve as a contract between the administration, the Council and the community. The scorecard reports on key performance indicators including Municipal Transformation and Institutional Development, Basic Service Delivery and Infrastructure Development, Local Economic Development, Good Governance and Public Participation, Municipal Financial Viability and Management and Cross Cutting Interventions.

Chapter 8-Organisational Performance: This section details how the implementation of the IDP will be measured. It provides an overview of the Municipality's Organisational Performance Management System.

It shall be further be noted that in compliance with the IDP Guidelines/IDP Assessment Template the municipality has added both the SDF and Disaster Management Plans as part of the IDP. A number of policy documents and plans has been sourced from various business units and will be sent to COGTA electronically for the IDP Assessment.

Any information gap that has been identified during the draft IDP/Budget, will be attended to during the month of April/ May 2024, to ensure that our IDP is responding to the needs of our community

Chapter 9-Implementation Plan: This section presents programmes and projects that will be implemented within the municipality's area of jurisdiction by the various government departments and state-owned entities.

MAYOR'S FOREWORD



It is a great honour to present the 2024/2025 Draft Integrated Development Plan of Mthonjaneni Local Municipality, sharing essential information on service delivery and the municipality's performance against set targets and budget allocations outlined in our strategic plan.

I thank the residents of Mthonjaneni Municipality for their support towards the review of this Integrated Development Plan. An extensive word of appreciation is also presented to the traditional leaders (Amakhosi), religious leaders, Operation Sukuma Sakhe stakeholders, all government departments, NGO's, private Sector; and the whole community of Mthonjaneni Municipality.

I, therefore, wish to take this opportunity to introduce all of Mthonjaneni municipal stakeholders to a 2024/ 2025 Draft Integrated Development Plan (IDP), which is a five- year service delivery plan of Mthonjaneni Municipality. It is through this plan that, the above stakeholders present a meaningful commitment to the service delivery process using diverse support initiatives that include financial implications and physical participation.

Furthermore, it is through the Operation Sukuma Sakhe-OSS, and the District Development Model-DDM, that the municipality is working towards addressing issues that have been raised by the residents of Mthonjaneni municipality. Those issues include:

- ❖ Community safety
- ❖ Alcoholism high rate of people especially youth consuming alcohol
- ❖ Gender based violence
- ❖ Sanitation i.e.Collection of waste, construction of toilets
- ❖ Creation of job opportunities as we have high rate number of unemployed youth.
- ❖ Poverty eradication initiatives since poverty is being declared as our public enemy number one;
- ❖ Youth development programmes; and
- ❖ Drugs elimination initiatives, etc.

Access to basic services for all residents remains our top priority, and I am pleased to report the following key achievements in basic service delivery outcomes during the year under review:

- MIG Projects (construction of gravel roads)
- INEP Projects (electrification projects)

I am delighted to report that in 2024/2025 demonstrating our commitment to further development the following projects to our community:

- Thubalethu Extension Roads Phase 1
- Mfolozane Gravel Road
- Ekuthuleni Electrification Phase 2
- Hlabathini Electrification Phase 2
- Thubalethu Substation Project
- Emashobeni Community Hall

The Funding allocation that we continue to receive from National Treasury years after the merger with Ntambanana Municipality still does not reflect a true reflection of our current state of affairs thus putting budgetary constraints in effectively delivering service to our communities.

We are pleased to report that we support the youth of Mthonjaneni Municipality, given the higher rate of unemployment. Therefore, we support the youth to do drivers licenses programme and assist learners who passed their matriculation to assist them with registration tuition fees to their choice of university/colleges.

As Council, we are thrilled that during the 2022/23 Financial Year we achieved an unqualified audit outcome which we welcome with reservations that in the next financial year, we anticipate achieving a clean audit outcome. We have also managed to successful complete a number of capital projects and have started with the construction process for some during this financial year.

We are proudly to report that our 2023/2024 Integrated Development Plan (IDP) was recognised for producing one of the best IDP's in the province and for being ranked the No. 6 IDP in the province. We are determined to continue producing the best IDP and to ensure that all our targets are met.

In 2024/2025 financial year my focus will intensify on providing equal opportunities to NGO's (Small businesses) creating jobs and positioning the Mthonjaneni Municipality as a safe and healthy tourism destination and establishing it is a leading hub for social cohesion and hope through focused programs for our residents.

Mthonjaneni Municipality will continue to excel in service delivery and good governance to all our communities committed in creating a stable and secure environment and service delivery to all our communities

Trust us!

HIS WORSHIP THE MAYOR, CLLR. MN BIYELA

MUNICIPAL MANAGER'S FOREWORD

MR ZS MTHETHWA



IDP is a "super-plan" for any municipality that lays down an overall framework for development. It aims to coordinate the work of municipality and other spheres of government in a coherent plan to improve the quality of the lives of the people of Mthonjaneni Municipality.

IDP reflects Council's vision for the long-term development of the Municipality with special attention on critical developmental issues and internal transformation needs. It is a five-year strategic tool used to address and measure the level of service delivery in the Municipality.

While we are still deliberating on best possible ways to address the current set up with existing practices of powers and functions which have financially handicapped this municipality, we continue to implement the austerity measures as approved by the council and reexamine some of its policies and practices as resources come under extreme pressure.

I would like to thank the community for participating in the reviewing of this IDP document and would like to take this opportunity to introduce the Integrated Development Plan for the financial year 2024/2025.

In line with the IDP Assessment Criteria, Our IDP attained an overall credibility rating of 87.57% and it was ranked number 6 in the Province of KwaZulu Natal. We take pride in these positive outcomes regarding the credibility of the Municipality's Integrated Development Plan and the Municipality is determined to improve the credibility and implementation thereof.

All our critical posts have been filled, this positively impact the delivering of Basic Services. Director Technical Services is the latest post to be filled on 1st of January 2024.

The successful implementation of this strategic planning document will result in good organizational budgeting and performance thus benefitting our communities meet their needs. As the Municipality we are committed in ensuring that we deliver quality service with the minimum resources that are at our disposal.;

In closing, I would like to express my gratitude to the Municipal Council, the Directors and all Municipal Staff for continuous support and their commitment to service delivery to the people of Mthonjaneni Municipality.

I thank you.

ZS MTHETHWA

MUNICIPAL MANAGER

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SECTION A:EXECUTIVE SUMMARY

A1. WHO THE MUNICIPALITY IS?

Melmoth is a small municipality situated on the north coast of KZN with a population of 99289 (about the seating capacity of the Los Angeles Memorial Coliseum) (CS: 2022). The town was established in Mthonjaneni after the invasion of Mthonjaneni by United Kingdom in 1887 and was named after Sir Melmoth Osborn. Large wattle plantations were set up and a wattle bark factory was established in 1926. The is also planted with sugarcane and forestry on the outskirts of the town into surrounding areas. The government funded hospital in Melmoth is St Mary's hospital KwaMagwaza that caters for people of Melmoth and surrounding areas.

The Council of Mthonjaneni Municipality in partnership with the Department of Arts and Culture resolved, during the process of renaming of most areas that were named during apartheid regime, after engaging in renaming process through public participation both entities unanimously agreed to change the name of Melmoth to Mthonjaneni. The town is now officially called Mthonjaneni. Mthonjaneni Municipality is in the central north-eastern part of the province of KwaZulu Natal.

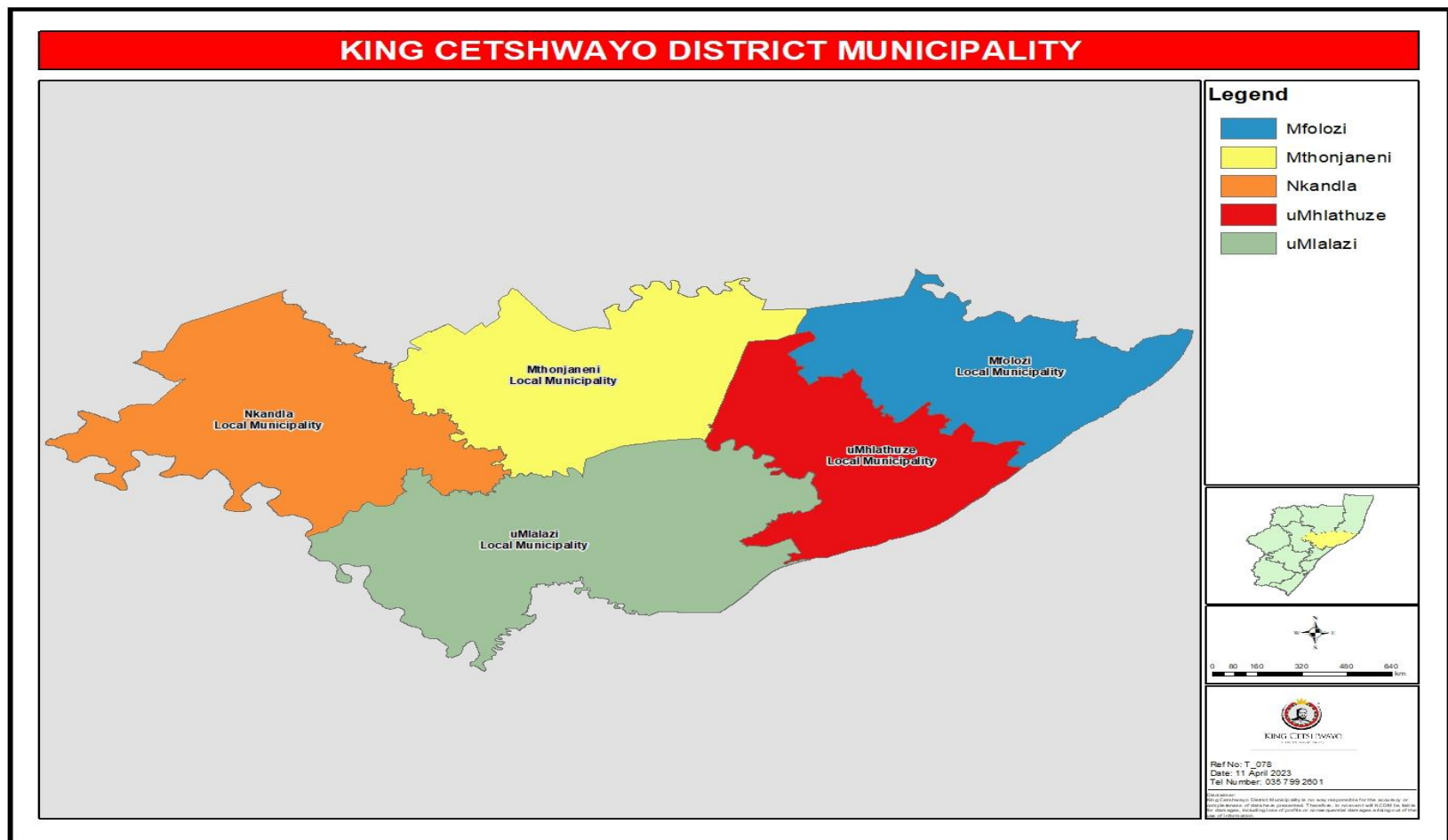
Mthonjaneni Municipality (KZ 285) is one of the five local municipalities that make up King Cetshwayo (KCD). The other locals that form King Cetshwayo District are Mfolozi (KZ 281), uMhlathuze (KZ 282), uMlalazi (KZ 284) and Nkandla (KZ 286). The Mthonjaneni Municipality consists of 13 wards as per the new demarcations after the 2016 Local Government Elections.

King Cetshwayo is a municipality situated in the north-eastern region of KwaZulu-Natal province on the eastern seaboard of South Africa. King Cetshwayo covers an area of approximately 8213 square kilometres, from the

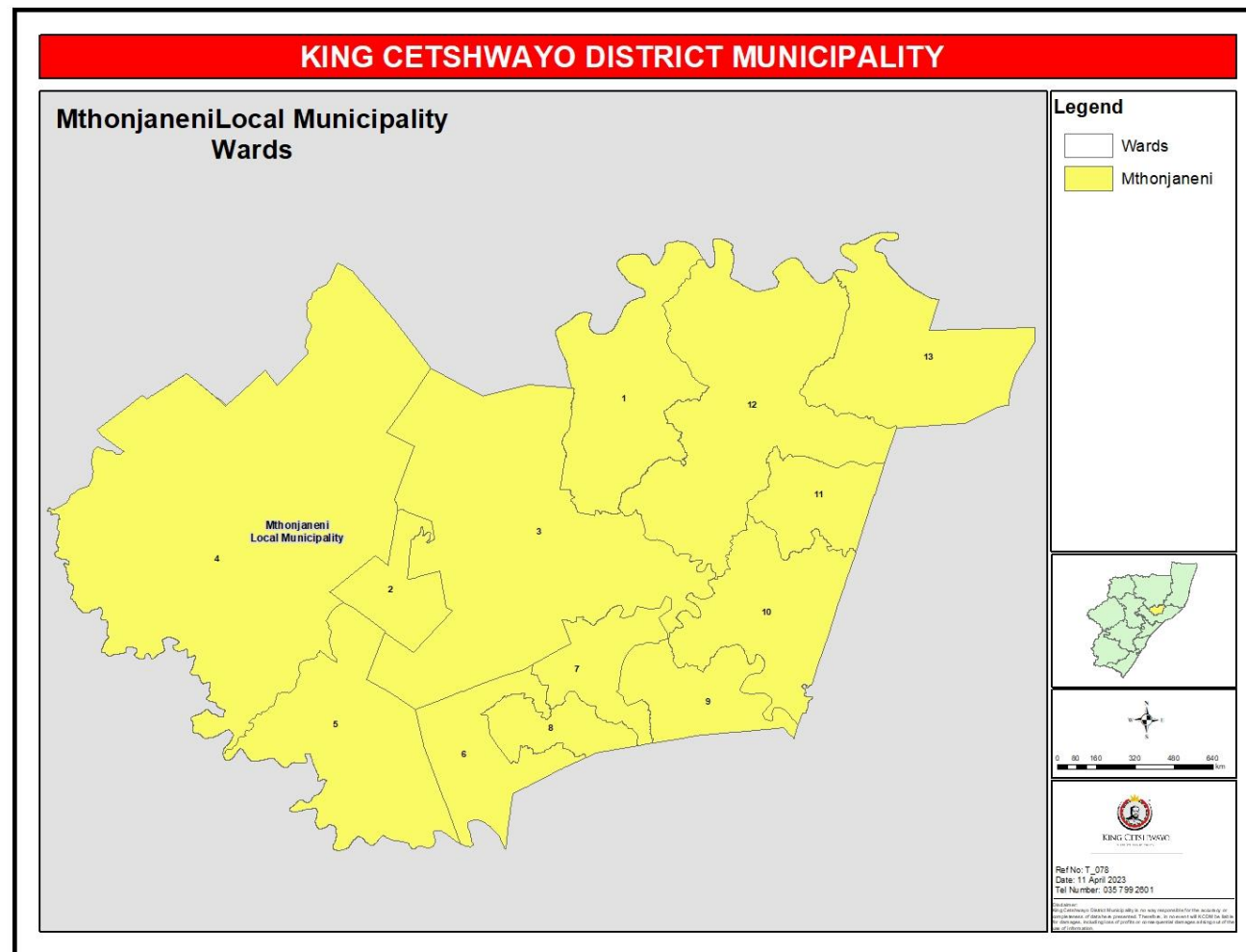
agricultural town of Gingindlovu in the south to the uMfolozi river in the north and inland to the mountainous beauty of rural Nkandla.

It comprises of economic activity centre which was previously known as Melmoth Town which serves as the Central Place Town for its surrounding rural areas. The larger part of the areas that forms the sphere of influence of Mthonjaneni is deep rural with most of the people ranging from low to middle income earners. Most of the area under Mthonjaneni Municipality is owned by Ingonyama Trust under the leadership of INkosi Biyela of Obuka, INkosi Zulu of Ntembeni and INkosi Biyela of Yanguye. Part of the area is privately owned with vast areas being owned by white farmers.

Mthonjaneni Municipality experiences warm humid climate with more rainfall being experienced during the summer season. This becomes the favoring factor towards agricultural production. Forests and sugarcane production are the major commercial agricultural practices and livestock farming which is mostly subsistence in most surrounding rural areas.



Map 1 Map of KCDM Municipalities



Map 2- Mthonjaneni Wards

There are currently three Traditional Authority areas within the Mthonjaneni Municipality. All these Traditional Authority areas are solely owned by Ingonyama Trust.

- The **Biyela-KwaYanguye Traditional Authority** is located to the north-east of the municipality and incorporates the KwaYanguye area and surrounding settlements.
- The **Zulu-Entembeni Traditional Authority** is located to the south-east of the municipality and incorporates Makasaneni and Ndundulu and surrounding settlements.
- The **Biyela-Obuka Traditional authority** is located towards the East of the municipality and incorporates areas like Sqhomaneni, Upper Nseleni and other surrounding rural settlements.

Regional Context

Mthonjaneni is a small municipality situated in the central north easterly part of KZN with a population of 78883 (CS: 2016). It consists of a town called Melmoth. The town was established in the Mthonjaneni after the invasion of Mthonjaneni by United Kingdom in 1887 and was named after Sir Melmoth Osborn.

WHAT ARE OUR KEY CHALLENGES AND WHAT ARE WE GOING TO DO TO ADDRESS THEM

CHALLENGES	DEFINITION	WHAT ARE WE GOING TO DO TO ADDRESS THESE CHALLENGES
High Unemployment Rate	❖ Lack of Job Opportunities to the population with dependency on the agricultural sector for employment opportunities which are not sustainable . Whilst there is opportunity to develop other development sectors including the service sector, Industry, and commercial sectors ❖	❖ Educational support to youth at tertiary level, ❖ Implementation of skills development programs, ❖ Youth empowerment through life skills programs ❖ Introduction
Limited access to basic household and community services.	The municipality is grant dependant because of location of the municipality which is largely rural. This means the municipality does not have enough resources to cater for each citizens as per their needs.	The municipality has initiative for Investor attraction this will improve, Revenue generation and subsequently contribute to the resources for service delivery.
Delapidating Infrastructure	The Variations in climatic conditions and the aged infrastructure contribute to the hampered condition in all infrastructure in particular roads and bridges. Actively engage Department of Transport to resolve this issue	The municipality has engaged the Department of Transport in several times in relation to the delapidating road infrastructure unfortunately none of the attempts has been successful and the municipality to use its limited resources to maintain roads belonging to DOT within its jurisdiction
Hampered Road Safety	The state of R66 is in the delapidation and cannot handle high volumes and heavy load vehicles (side tipper trucks). The usage of the roads by these trucks results increased fatal accidents and	Engaging the Department Of Transport to extend the road of ban site tipper trucks/ heavy loaded vehicles from using R66 roads. The municipality Council took resolution on 2023 to ban

	numerous breakdowns which caused extremely inconvenience by other users.	site tipper trucks in the ambits of Melmoth town.
Insufficient equitable share allocation.	The municipality is based in deep in rural areas and as a result it does not have enough revenue generating initiatives. The merger with Ntambanana Municipality has added more financial load to the municipality while the allocated equitable share has not changed to when the municipality had 6 wards. Sluggish economic growth resulting in failure to attract investors.	The municipality has started working robustly in creating and attracting revenue generating initiatives and or Investors.
100% Implementation of Performance Management in all levels	The Municipality is gradually cascading performance management to all levels. Even though the Municipality is cascading performance there is no optimal resources to reward outstanding performance	The Municipality will continue implementing non cash performance rewards for levels below Section 54/56
Consistent Unqualified Audit Opinion	The Municipality has been obtaining Unqualified Opinion for the past 5years, this is not bad however the Municipality like any institutions has an objective for a Clean Audit.	The Municipality will ensure that the Interim Financial Statements are done adequately to eliminate and pre-empt possible issues and address them timely
Inability to attract and retain scarce skills	Due to the location and grading of the municipality, employees	Development of Selection and Recruitment Policy for Senior

	leave the municipality for greener pastures.	Managers which will clearly outline retention mechanisms for Senior Managers and Line Managers. Implementation of Human Resource Strategy
Scattered rural households	Rendering services like electricity becomes costly and the households are sparsely populated. This has led to the municipality co-funding some projects because the funders calculate on the flat rate the cost of rendering these services	The municipality recently employed Senior Manager Planning who comes with expert knowledge in these issues. The municipality will prioritise engagements with Traditional Leaders regarding SPLUMA and LUMS.

Table 1 - Organisational Challenges

1. MUNICIPAL VISION AND MISSION?

Municipal Vision

After Local Government Elections in 2021 the council proposed the strategic direction for the municipality for the next five (5) years. This was done after considering the challenges that the municipality is faced with and taking into cognizance the status-quo of the Municipality in terms of Service Delivery targets. The **Vision** and **Mission** as per council strategic priorities is as follows:

Vision

We are a diverse and empowered community of choice for people to live, work and play. Our protected natural environment and resources produce the cleanest air in the country for our citizens. Built on our cultural heritage, our neighbourhoods are safe, compact, socially inclusive and spatially integrated.. Our communities are satisfied with the level of infrastructure and affordable services provided to them. Through the principle of self-help and self reliance, our economy provides endless opportunities.

Excelling in service delivery and good governance to all our communities TRUST US

Mission

To create an affluent Municipality through:

- Provision of affordable household infrastructure and services.
- Work in tandem with the institution of Traditional Leadership in rural development
- Creation of a liveable town interconnected with its rural areas
- Creation of an environment conducive for local economic development.
- Community empowerment and redistribution.

Committed in creating a stable and secure environment and service delivery to all our communities

Core Values

Transparency, Accountability, Commitment, Innovation, Leading with Integrity
and truly serving, Co-operation

2. DEMOGRAPHIC PROFILE

POPULATION

According to the latest census that was conducted in 2022 there was a total population of 99 289 people residing in municipal area of jurisdiction. According to the 2022 census there is an increase in the total population. The area is dominated by Females who are represented by 54,2% as compared to males that are 45,8%. The percentage representation is unmoved as compared to the 2016 Census Results

ECONOMIC PROFILE *(this information is not yet available on the 2022 statistics, 2011 and 2016 were used)*

The 2011 statistics reflect that a large amount of people in Mthonjaneni area of jurisdiction are either unemployed or discouraged work seekers. The majority of those who are employed are low-income earners. A high percentage of the households depend on government social grants as means of poverty alleviation. There is a large labour force employed by farms around Mthonjaneni and earn very low salaries.

The table below shows the number of persons in the respective municipal wards that are employed and unemployed.

OFFICIAL EMPLOYMENT

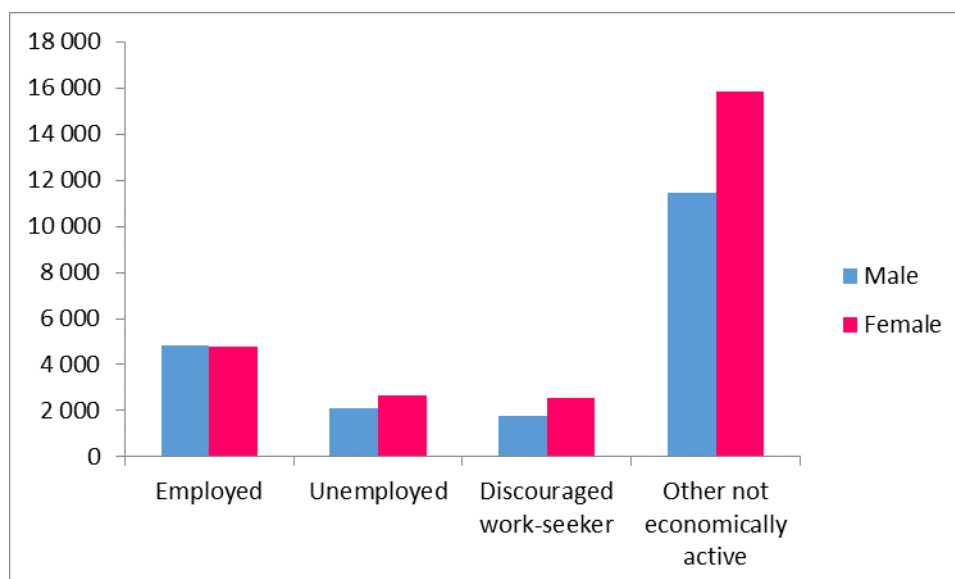


Figure 1 - Official Employment

Table 3 above indicate that in all categories, with an exception of employed group, there are more females than males. The majority falls on the other not economically active and the population of discouraged work seekers does not hold a significant percentage.

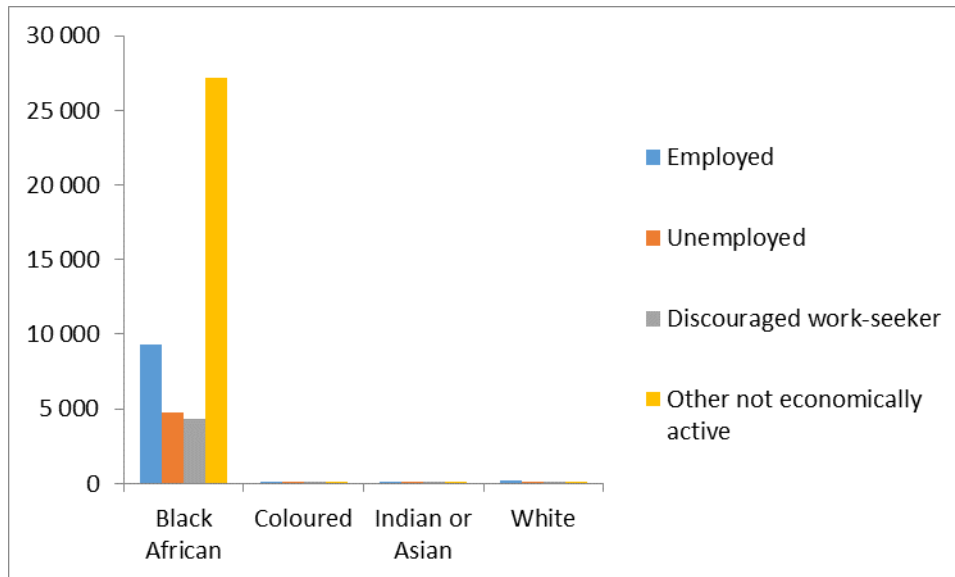


Figure 2 - Employment by Population Group

On the above figure supports the population statistics of figure 3, where Black African population group has the highest percentage. Black African population group has the highest number of people in all employment categories.

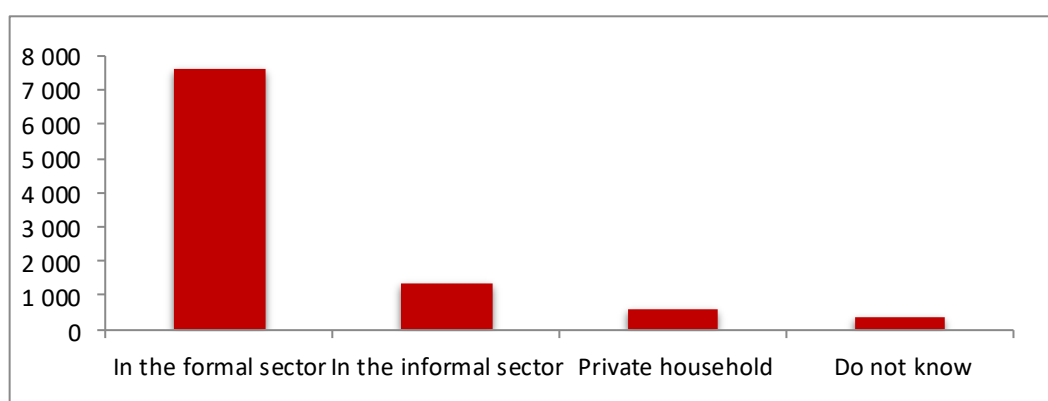
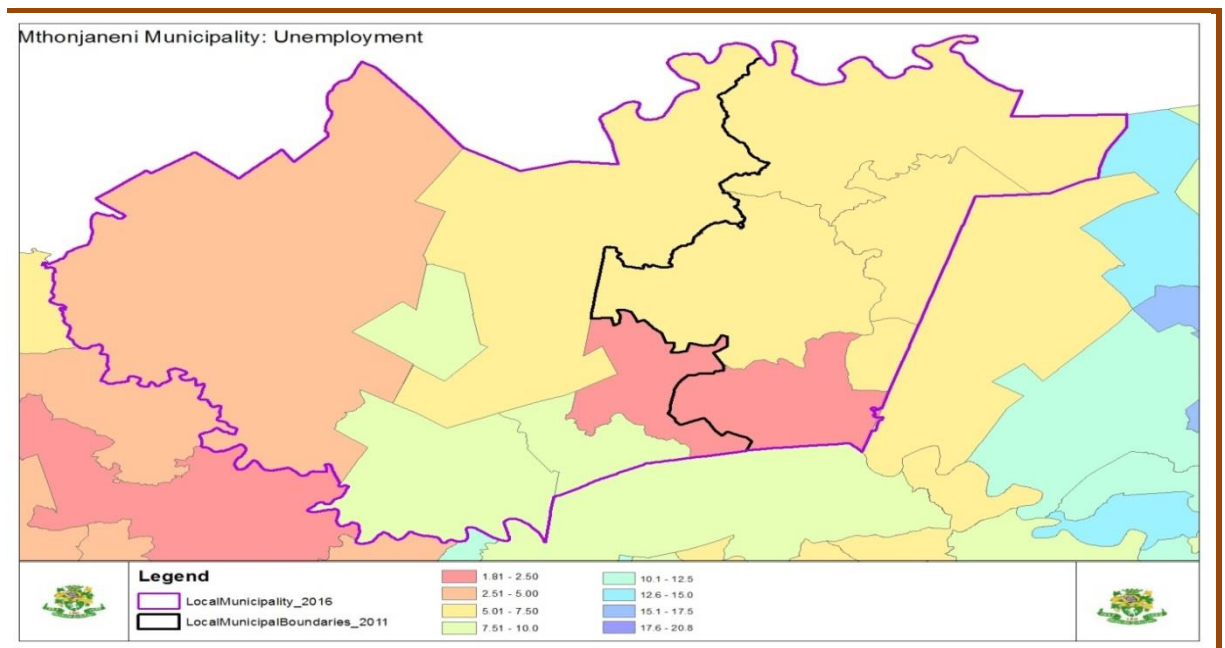


Figure 3 - Employment by Sector

Employment is more on the formal sector followed by the informal sector and the least from the private sector.

The rate of unemployment within the municipality remains being high. In order to find employment opportunities, the economically active population has to travel to areas such as Richards Bay and Empangeni.



Map 3- Mthonjaneni Municipality Unemployment

Household Income.

Household income can be used as a proxy for economic well-being of household and individuals, as it determines their consumption and savings potentials. Changes in the income by households is one of the direct indicators available that can be used to establish who benefits from economic development and by how much are the beneficiaries benefiting. Furthermore, data on household income can be used to inform poverty analysis.

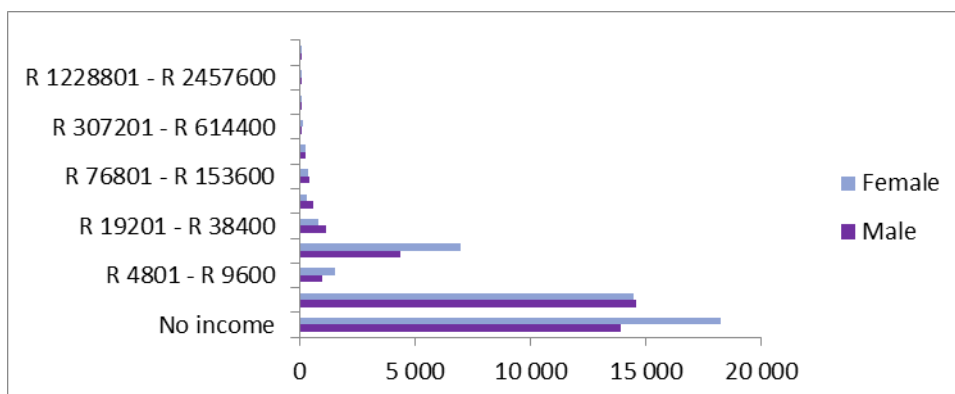


Figure 4 - Average Annual Income by Sex of the Head of Household

The figure above shows a high number of females have no source of income. In middle class income range, there are many females than males. However, as the income range increases, the number of females within those high-income ranges per annum decreases.

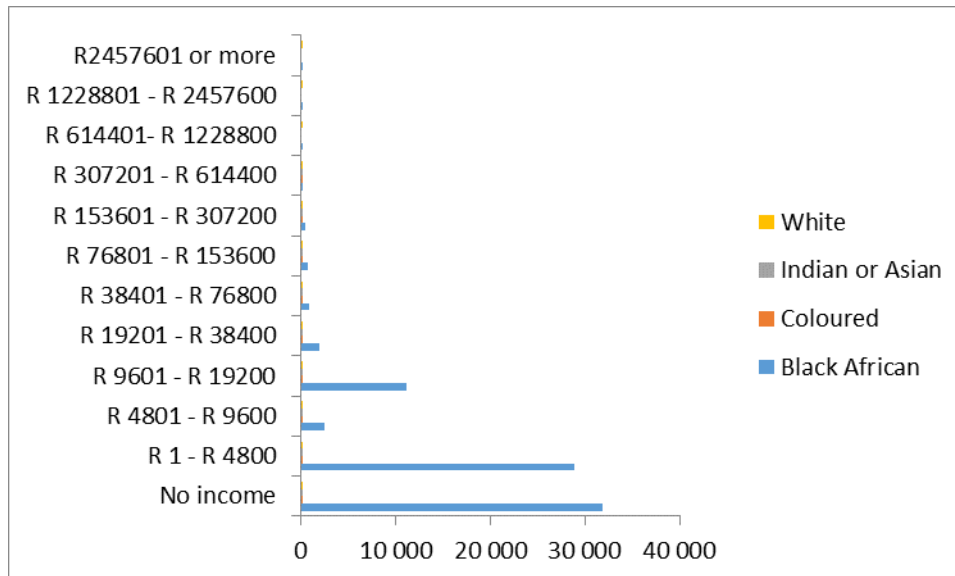


Figure 5 - Average Annual Income by Population Group

EDUCATION PROFILE

Access to educational opportunities is a human right. This is one of the National Development Plan Goals. Through education individuals are prepared for future engagement in the labour market, which directly affects their quality of life as well as the economy of the country. Schools are the building blocks for the learning socialization.

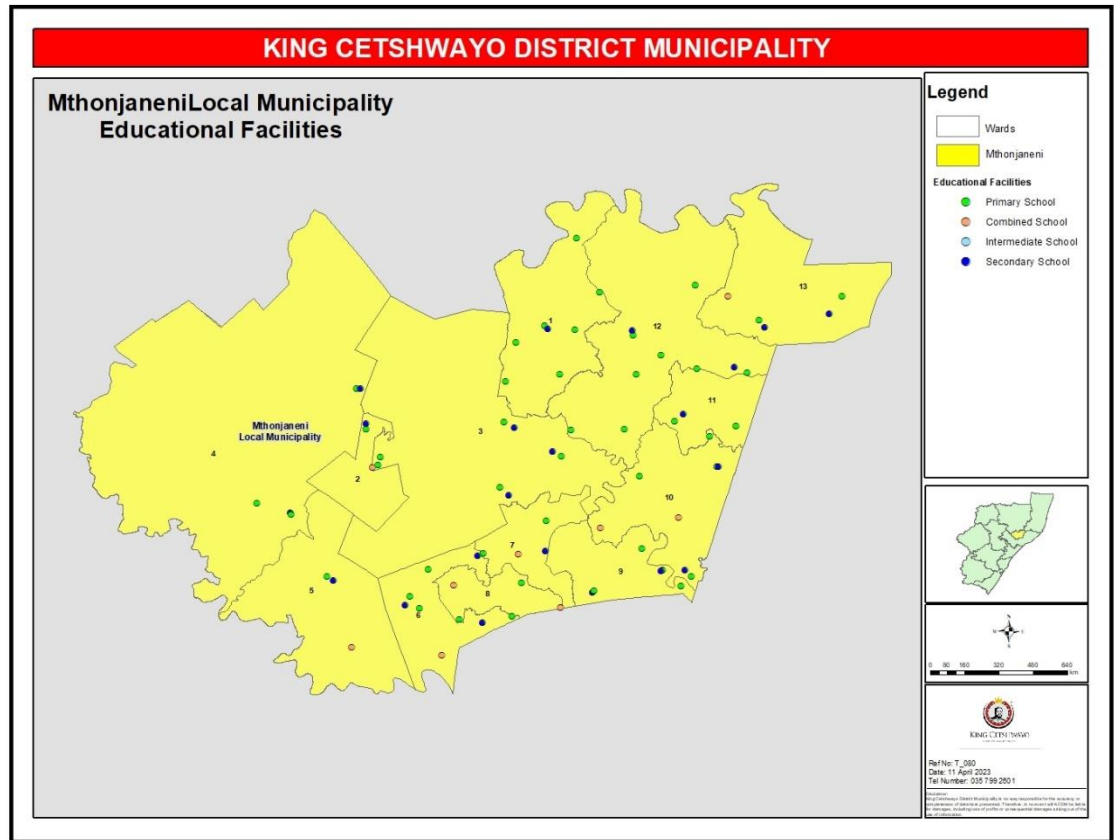
The South African Schooling Act (1996) made schooling compulsory for children aged 7-15 years, while education Laws Amendment Act (2002) set the age admission into grade 1 as the year which the child turns seven. Below a comparative overview of educational attainment and attendance by contributing factors such as population group, age group, sex is examined.

The table below shows that the proportion of persons with no schooling is estimated at 11 000, of which most of them are from the Black African (female) population. The proportion of individuals who have attained grade 12 is approximately 16000 across all population groups. Further it is noted that the proportion of individuals who have attained grade 12 is far much higher than the recorded statistics of tertiary education.

Population group by Highest level of education for Population, Mthonjaneni Local Municipality

	Black African	Coloured	Indian or Asian	White	Other	Unspecified	Total
Grade R/0	2344	13	4	8	-	-	2370
Grade 1/ Sub A/ Class 1	2344	6	0	4	-	-	2353
Grade 2/ Sub B/ Class 2	2679	8	5	5	-	-	2697
Grade 3/ Standard 1/ ABET/ AET 1	2911	3	4	3	-	-	2922
Grade 4/ Standard 2	3335	6	5	9	-	-	3355
Grade 5/ Standard 3/ ABET/ AET	3026	6	5	8	-	-	3045
Grade 6/ Standard 4	3845	11	8	22	3	-	3889
Grade 7/ Standard 5/ ABET/ AET	4755	8	-	3	-	-	4766
Grade 8/ Standard 6/ Form 1	4724	9	5	7	8	-	4752
Grade 9/ Standard 7/ Form 2/ ABET/ AET 4/ Occupational Certificate NQF Level 2	5323	20	3	13	3	-	5363
Grade 10/ Standard 8/ Form 3/ NCV Level 2/ Occupational Certificate NQF Level 2	6475	17	0	11	3	-	6507
Grade 11/ Standard 9/ Form 4/ NCV Level 3/ Occupational Certificate NQF Level 3	7365	25	8	11	3	-	7412
Grade 12/ Standard 10/ Form 5/ Matric/ NCV Level 4/ Occupational Certificate NQF Level 4	16349	88	53	143	11	-	16645
NTC I/N1	18	-	-	-	-	-	18
NTC II/N2	40	-	-	-	-	-	40
NTC III/N3	53	-	-	-	-	-	53
N4/NTC 4/ Occupational Certificate NQF Level 5	90	2	-	17	-	-	110
N5/NTC 5/ Occupational Certificate NQF Level 5	31	-	-	-	-	-	31
N6/NTC 6/ Occupational Certificate NQF Level 5	131	-	-	-	-	-	131
Certificate with less than Grade 12/ Standard 10	76	-	-	-	-	-	76
Diploma with less than Grade 12/ Standard 10	81	1	-	3	-	-	86
Higher/ National/ Advanced Certificate with Grade 12/ Std10/ Occupational Certificate NQF Level 5	147	-	-	-	-	-	147
Diploma with Grade 12/ Standard 10/ Occupational Certificate NQF Level 6	408	7	-	17	-	-	432
Higher Diploma/ Occupational Certificate NQF Level 7	176	-	-	3	-	-	180
Bachelors Degree/ Occupational Certificate NQF Level 8	621	-	-	10	-	-	631
Honours Degree/ Postgraduate Diploma/ Occupational Certificate NQF Level 8	143	-	-	-	-	-	143
Masters/ Professional Masters at NQF Level 9	45	-	-	-	-	-	45
PHD (Doctoral Degrees)/ Professional Doctoral Degree at NQF Level 10	7	-	-	8	-	-	15
Other	179	3	-	7	-	-	189
Do not know	2358	15	3	8	-	-	2384
Not applicable	13828	33	13	30	3	31	13938
No schooling	11778	13	9	27	-	-	11827
Unspecified	2719	8	3	6	4	-	2740
Total	98404	300	129	384	41	31	99289

Table 2 - Population group by Highest of Education



Map 4- Educational Facilities

ACCESS TO WATER AND SANITATION

Water Services Authority

Mthonjaneni Local Municipality is not a Water Service Authority.

King Cetshwayo District Municipality, in terms of the Water Services Act, is the Water Services Authority in respect of its areas of jurisdiction, apart from the City of uMhlatuze which has a WSA status as well. The WSA has a duty to all consumers, or potential consumers, in its area of jurisdiction to progressively ensure efficient, affordable, economical and sustainable access to water supply and sanitation (collectively referred to as water services). As a WSA, King Cetshwayo District Municipality focuses on water services and on providing at least a basic level of service to consumers in its area of jurisdiction.

Water

King Cetshwayo District Municipality as a WSA has a number of initiatives underway, notably:

- Water loss management strategy
- Water meter installation
- Water quality improvement interventions

According to the 2022 Community Survey from StatsSA, Mthonjaneni Municipality has 5 037 (32.7%) households with access to piped (tap) water within the dwelling, where 4 358 (28.3%) have access to piped (tap) water within the yard. Additionally there are 3 088 (20.0%) households with access to piped (tap) water on community stand. It is however alarming that 2 924 (19%) households still have no access to piped water. This means these households depend on streams and rivers as their main source of water supply. This has hazardous impacts on the health of the population and ultimately their economic productivity.

The above is illustrated in the figure below.

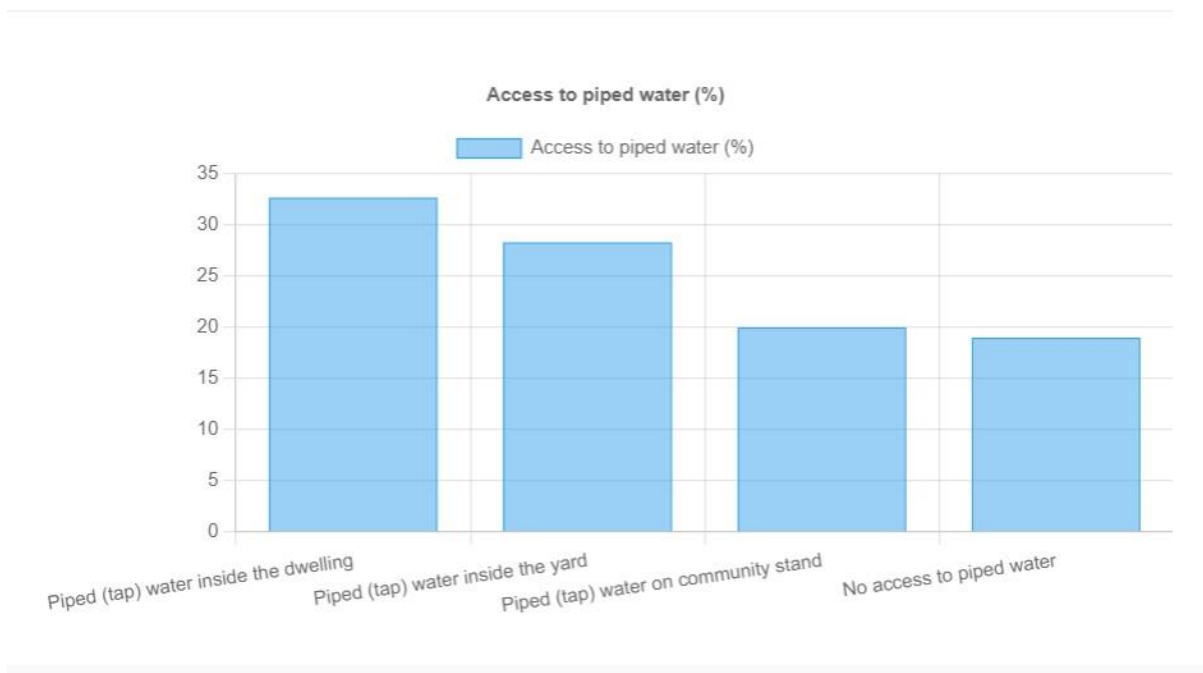


Figure 6 - Access to Piped Water

Name	Number of households	%
Piped (tap) water inside the dwelling	5 037	32,7%
Piped (tap) water inside the yard	4 358	28,3%
Piped (tap) water on community stand	3 088	20,0%
No access to piped water	2 924	19,0%

Access to Sanitation

KCDM has provided basic health hygiene to at least 98.05% of the sanitation backlog population in rural communities in the form of a VIP latrine. Planning for future requirements has been done on the basis of a master planning study that investigated various options on the basis of their economic, technical, environmental, social suitability and cost. According to KCDM Sanitation backlog has been completely eradicated in Mthonjaneni LM.

The table below indicate statistics from the 2022 Community Survey conducted by StatsSA. The below indicates that the majority of the households within Mthonjaneni LM have access to sanitary facilities with almost 4.4% use other unconventional means.

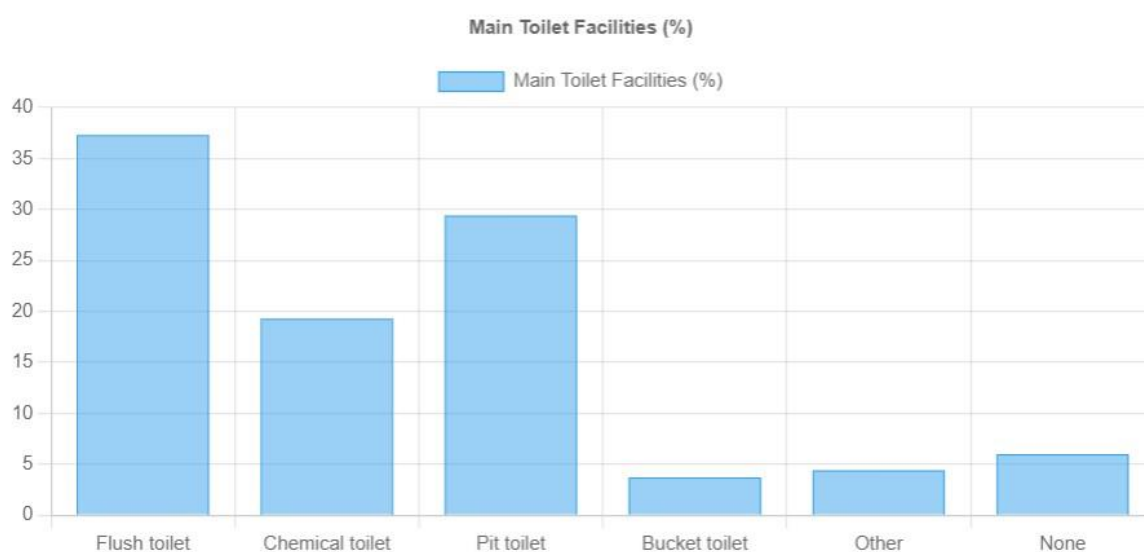


Figure 7 - Main Toilets

Name	Frequency	%
Flush toilet	5 743	37,3%
Chemical toilet	2 967	19,3%
Pit toilet	4 526	29,4%
Bucket toilet	565	3,7%
Other	679	4,4%
None	928	6,0%

CAPITAL PROJECTS UNDER IMPEMETATION

In order to address backlogs in the provision of water and sanitation services, the district municipality is implementing the following projects in the 2023/24 FY.

NO	PROJECT NAME	PROJECT AMOUNT	BRIEF SCOPE	WARDS	VILLAGES	HOUSEHOLDS	PROGRESS %	COMPLETION DATE
1	KCDM/MIG/01/2022: Greater Mthonjaneni SSA 4 2,5ML reservoir	R12 906 676,98	Bulk Water Supply Improvement - Construction of a 2.5 ML Concrete Reservoir.	6	Nogajuka	4792	47%	Contract Terminated due to poor performance by the contractor
2	KCDM/MIG/02/2022: Greater Mthonjaneni SSA 4-Zimela Pump station	R8 461 423,84	Bulk Water Supply Improvement - Upgrading of Pump station 1,2 & 3.	6	Zimela		97%	February 2023
3	KCDM/RBIG/02/2022 - Mthonjaneni SSA 2 Phase 1B2: Construction of Pipelines, 500kl Reservoir and Pumpstation.	R18 155 970,00	Construction of Pipelines, 500kl Reservoir and Pumpstation.	5	Mfanefile	252	34%	Contractor Withdrawn
4	Geza Spring	R3 976 393,99	Development of Geza Spring and Construction of Ogelweni Extension.	11	Geza and Ogelweni	189	100%	November 2023
5	Bhadaza Spring	R2 351 420,36	Development of Bhadaza Spring	3	Bhadaza	61	100%	August 2023
6	Greater Mthonjaneni SSA2 Phase 1B1	R26 356 436,10	Construction of DN315 bulk pipeline and construction of 2 ML concrete reservoir.	5	Mfanefile and KwaMagwaza	275	32%	June 2024

7	KCDM/RBIG/08/2022 - Mthonjaneni SSA 2 Phase 2A: Construction of Pipelines, 2,5ML Reservoir and Pumpstation.	R44 000 000,00	Construction of Pipelines, 2,5ML Reservoir and Pumpstation.	5 & 4	Mfanefile and KwaMaGwaza	384	21%	June 2024
8	Water reticulation extensions at Qomintaba and Khathazo, and rising main at Debe under Mthonjaneni local Municipality	R10 000 000,00	Water reticulation extensions at Qomintaba and Khathazo, and rising main under Mthonjaneni Local Municipality.	4, 10 and 13	Khathaza, Qomintaba and Debe	124	97%	March 2024

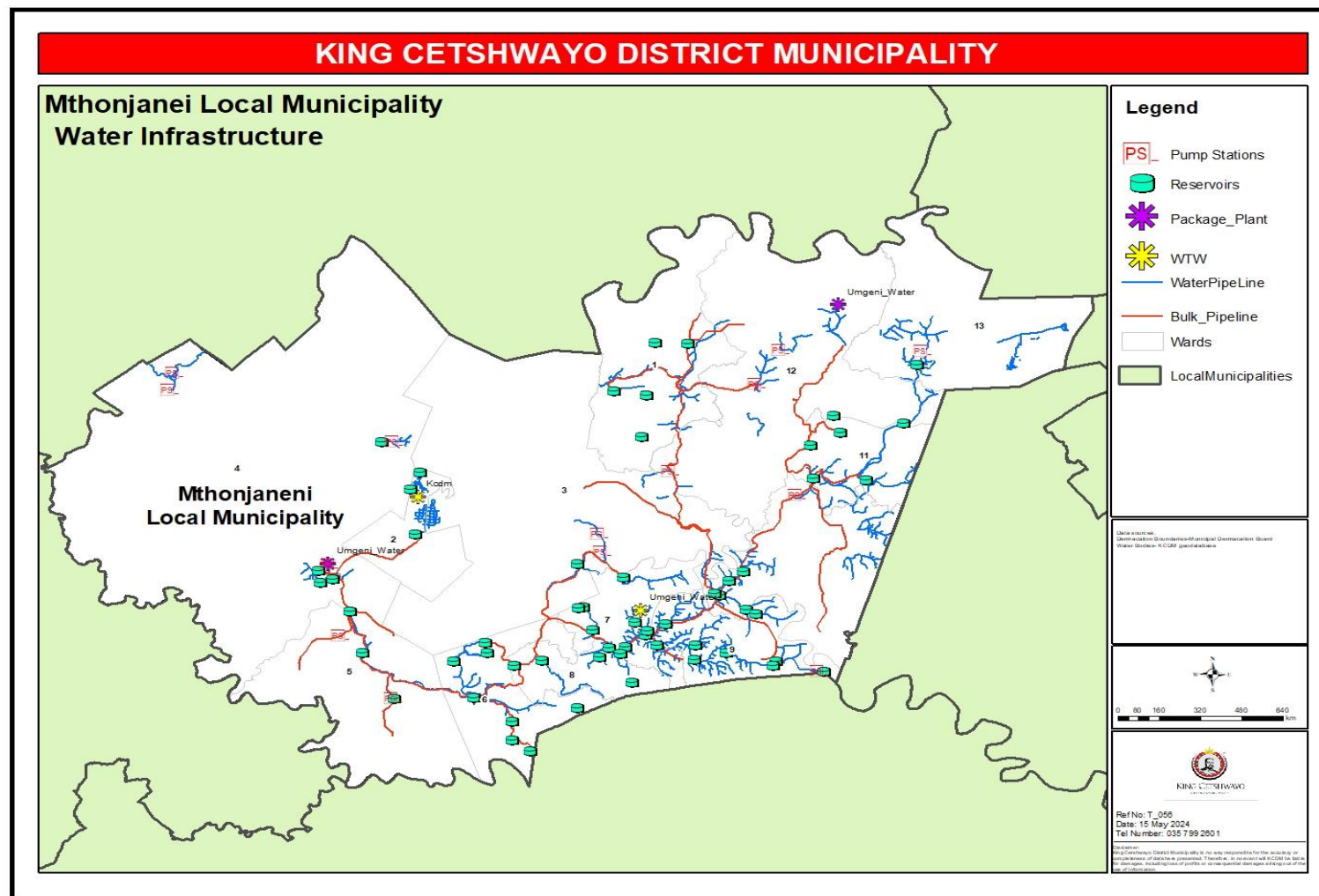
Table 3 - Capital Projects under Implementation

PROJECTS UNDER PLANNING FOR IMPLEMENTATION IN THE CURRENT FY 2023/24

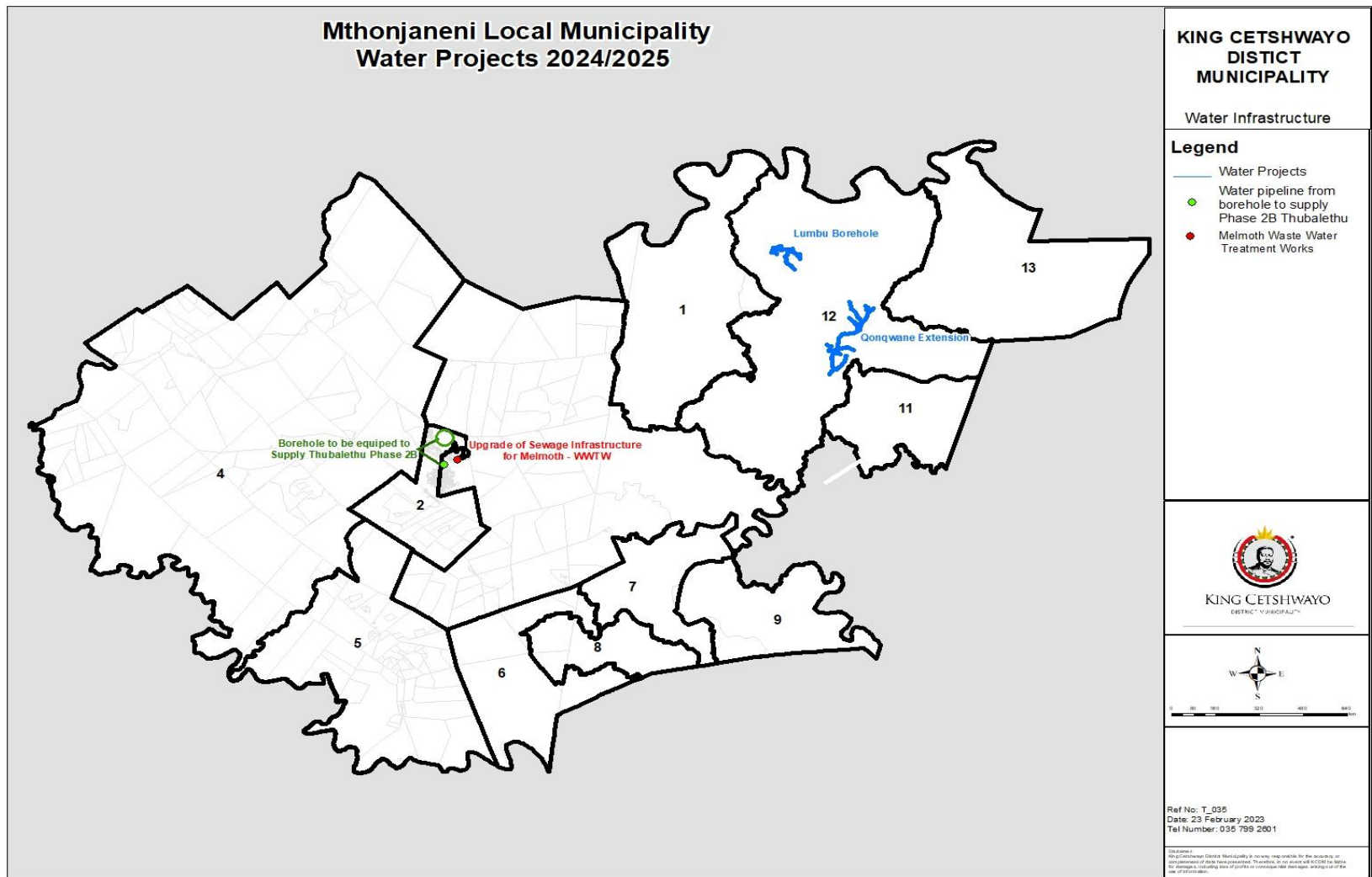
No.	Project Name	Estimated Amount	2024/2025 FY Budget	Beneficiaries	Funder	Ward No.	House Holds No.	Status
1.	Melmoth Sewer Infrastructure: Plant Upgrade	R 8 400 000,00	R 8 173 913,00	Melmoth Town and Thubalethu Township	MIG	2 and 3	2500	Designs and Tender Documents ready for BSC.
2.	Thubalethu Stand Alone Water Supply Scheme and Plant Upgrade	R 63 000 000,00	R 63 000 000,00	Melmoth Town and Thubalethu Township	DHS	2	512	90% in Detailed Designs and Tender Documentation.
3.	Equipping of Lumbi borehole and extension of reticulation network at Qongqwane under Umthonjaneni LM	R 10 320 924,41	R 10 320 924,41	Lumbi and Qongqwane	WSIG	12	120	BPs SAC Letters have been received still waiting for final approval from DWS National Office. Designs are ready,

								Contractors's Allocation will be concluded once the Final BP Approval from DWS have been achieved.

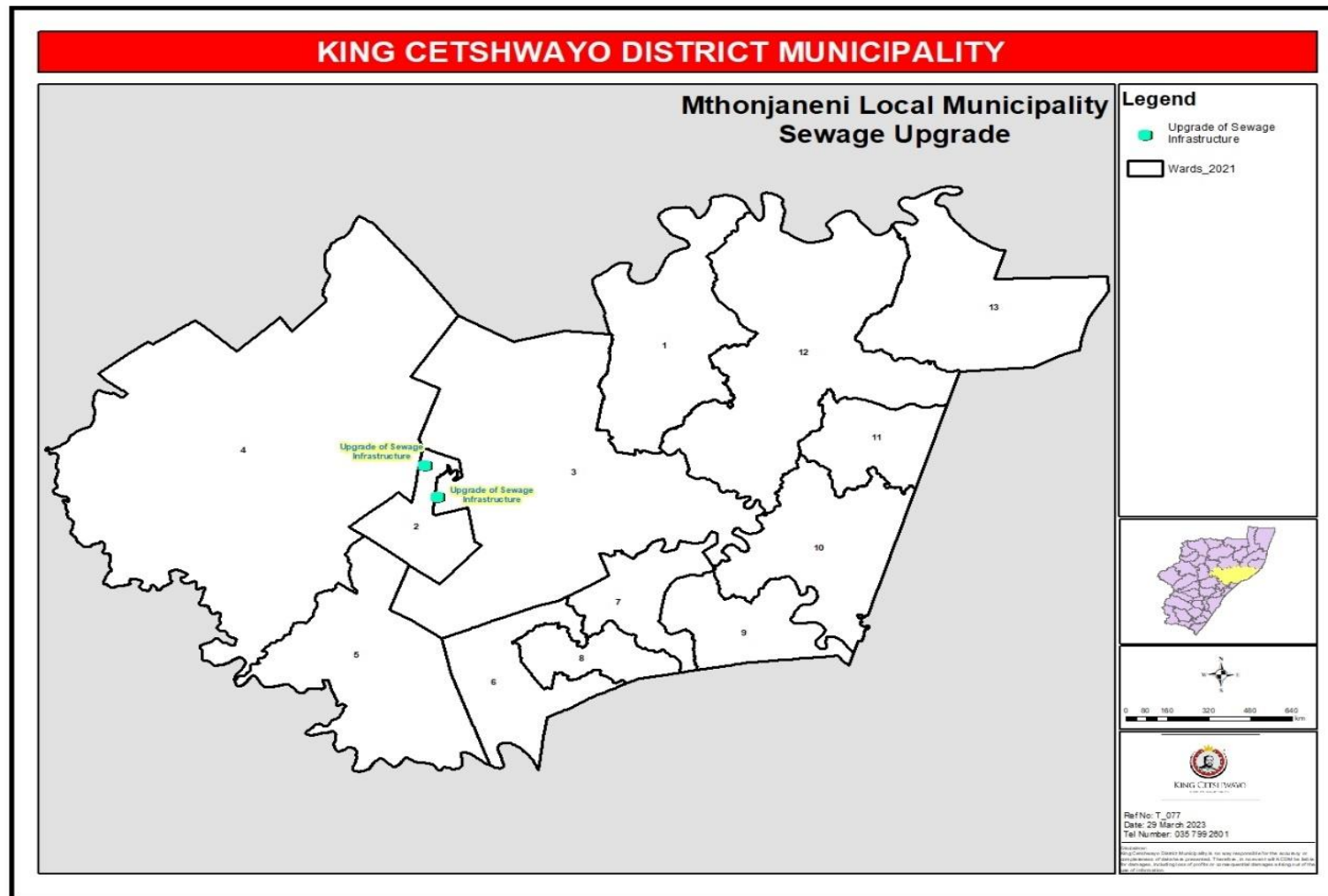
Table 4 - Projects under Planning for Implementation



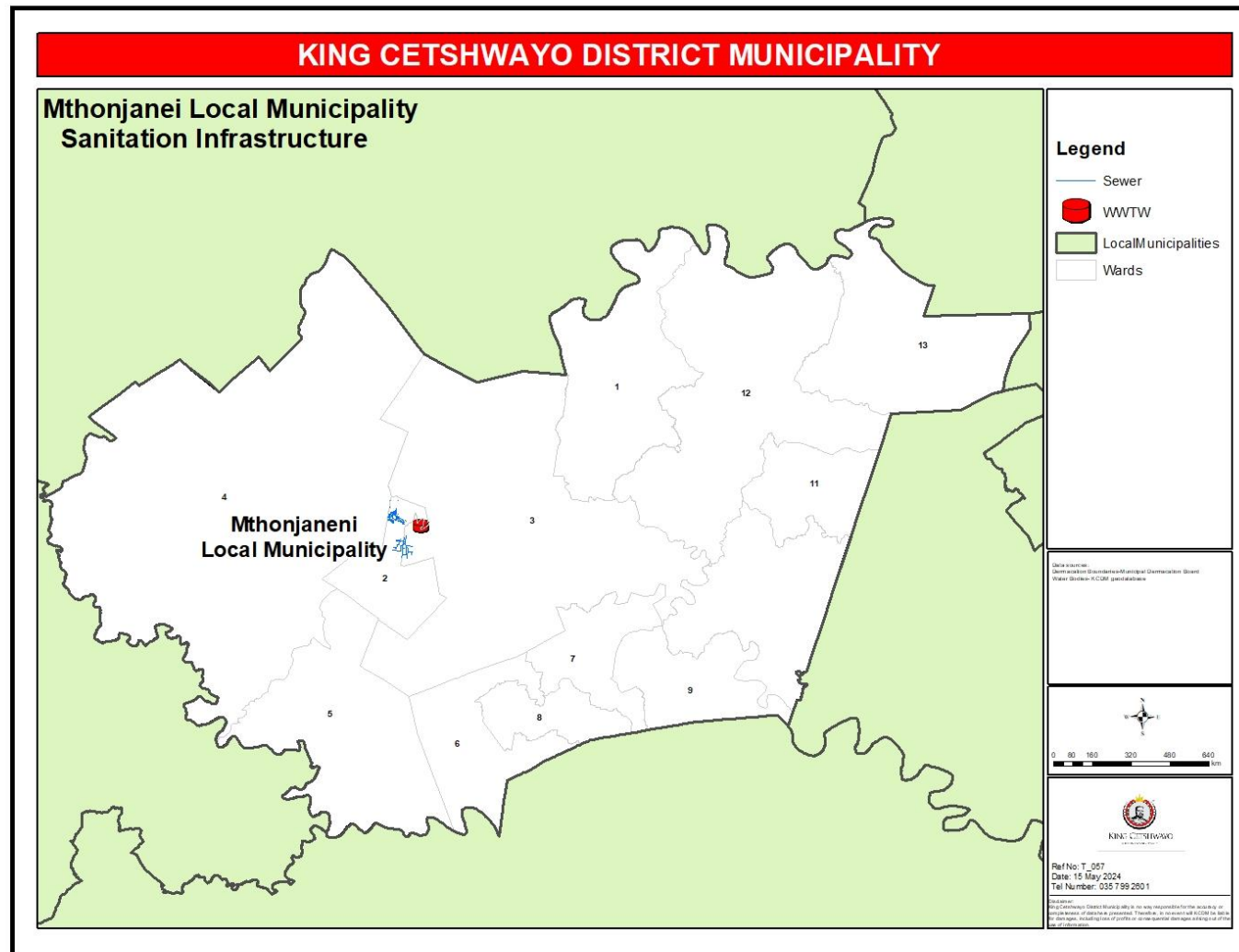
Map 5- Mthonjaneni Water Infrastructure



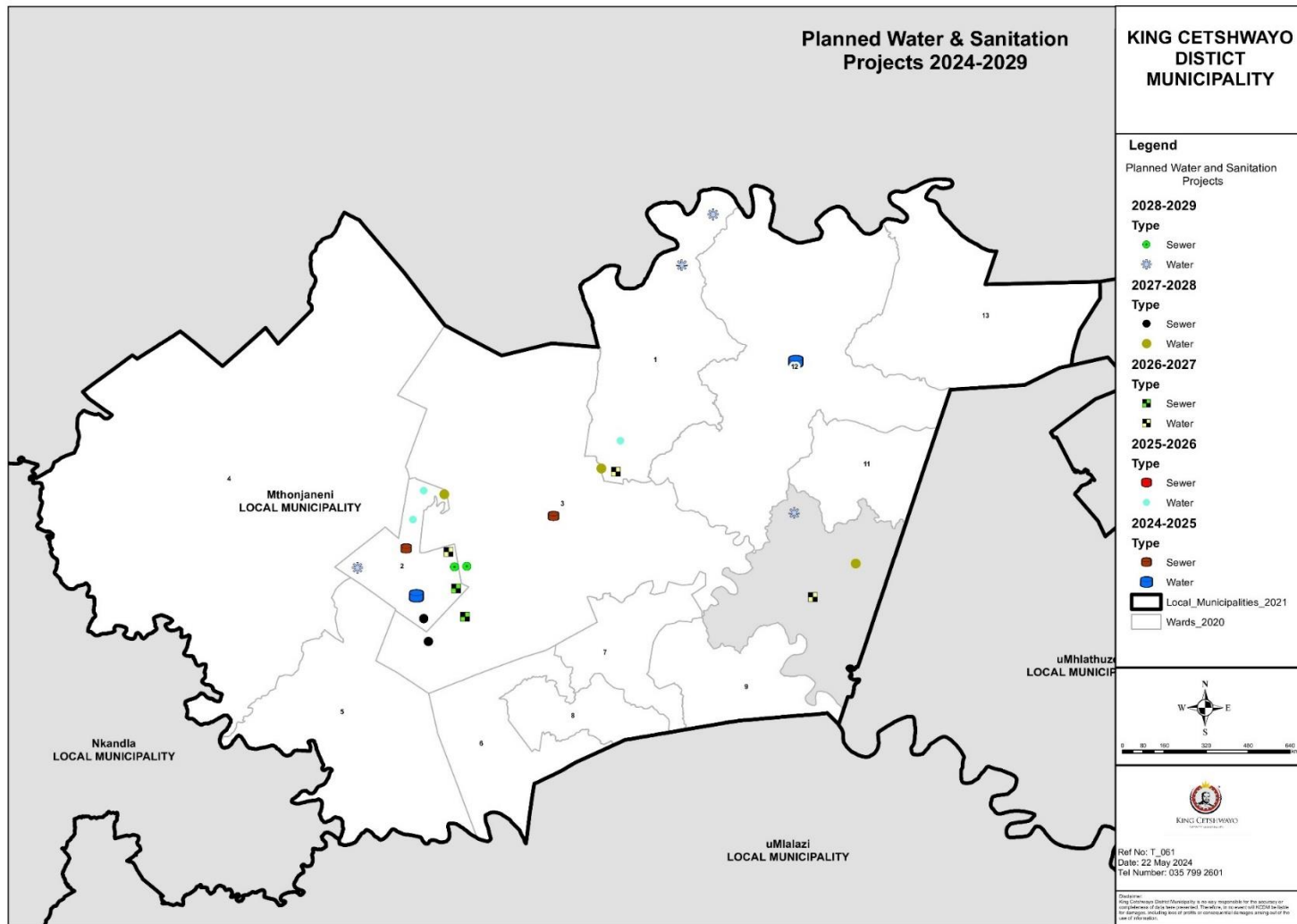
Map 6- Mthonjaneni Water Projects 2024/2025



Map 7- Mthonjaneni Sewage Update



Map 8- Mthonjaneni Sanitation Infrastructure



Map 9- Planned Water & Sanitation Projects 2024-2029

3. HOW WAS THIS PLAN DEVELOPED?

Mthonjaneni Municipality developed the IDP/Budget process plan which guides the development of this plan which was adopted by Council on the 29 August 2023

THE PROCESS PLAN, APPROACH AND THE METHODOLOGY

For the purposes of ensuring certain minimum quality standards of the IDP process including a proper co-ordination between and within spheres of government, the preparation of the Process Plan had been affected in terms of the regulations outlined in Chapter 5 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) MSA. COGTA also has set out a guide for formulation of the Process Plans. The preparation of a Process Plan, which is in essence the IDP preparation process set out in writing, requires adoption by Council and advertisement thereafter.

The plan includes the following:

- An indication of the organizational arrangements for the IDP process.
- Participation of civil communities, organs of state, traditional authorities, and other role players in the IDP drafting process.
- Appropriate mechanisms, processes, and procedures for consultation.
- Mechanisms and procedures for vertical and horizontal alignment.
- A programme specifying the time frames for the different planning steps.
- IDP Meetings.
- Cost estimates for the Planning Process.
- Binding plans and planning requirements, i.e., policy and legislation

2024/2025 ADOPTED IDP BUDGET AND PMS PROCESS PLAN

First Quarter (July - September)

The first quarter of the municipal financial year serves as the commencement of the implementation of the new budget and reviewed IDP while it is the start of the review process of the IDP for the following year. The most significant actions relate to the closure of the financial year that has lapsed. This refers to the annual audit report that needs to be submitted to the Auditor-General, which is normal practice irrespective of the term of Local government.

As part of the financial audit report, or as a separate report, the municipality will need to prepare and submit an annual performance report. This report or a similar report will need to be tabled at a public meeting as per MSA regulations during this period.

The IDP Process Plan will be adopted by the municipality during this period and will for all practical considerations not deviate substantially from year to year.

IDP, PMS and Budget Broad Action Plan

1st Quarter	IDP	OPMS	BUDGET
JULY	▪ IDP implementation (2024/24) ▪ Preparation of the IDP Process Plan for the 2024/25 IDP. ▪ Submission of the IDP Process Plan for assessment and comment by the DCOGTA	▪ 4th quarterly review due 2022/23) ▪ Section 54/56 Employees performance contracts signed.	▪ Approval of budget implementation plan by the Mayor or the Executive.

AUGUST	▪ IDP Process Plan for the 2024/25 IDP preparation finalized and adopted by the Council. ▪ Commencement of IDP Analysis Phase (Ward based consultation sessions) ▪ First IDP Steering Committee Meeting	▪ Launch campaign to publish performance ▪ OPMS citizens report compiled	▪ Municipal Manager to submit annual financial statements to the AG for auditing (MFMA S126) ▪ Mayor to table Budget Timetable
SEPTEMBER	▪ Advertisement of the council adopted process plan (MSA S28) ▪ Continuation of IDP Analysis Phase (internal assessment) ▪ Commencement of IDP Strategies Phase	▪ First quarterly review due ▪ PMS Audit Committee appointed	▪ Determination of revenue projections and draft initial allocations to powers and functions and departments for the 2024/25 Financial Year.

Second Quarter (October - December)

During this period, any new relevant information impacting on the Local Municipality and the IDP will be considered as part of the new IDP preparation. Although there will be changing circumstances throughout the annual business cycle of the municipality this will inform the current status quo of the Municipality and subsequently the revised objectives, strategies, and priority projects.

During this quarter, the draft budgets of national and provincial government should be finalized. This will then serve as the principal action which would inform and initialize the commencement of the Local Municipal budgetary process.

IDP, PMS and Budget Broad Action Plan

2 nd Quarter	IDP	OPMS	BUDGET
OCTOBER	▪ Tabling of the Status Quo Report ▪ Evaluation of changed circumstances ▪ Second IDP Steering Committee Meeting ▪ Continuation of IDP Strategies Phase ▪ Development of sector Plans initiation ▪ District Planners Forum Meeting – November ▪ IDP/Budget Roadshow or Mayoral Imbizo – December (DC 27 and all LMs)	▪ 1st quarterly review due 2024/24 Inform the IDP Preparation Process of KPA, objectives and strategies	▪ Review of national policies and budget plans and potential price increase of bulk resources
NOVEMBER	▪ Continuation of development of objectives and strategies ▪ Commencement of IDP Projects Phase	▪ Inform the IDP Preparation Process of KPA, objectives and strategies	▪ Initial budget review, taking into account the development of IDP objectives, strategies and projects ▪ National and Provincial departments prepare final draft budgets
DECEMBER	▪ Continuation of IDP Projects Phase ▪ Second IDP RF Meeting -December ▪ Completion of Projects Proposals to inform Municipal, Provincial and National budget processes ▪ Third District IDP Alignment Meeting convenes ▪	▪ Inform the IDP Preparation Process of KPA, objectives and strategies	▪ Accounting Officer and senior officials consolidate and prepare proposed budget and plans for 2024/25 FY taking into account previous years' performance as per audited financial statements (commencement of draft budget) ▪ Council approves tariffs for 2024/25 Financial Year

Third Quarter (January - March)

Due to the linkage between the IDP process and the budgeting process, the IDP preparation, which commenced at an earlier, could now more relevantly be drawn to a conclusion. During this period the draft IDP will be approved by the council and, the council approved draft IDP will be advertised for public comments, for the legislative period of 21 days.

As the final budgets of national and provincial government will be done during this period, and the gazetting of these anticipated, the draft IDP document for the next financial year could be presented to council and public as a final draft document.

At this stage, the performance management system will have concluding functions into the IDP. Consideration of the previous four quarters, inclusive of the findings of the annual evaluation of the PMS of the previous financial year will inform the finalisation of the draft IDP.

3 rd Quarter	IDP	OPMS	BUDGET
JANUARY	▪ Continuation of Projects Planning ▪ Continuation of Sector Planning ▪ Commencement of the IDP Alignment phase.	▪ 2nd quarterly review due 2024/24 ▪ Bi-annual report preparation ▪ Tabling of Mid-Year Performance Report to Council. ▪ Table in Council the Annual report of the Municipality for the year ended 30 June 2024.	▪ Review of proposed National and Provincial allocations to the Municipality for incorporation into the draft budget for tabling (Proposed National and Provincial allocations for three years must be made available by 20 January of each year) MFMA s 36 ▪ Review all aspects of budget including any unforeseen & unavoidable expenditure in light of need for an adjustments budget. ▪ Consider mid-year (Sec 71 & 72) Reports, review implementation of budget & SDBIP.
FEBRUARY	▪ Integration of Processes ▪ Third IDP Steering Committee Meeting ▪ Finalization of draft IDP document	▪ Baseline information survey	▪ Tabling of the 2024/24 adjustment budget to Council ▪ Submission to Mayor proposed budgets and Plans for the next three years- budget 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 reports. ▪ Submit the tabled adjustments budget to the Provincial & National Treasury.

MARCH	▪ Third IDP Representative Forum Meeting convenes March 2024 ▪ Adoption of the draft IDP by the council. ▪ Submission of the draft IDP document for assessment by sector departments	▪ Finalization of baseline information survey ▪ Consider & approve, reject or refer back the annual report at a Council meeting. ▪ Adopt an oversight report providing comments on the annual report.	▪ Table in Council the annual budget and all supporting documents ▪ Accounting Officer publishes tabled budget, plans and proposed revisions to IDP, invites public comments and submits to National Treasury (NT) and Provincial Treasury (PT) MFMA S22 & 37; MSA Ch 4 as amended ▪ Review of changes in prices for bulk resources as communicated by 15 March – MFMA s 42 ▪ 90day municipal budget process commences – MFMA s 16, 22, 23, 87; MSA s 34

Fourth Quarter (April - June)

During this period, the national and provincial government departments should gazette its allocations to the respective municipalities, which could be regarded as part of the comments received on the final draft IDP document. With this information officially available to municipalities, the IDP process could accurately be concluded and adopted by council. The budget, as an integral part of the IDP, could now be finalized as per the relevant legislation.

One of the principle reasons for finalizing the IDP during this quarter, and not the previous quarter, is the time gap between the end of March and the beginning of July (the new municipal financial year). It is anticipated that only minor changes will occur during the fourth quarter, but it will ensure that all the information in the IDP is up to date when its implementation starts.

The IDP will be submitted to the MEC during the month of June and this will allow the municipality the next three quarters to consider the comments by the MEC as part of its next review.

The final budget will be adopted at the same time as the IDP and it is proposed that the budget and the IDP include clear cross reference to each other.

4 th Quarter	IDP	OPMS	BUDGET
APRIL	▪ Advertisement of the draft IDP Review (21-day notice period) ▪ Assessment of the IDP by sector departments ▪ Feedback consultation session ▪ Forth IDP Steering committee Meeting ▪ Consideration of inputs following 21-day notice period ▪ District IDP RF Meeting – April 2024	▪ 3rd quarterly review due ▪ Submit the Annual report & the oversight report to the Provincial Legislature. ▪ Publicize the oversight report.	▪ 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 ▪ Consultation with National and Provincial treasuries to finalize sector plans for water, sanitation, electricity etc – MFMA s 21 ▪ Review quarterly projections for period ending 31 March 2024 for service delivery and Budget Implementation Plan and compare actual performance to objectives, in conjunction with preparation of section 52 reports.
MAY	▪ Fourth IDP RF Meeting ▪ Consideration of gazetted budgets from National and Provincial Government Departments ▪ Consideration of inputs from assessment by sector departments	▪ Service Delivery and scorecards targets set for the next financial year ▪ Annual strategic targets broken down to quarterly targets	▪ Public hearings on the budget and Council debate ▪ Council considers views of the community, NT, PT and other Provincial and National organs of the state and municipalities ▪ Accounting Officer assists the Mayor in preparing the final budget documentation for consideration and approval at least 30 days before the start of the budget year taking into account consultative

	▪ Council adoption of 2024/25 IDP/Budget document		processes and any other new information of material nature ▪ Mayor to be provided with an opportunity to respond to submissions during consultation budget amendments for Council consideration ▪ Council to consider approval of budget and plans at least 30 days before start of budget year – MFMA s 23, 24, MSA Ch 4 as amended
JUNE	▪ Advertisement of the council adopted IDP. ▪ Submission of Council adopted IDP document to the MEC for noting and comment.	▪ Approval of services and strategic scorecard targets ▪ Review and conclusion of HOD performance contracts ▪ Audit Committee meeting for informing the annual performance report.	▪ Council to 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 expenditure by vote before start of budget year – MFMA s 213, 24: MSA Ch 4 as amended ▪ Accounting Officer of the Municipality publishes adopted budget and Plans – MFMA s 69; MSA s57 ▪ 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 ▪ The Mayor approves the SDBIP within 28 days after approval of the budget and ensures that annual performance contracts are concluded in accordance with s 57 (2) of the MSA. ▪ submits the approved SDBIP and draft performance agreements to the Mayor for the submission to MEC for Local Government and

			makes public within 14 days after approval – MFMA s 53; MSA s 38-45, 57 (2) ▪ Council finalizes a system of delegations – MFMA s 59, 79, 82; MSA s 59-65

Table 5 - IDP, PMS, Budget Process Plan

TIME SCHEDULE OF KEY DEADLINES

Mayor to Table in Council 10 Months Prior to Start of Budget Year

	Mayor and Council	Administration - Municipality
July	Mayor begins planning for next three-year budget in accordance with co-ordination role of budget process MFMA s 53 Planning includes review of the previous years' budget process and completion of the Budget Evaluation Checklist	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
August	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	
September	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 alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads, etc)
October		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
November		Accounting officer reviews and drafts initial changes to IDP MSA s 34
December	Council finalises tariff (rates and service charges) policies for next financial year MSA s 74, 75	Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous years performance as per audited financial statements
January	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)	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) MFMA s 36
February	Council considers municipal entity proposed budget and service delivery plan and accepts or makes recommendations to the entity MFMA s 87(2)	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 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)
March	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
April	Consultation with national and provincial treasuries and finalise sector plans for water, sanitation, electricity etc MFMA s 21	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
May	Public hearings on the budget, and council debate. 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 to consider approval of budget and plans at least 30 days before start of budget year. 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 recommendations of the council of the parent municipality MFMA s 87	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
June	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 before start of budget year 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 s 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	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

IDP PUBLIC PARTICIPATION

Public participation is important to determine the community needs in relation to the developmental priorities during the public meetings and information gathering. Mthonjaneni Municipality utilizes the following mechanisms for public participation when developing and implementing its IDP:

- ❖ **IDP Representative Forum:** This forum represents all stakeholders and key interested and affected parties. This includes the ward committees, Amakhosi, Non-Governmental Organizations (NGOs), Community Based Organizations (CBOs), etc.
- ❖ **Media:** Local newspapers are used to inform the public about progress with the IDP and to invite comments on the process plan, draft IDP and final adoption of the IDP.
- ❖ **Radio Slots:** The community radio station is used to make public announcements where necessary and for the feedback to the community
- ❖ **Municipal Website:** In the Municipal Website the Notices are posted and copies of Municipal Strategic Document like IDP, Budget and SDBIP are obtained.
- ❖ **Ward Committees:** The Municipality has 13 wards, and each has 10 ward committee members who assist in disseminating information from the Municipality to the Community and visa versa.
- ❖ **Posters:** Any of these is used to communicate the IDP and Budget related activities to the communities.

Mthonjaneni Municipality embarked in the community consultation in the form of Roadshows, the Municipality conducted the first round of roadshows when they were presenting the process plan and listening to the needs of the community. After the adoption of Draft Budget in March 2024, the municipality will embark on the second round which is mainly for the presentation of Draft Budget and Draft IDP to the communities and traditional authorities:

FIRST ROUND IDP ROADSHOWS

The municipality conducted the first round of IDP Roadshows adhered to the following schedule and the attendance registers are attached as an annexure.

NO.	DATE	VENUE	TIME
1.	10 October 2023	Ntombokazi Community Hall	10H00
2.	19 October 2023	Siyavuna Community Hall	10H00
3.	02 November 2023	Ncemane Community Hall	10H00
4.	09 November 2023	Mfanefile Community Hall	10H00
5.	06 December 2023	Thubalethu Community Hall	17H00
6.	30 November 2023	KwaSanguye Tribal Court (JOINT IDP ROADSHOW- KCDM)	10H00

Table 7 - Round One IDP Roadshow Schedule

SECOND ROUND ROUND IDP ROADSHOWS

The Municipality conducted the second round of IDP Roadshows, the main aim was to present the draft IDP and Budget to the community. This round included the engagement with **AMAKHOSI** Asendlunkulu. These community engagements were coupled with the opening of Municipal Facilities

NO.	DATE	VENUE	TIME
1.	30 April 2024	Municipal Council Chambers	8H00
2.	30 April 2024	Melmoth Rugby Field – (All Wards)	10H00
3.	10 May 2024	Bedlane (Nkantini) Community Hall	12H00
4.	14 May 2024	Lwazilwethu Creche	12H00
5.	17 May 2024	Mahehe Creche, Ward 1	12H00
6.	20 May 2024	Njomelwane Community Hall	12H00
7.	23 May 2024	Emkhandlwini Community Hall	8H00

Table 8 - Round Two IDP Roadshow Schedule

MEC Comments for 2023/2024

Mthonjaneni Municipality acknowledges with appreciation the MEC Comments made on the 2023/24 adopted Intergrated Development Plan. The letter was received and acknowledged by His Worship the Mayor, the IDP Unit started zooming in to the issues and developed the Action Plan on how the Municipal Departments can best address the Gaps that were identified by the MEC.

Having mentioned the above, this review will also of Mthonjaneni IDP is drafted along the seven Provincial Growth and Development Strategy (PGDS) goals (revised 2016 PGDS). Lastly, the IDP will also link the goals listed below with the Key Performance Areas.

The 7 PGDS goals are:

- Inclusive economic growth.
- Human resource development.
- Human and community development.
- Strategic infrastructure.
- Environmental sustainability.
- Governance and policy; and
- Spatial equity.

KEY PERFORMANCE AREA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Assessment Finding	Action	Target date	Owner
1. To provide more information on the implementation of the Retention Policy	The Retention Policy will be reviewed to include all staff members as the old one was only focusing on scarce and critical skills.	31 May 2024	Director Corporate Services/ HR Manager
2. Ensure that the Skills Retention policy is applied stringently to ensure that the Section 56 posts all remain occupied	The Retention Policy will be reviewed to include the Section 54/56 Managers but in line.	31 May 2024	Director Corporate Services/ HR Manager

KEY PERFORMANCE AREA 2: BASIC SERVICE DELIVERY

Assessment Finding	Action	Target date	Owner
1. Municipality liaise with the District as the Water Service Authority (WSA) to access information such the KZN Water Master Plan in order to update and augment the data in the IDP	The municipality will access the required information with the assistance of basic service delivery KPA champion.	31 March 2024	DTS/PMUM
2. The Municipality is also reminded to prioritize the development of the Local Integrated Transport Plan (LITP) as stipulated in the National Land Transport Act (NLTA) of 2009.	King Cetshwayo District Municipality had committed to assist the Municipality in the development of Local Integrated Transport Plan, however due to nationwide budget cuts by Treasury the Municipality cannot assist in the current Financial Year but will assist the Municipality in 2024/2025 FY	30 June 2025	DTS/SMP

KEY PERFORMANCE AREA 3: LOCAL ECONOMIC DEVELOPMENT

Assessment Finding		Target date	Owner
1. The Municipality needs to finalize the updates on the Local Economic Development (LED) Strategy and submit it to the MEC	The LED Strategy was adopted by council in May 2023	31 May 2023	Manager LED
2. The Strategy among its activities is to identify underutilized infrastructure, that can be repurposed for LED related uses	The LED Strategy is under review to reflect on these underutilized facilities to be repurposed	31 May 2023	Manager LED

KEY PERFORMANCE AREA 4: FINANCIAL VIABILITY & MANAGEMENT

Assessment Finding	ACTION	Target date	Owner
1. Improvement is still required in the debt management area as information relating to bad debt provision and bad debt which has been written-off has not been disclosed	The Finance Department has included the section in the IDP	31 March 2024	CFO

KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Assessment Finding	ACTION	Target date	Owner
1. With regards to Intergovernmental Relations (IGR), relook at various options of engagement with sector departments, e.g., one-on-one engagements, attendance of District Municipality sector meetings, to improve Sector Department participation in IGR Forums	The Municipality has been engaging with the Sector Departments in different platforms. Proof will be	31 March 2024	All Departments

	provided with the Final IDP		
2. With respect to the identification and discussions of the Good Governance KPA challenges in the Executive Summary (Chapter A) and in the Good Governance and Public Participation Chapter of the IDP, the challenges do not align with the Strengths, Weaknesses, Opportunities & Threats (SWOT) analysis. There should be a link and flow in discussions of challenges mentioned in Chapter A, the good governance status quo in the Good Governance chapter and the concluding good governance SWOT analysis and the good governance challenges identified.	This has been taken into consideration and sections updated as recommended	31 March 2024	DCS, MCS and IDP

KEY PERFORMANCE AREA 6: CROSS CUTTING INTERVENTION

Assessment Finding		Target date	Owner
1. It would be beneficial for the Municipality to undertake separate engagements for the SDF and not combine it with the IDP road shows. To advocate for the public to understand the importance of the Spatial Planning through the SD and its linkages with the IDP	The SDF will be updated accordingly	31 March 2024	DTS AND SMP
2. I advise the Municipality to establish contextual environmental tools such as the EMP and the Strategic Environmental Assessment (SEA) that are specific to its SDF	The SDF will be updated accordingly	31 March 2023	Acting Director Technical Services
3. I note that the current SDF does not consider areas for the implementation of the national or provincial inclusionary housing policy. The Municipality is advised in the next review to consider the identification of portions of land within the existing residential areas or as part of future housing development areas where either National or Provincial Inclusionary Housing Policy may be applicable to ensure that the housing supply made available within the long-term is affordable for various socio-economic groups. This has not been thoroughly addressed in the SD given that the current housing analysis is exclusive to high- income housing typologies even though certain areas have been earmarked for such housing typologies.	The SDF will be updated accordingly	31 March 2023	Acting Director Technical Services
1. The Municipality is advised to look into appointing/hiring an environmental officer who will assist with the environmental issues and possibly assist with the integration/inclusion of the	The Municipality has created the position of the Environmental Officer in	31 March 2024	MM, DTS and DCS

environmental issues and related programs/projects into the Integrated Development Plan (IDP) and also facilitate the environmental education/awareness / engagement with the communities situated within the municipal area.	the organogram and this position will be funded in the Municipality's budget for the 2024/2025 financial year. The Environmental Officer will be responsible for developing and implementing environmental policies such as Environmental Management Plan, Strategic Environmental Assessment and monitoring environmental performance and ensuring compliance with environmental regulations. The position will also play a key role in raising awareness about environmental issues and promoting sustainable practices within the municipality and the community		
1. The Municipality is also advised to develop a Climate Change Adaptation Strategy (CCAS) which must include an action plan to be used by the Municipality to respond to the future climate change incidences within its municipal area.	The Municipality will appoint the Environment officer who will then develop this plan, the draft	31 March 2024	Director Technical Services
2. The Municipality must compile its Disaster Management Plan that is in line with the NDMC guidelines and submit an updated disaster management sector plan as required. the Municipality is advised to also refer to Fire Brigade Services Act No. 99 of 1987 (including all relevant disaster management & and fire policy imperatives) since the Municipality is mandated to implement both legislations. the Municipality must drastically improve the development of disaster maps and the inclusion thereof in the DMSP, IDP and SDF. The IDP has substantial disaster management information but lacks disaster risk maps.	The plan has been reviewed accordingly	31 March 2024	AFDR and DCOMMS

3. The Municipality is advised to include more disaster management and fire programmes and projects in the SDBIP including the budget to improve fire services and procurement of relevant humanitarian relief materials to ensure effective disaster response.	The Municipality is awaiting the results from Stats SA. Since the Municipality does not have the GIS Internally, the Municipality is using the services of the KCDM GIS	31 May 2024	Director Community Services

STRATEGIC THRUSTS

Assessment Finding	ACTION	Target date	Owner
1. In line with Appendix F please prepare an implementation progress report for Year 3 Review (2024/2025), as per Appendix G of the Reviewed IDP Framework Guide. These will be in line with the catalytic projects identified in the assessment.	This will be based on the approved Budget and SDBIP and will be included in the Draft and Final IDP	31 May 2024	IDP/PMSM

IMPLEMENTATION OF DDM PROGRAM

Assessment Finding	ACTION	Target date	Owner
1. The Municipality is requested to demonstrate alignment between the IDP with the National, Provincial and District Priorities in One Plan at both Process and Programme/Project Level.	The information will be factored in the IDP	31 March 2024	IDP/PMSM

Table 9 - MEC Comments Action Plan

**2022/23 AUDITOR GENERAL'S FINDINGS, MANAGEMENT RESPONSE AND AG
ACTION PLAN**

MTHONJANENI LOCAL MUNICIPALITY – AUDIT ACTION PLAN 2022/2023 FINANCIAL YEAR

Type of Opinion Current Year (2022/2023) Obj : Unqualified

Type of Opinion Previous Year (2021/2022) : Unqualified

INTRODUCTION

For an action plan to properly produce the desired results, the transactions need to be divided into the two main classes:

- (a) Financial Matters – which can be addressed in retrospect.
- (b) Non-financial Matters – This may not be adjusted in retrospect. For example, if a deadline was not met, nothing can be done in retrospect, but measures must be in place to avoid that in future.

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024																					
1	Indigents with no access to free basic electricity	While performing the audit procedures for predetermined objectives (AOPQ), it was noted that the reported actual achievement for the number of households with access to indigent free basic electricity as per the APR is not accurate. Some of the indigents on the revised register did not actually receive free basic electricity monthly and they are in the rural areas where there is no electricity connection. Furthermore, information on electricity consumption in these households, showing that they are actively using/receiving free basic electricity could not be provided as they do not have electricity municipal account or Eskom account. The following bears reference (It must be noted that the below list is a sample and not exhaustive) Performance Indicator: B7.1.2 <table><tr><th>Performance indicator</th><th>APR Annual Target</th><th>APR Actual achievement</th></tr><tr><td>Number of households with access to indigent electricity</td><td>3046 households with access to indigent free basic electricity monthly</td><td>3046 households have access to indigent free basic electricity monthly</td></tr></table> <table><tr><th>No</th><th>Surname</th><th>Name</th><th>ID</th><th>Residential address</th></tr><tr><td>1</td><td>MTHEMBU</td><td>NONHLAHL A</td><td>8705021192089</td><td>ETHUBALETHU (Phase 02)</td></tr><tr><td>2</td><td>BIYELA</td><td>SIZAKELE</td><td>6202200816086</td><td>KWAYANGUYE AREA</td></tr></table>	Performance indicator	APR Annual Target	APR Actual achievement	Number of households with access to indigent electricity	3046 households with access to indigent free basic electricity monthly	3046 households have access to indigent free basic electricity monthly	No	Surname	Name	ID	Residential address	1	MTHEMBU	NONHLAHL A	8705021192089	ETHUBALETHU (Phase 02)	2	BIYELA	SIZAKELE	6202200816086	KWAYANGUYE AREA	Management should ensure that adequate reviews of the annual performance report takes place prior to submitting for auditing in order to ensure that reported information is accurate and complete. Management should review the indigent register on an annual basis to confirm that it is accurate and complete, and it includes only the households that have access to free basic electricity.	Management Notes the finding, the municipality is still investigating the gaps identified.	
Performance indicator	APR Annual Target	APR Actual achievement																								
Number of households with access to indigent electricity	3046 households with access to indigent free basic electricity monthly	3046 households have access to indigent free basic electricity monthly																								
No	Surname	Name	ID	Residential address																						
1	MTHEMBU	NONHLAHL A	8705021192089	ETHUBALETHU (Phase 02)																						
2	BIYELA	SIZAKELE	6202200816086	KWAYANGUYE AREA																						

No.	Audit Query	Detailed Audit Query					Recommendations	Audit Response	Action to date-February 2024
		3	BIYELA	HLEZIPHI	4608250453087	KWAYANGUYE RESERVE			
		4	NZUZA	FIKILE	7612252202085	MAHHEHHE AREA			
		5	NLULE	THANDIWE	6808150683084	MFANEFILE AREA			
		6	MTHIMKHULU	NELISIWE	7402220956081	MFANEFILE AREA			
		7	MNGUNI	MARIA	6702150900087	MFANEFILE AREA			
		The above results in overstatement of performance information reported on the annual performance report							
2	Consultants: Management did not develop a consultancy reduction plan on consultant	During the determination to confirm the use consultants is properly planned and consultants are not used to replace internal capacity, by inquiry of the municipal personnel it was determined that the municipality does not have a consultancy reduction plan in place. Without such a consultancy reduction plan in place, the resources of the municipality may end up not being used effectively, efficiently, and economically as cost containment measures are not implemented nor planned for. When trying to determine if the contract price is above not above the tendered price, the auditors were unable to obtain the contract price as there is currently no agreement in place between the consultants (CCG) and the municipality. Based on the above, it can be concluded that the accounting officer did not ensure transparency in this regards as the auditors were not able to obtain the contract price due to the fact that there is no contract in place. The auditors, did note that the council made a decision to approve the contract on month to month basis. In addition to this, it was noted that the municipality disclosed the costs incurred in relation to CCG as irregular expenditure.					Management should develop a consultancy reduction plan to ensure reduction of reliance on services provided by consultants. Management should make attempts to agree with the consultant on the amount to be charge for the services to be provided.	Finding noted, the municipality agrees with the consultants on fees involved during the work they do for the municipality. The municipality has further accommodated the process of use of consultants in its cost containment policy that would assist in reducing the dependency on consultants.	CFO. Mr N M Myen- -the municipality is in the process to appoint Risk and financial reporting accountant for AFS preparation with the purpose reducing high dependency on consultants.

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024																																				
3	Procurement and Contract Management: Construction contracts awarded to supplier with a CIDB grading lower than the grading specified for the tender	during the audit of procurement and contract management relating to the construction contracts awarded it was noted that the invitation for tender for construction works contract did not stipulate the minimum category which the bidders must be registered at with the CIDB in order to qualify evaluation. The following awards bears reference: <table border="1"> <thead> <tr> <th>Supplier name</th><th>Description</th><th>Value of contract</th><th></th><th></th><th></th></tr> </thead> <tbody> <tr> <td>Asiphoxi</td><td>Renovations</td><td>R 99 650</td><td></td><td></td><td></td></tr> <tr> <td>Nozigangi</td><td>Renovations</td><td>R126 008</td><td></td><td></td><td></td></tr> <tr> <td>Thokomela Engineering (pty) Ltd</td><td>Electrification of Esidakeni</td><td>R 6 221 457.19</td><td></td><td></td><td></td></tr> <tr> <td>BI Infrastructure</td><td>Construction of Bedlane Community Hall</td><td>R 5 880 443.01</td><td></td><td></td><td></td></tr> <tr> <td>ZLM Projects</td><td>Electrification of Noziphiva</td><td>R 9 500 000</td><td></td><td></td><td></td></tr> </tbody> </table> The above results in non-compliance with CIDB regulation 25(1).	Supplier name	Description	Value of contract				Asiphoxi	Renovations	R 99 650				Nozigangi	Renovations	R126 008				Thokomela Engineering (pty) Ltd	Electrification of Esidakeni	R 6 221 457.19				BI Infrastructure	Construction of Bedlane Community Hall	R 5 880 443.01				ZLM Projects	Electrification of Noziphiva	R 9 500 000				Management should perform thorough reviews of SCM documentation at all stated of the procurement process to ensure that the process as followed is as per the municipality's SCM policy and is aligned with CIDB regulations 25(1)	Finding noted. Asiphoxi and Nozigangi did some value adding work on building being dry wall partitioning and floor tiles. The work involved was not taken as construction since there is no additional walls or roof involved. Thokomela Engineering, BI Infrastructure and ZLM Projects were appointed to implement project while they are on the municipal panel of engineers. This is concluded with the hope that they will appoint a construction company with necessary credential including CIDB grading as a sub-contractor.	CFO. Mr. N M Myeni -CIDB requirement has been incorporated to the SCM checklist for tenders.
Supplier name	Description	Value of contract																																							
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ZLM Projects	Electrification of Noziphiva	R 9 500 000																																							
4	Construction contracts awarded to supplier not registered with CIDB	During the audit of procurement and contract management (construction contracts) it was noted that tenders or quotations relating to construction works were awarded to service providers who are not registered with the CIDB or holds a valid registration certificate issued by the CIDB. Upon scrutiny of the supporting documentation submitted for audit, no evidence could be obtained regarding the registration with the CIDB. In addition to the above, the auditors performed a search on the CIDB to confirm whether the respective suppliers are registered to undertake, carryout or complete nay construction related work and no valid registration could be confirmed. The following awards relating to construction works were awarded to service provided who are not registered with the CIDB: <table border="1"> <thead> <tr> <th>Supplier name</th><th>Description</th><th>Value of award</th><th></th><th></th><th></th></tr> </thead> <tbody> <tr> <td>Asiphoxi</td><td>Renovations</td><td>R 99 650</td><td></td><td></td><td></td></tr> </tbody> </table>	Supplier name	Description	Value of award				Asiphoxi	Renovations	R 99 650				Management should perform thorough reviews of SCM documentation at all stated of the procurement process to ensure that the process as followed is as per the municipality's SCM policy and is aligned with CIDB regulations 25(1)	Finding noted. Asiphoxi and Nozigangi did some value adding work on building being dry wall partitioning and floor tiles. The work involved was not taken as construction since there was no additional walls or roof involved. IbheleNabangani Consulting Engineers were appointed to implement project while they are on the municipal panel of engineers. This is concluded with the hope that they will appoint a construction company with necessary credential including CIDB grading as a sub-contractor	CFO. Mr N M Myeni -CIDB requirement has been incorporated to the scm checklist for tenders.																								
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No.	Audit Query	Detailed Audit Query						Recommendations	Audit Response	Action to date-February 2024																																					
		<table><tr><td>Nozigangi</td><td>Renovations</td><td>R 126 008</td><td></td><td></td><td></td></tr><tr><td>IbheleNabangani Consulting Engineers</td><td>Construction of Kwesezulu Sports field</td><td>R11193 290,5</td><td></td><td></td><td></td></tr></table> The above results in non-compliance with section 18(1) of the CIDB and respective awards being irregular.	Nozigangi	Renovations	R 126 008				IbheleNabangani Consulting Engineers	Construction of Kwesezulu Sports field	R11193 290,5																																				
Nozigangi	Renovations	R 126 008																																													
IbheleNabangani Consulting Engineers	Construction of Kwesezulu Sports field	R11193 290,5																																													
5	Construction contracts awarded to supplier with a CIDB grading lower than the grading specified for the tender.	During the audit of procurement and contract management (construction contracts) it was noted that the following awards were awarded to a service provider who had a CIDB grading that was lower than the specified minimum CIDB grading for the tender award. In addition to the above, no supporting evidence was provided that indicates that the margin with which the respective suppliers exceeded their tender value range is reasonable and risk assessment performed to certify that that the award of the contract does not pose undue risk to the municipality. The following bears reference: <table><tr><td>Supplier name</td><td>Description</td><td>Value of contract</td><td></td><td></td><td></td></tr><tr><td>Asiphoxi</td><td></td><td>R 99 650</td><td></td><td></td><td></td></tr><tr><td>Nozigangi</td><td></td><td>R126 008</td><td></td><td></td><td></td></tr><tr><td>Thokomela Engineerin g (pty) ltd</td><td>Electrification of Esidakeni</td><td>R 6 221 457.19</td><td></td><td></td><td></td></tr><tr><td>BI Infrastructure</td><td>Construction of Bedlane Community Hall</td><td>R 5 880 443.01</td><td></td><td></td><td></td></tr><tr><td>IbheleNabangani Consulting Engineers</td><td>Construction of Kwesezulu Sports field</td><td>R11193290,5</td><td></td><td></td><td></td></tr><tr><td>IsandoStructural Engineerin g</td><td>Mafule Creche</td><td>R 3037 929</td><td></td><td></td><td></td></tr></table> The above results in non-compliance with regulation 17(1) and 25(7A) of the CIDB regulations and the awards irregular.	Supplier name	Description	Value of contract				Asiphoxi		R 99 650				Nozigangi		R126 008				Thokomela Engineerin g (pty) ltd	Electrification of Esidakeni	R 6 221 457.19				BI Infrastructure	Construction of Bedlane Community Hall	R 5 880 443.01				IbheleNabangani Consulting Engineers	Construction of Kwesezulu Sports field	R11193290,5				IsandoStructural Engineerin g	Mafule Creche	R 3037 929				Management should perform thorough reviews of SCM documentation at all stated of the procurement process to ensure that the process as followed is as per the municipality's SCM policy and is aligned with CIDB regulations 17 and 25(7A)	Finding noted. Asiphoxi and Nozigangi did some value adding work on building being dry wall partitioning and floor tiles. The work involved was not taken as construction since there was no additional walls or roof involved. IbheleNabangani Consulting Engineers were appointed to implement project while they are on the municipal panel of engineers. This is concluded with the hope that they will appoint a construction company with necessary credential including CIDB grading as a sub-contractor.	CFO, Mr N M Myeni -CIDB requirement has been incorporated to the scm checklist for tenders.
Supplier name	Description	Value of contract																																													
Asiphoxi		R 99 650																																													
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6	Competitive bidding process not followed and deviations not in line with regulation	During the audit of procurement and contract management it was noted that various deviations were approved during the 2022-23 financial year and the reasons for deviations were “due to other exceptional case where it is impractical or impossible to follow the official procurement processes”. We assessed the reasons provided by management on the respective awards and the basis for deviating from competitive bidding process were assessed as not justifiable in accordance with Municipal Supply Chain Management Regulation 36(1)(a) and thus the respective awards constitute invalid deviations. The following bears reference:	Management should: Design and implement processes for ensuring compliance with all applicable SCM regulations; Review all deviations and reassess them to ensure that there are in line with SCM regulation 36(1)applicable provisions ; and Include the expenditure relating to the above deviations in the irregular expenditure register and amend the irregular expenditure amount disclosed in the AFS.	struction of Sizanani and Ofankomo Gravel Road – ACB Group The findings are noted. The municipality had to fast track these projects in order to commit and spend funding received from MiG. The funds come from the municipalities that failed to spend and could not spend their entire allocations before the end of the financial year, i.e. 30 June. The following must be considered: nder normal circumstances, the intention to award is published for the purpose of informing the other bidders on who is considered for a tender. However, this would not be published since it was a deviation hence the intention to award was issued to ACB Group he service provider was evaluated based on the submitted tender document with BOQ and other declaration, the tender document was submitted to the Auditors n response by the service provider, a tender document was accompanied by the returnables including CIDB. The CIDB required for this value of work was 4CE as per CIDB requirement for contract amount of R3 000 000 to R6 000 000 and the service provider does meet such stage. The proof of CIDB registration was submitted and is attached to the tender document. s per section 19 of DoRA 2022, the municipality was reallocated funds and as part of the conditions, all funds had to be spent by June 2023. Based on the Municipalities potential it was reallocated funds in March 2023 and therefore the standard SCM processes could not be followed. There would be no need to apply for a rollover taking into consideration the condition that the funds must be spent by 30 June. If were to apply for a rollover, there would be no guarantee that it will be approved. One of the conditions is that the service provider to implement the project must have been appointed by 31 March Bargain Uniform Protective clothing Finding is noted. The municipality has advertised a panel of service providers for the supply of protective clothing that will save time when dealing with this transaction. Procurement will be made with separate bids for permanent staff and EPWP since the EPWP delays the process while waiting for new appointments.	CFO Mr. N M Myeni -SCM will develop checklist/guide for procurement using regulation 32 &36															
		<table><tr><th>Description of the award</th><th>Amount</th><th>Reasons for deviation</th></tr><tr><td>Construction of Sizanani Gravel Road in Ward 1 (Tender Reference: M16-2022/23) ACB Group (Pty)Ltd</td><td>R5 431 640,81</td><td>To urgently construct flooded and critical link roads (Sizanani Gravel Road -Word 1 and Ofankomo Gravel Road in Ward 4) using MIG top up funding to be spent before or on 30 June 2023.</td></tr><tr><td>Construction of Ofankomo Gravel Road in Ward 4 (Tender Reference: M17-2022/23) ACB Group (Pty)Ltd</td><td>R5 667 215,95</td><td>To urgently construct flooded and critical link roads (Sizanani Gravel Road -Word 1 and Ofankomo Gravel Road in Ward 4) using MIG top up funding to be spent before or on 30 June 2023.</td></tr><tr><td>Bargain Uniform- Protective clothing uniform</td><td>R805 750,95</td><td>The department of technical services had decided to procure the uniform late in the financial year since uniforms were received late in 2021/2022, however unions and staff threatened to strike management had to procure the uniforms urgently</td></tr><tr><td>ASAMBISANE ENTERPRISE</td><td>R770 000,00</td><td>R66 going through town is a responsibility of KZN DOT but due to the threat of accidents since the</td></tr></table>				Description of the award	Amount	Reasons for deviation	Construction of Sizanani Gravel Road in Ward 1 (Tender Reference: M16-2022/23) ACB Group (Pty)Ltd	R5 431 640,81	To urgently construct flooded and critical link roads (Sizanani Gravel Road -Word 1 and Ofankomo Gravel Road in Ward 4) using MIG top up funding to be spent before or on 30 June 2023.	Construction of Ofankomo Gravel Road in Ward 4 (Tender Reference: M17-2022/23) ACB Group (Pty)Ltd	R5 667 215,95	To urgently construct flooded and critical link roads (Sizanani Gravel Road -Word 1 and Ofankomo Gravel Road in Ward 4) using MIG top up funding to be spent before or on 30 June 2023.	Bargain Uniform- Protective clothing uniform	R805 750,95	The department of technical services had decided to procure the uniform late in the financial year since uniforms were received late in 2021/2022, however unions and staff threatened to strike management had to procure the uniforms urgently	ASAMBISANE ENTERPRISE	R770 000,00	R66 going through town is a responsibility of KZN DOT but due to the threat of accidents since the
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				department is neglecting the road on the municipality		Asambisane Enterprise Finding is noted. The municipality had numerous engagements with the department of transport. The municipality had a number of complaints from the users of the road that forms a network of roads that link economic hubs of Johannesburg and Richards bay. As much as the road is the responsibility of the provincial government, the part of the road is in the town. The municipality does some service such as cleaning, stormwater management and grass cutting around this road. Therefore, the ratepayers and communities around this road had complaints on the condition of this road. The municipality is in the process of submitting a claim for reimbursement for the costs involved on these repairs from the department of transport. After the Pongola truck incident that that killed more than 20 school children, Mthonjaneni Municipality through R66/Piet Retief Rad, began to experience an influx of coal trucks passing through Melmoth and surroundings. This exodus of these monster trucks (coal) resulted in the destruction of infrastructure (road), sidewalks, drainage and a rise in the traffic volume that suffocated the road users in general and the residents in particular. Complaints from Taxi and Bus Association were en masse . Outcry from ratepayers began to be loud and it wouldn't be ignored, residents of Ndundulu began looting and torching trucks as a way of voicing out their anger and frustrations. Rate payers, Farmers Association, Taxi Association , Bus Association and motorist put a lot of pressure on the Municipality and eventually, the council took a resolution to suspend coal trucks from passing through and parking in Melmoth Town. Out of desperation, the Municipality used logs to protect the sidewalks and green spaces of the town from trucks. Seeing that there was no help or assistance from the Department of Transport (Regional & Provincial) and the urgency of the matter, the municipality acted in the best interests of its residents by fixing a badly damaged section within its jurisdiction and vicinity as part of upholding what's in the constitution by giving a service to residents and general	
		Unakane Security Division (PTY) ltd	R150 769,60	Security services for public facilities. The service was appointed urgently due to the risk of vandalism especially on new facilities.			
		Auditors Assessments					
		Description of award	Auditor assessment				
		Construction of Sizanani Gravel Road in Ward 1 (Tender Reference: M16-2022/23) ACB Group (Pty)Ltd	Sizanani Gravel road is located in deep rural ward of the municipality, it serves to connect a number of villages within the ward but it is not in a good condition to be used by motorist and it becomes worse during rainy seasons. The road is strategic but not suitable for the amount of traffic that passes through. This road has been flooded on many occasions and has posed a number of accidents. As a department we therefore recommend that this road upgrade be considered and be executed using the Top up Funding in order to assist this battling community				
		Construction of Ofankomo Gravel Road in Ward 4 (Tender Reference: M17-2022/23) ACB Group (Pty)Ltd	The municipality received additional MIG allocation of R18 500 000 as per government gazette No. 48327 dated 29 March 2023. We inspected the Department Technical Services Internal memo dated 31 March 2023 to the Accounting Officer requesting the fast-tracking of Gravel Road projects and noted that both projects were scheduled for implementation during the 2023/24 financial year. The auditors further noted the following motivation with regards to the implementation of the project: 1. Sizanani Gravel road is located in deep rural ward of the municipality, it serves to connect a number of villages within the ward but it is not in a good condition to be used by motorist and it becomes worse during rainy seasons. The road is strategic but not suitable for the amount				

No.	Audit Query	Detailed Audit Query		Recommendations	Audit Response	Action to date-February 2024
			of traffic that passes through. This road has been flooded on many occasions and has posed a number of accidents. As a department we therefore recommend that this road upgrade be considered and be executed using the Top up Funding in order to assist this battling community. 2. Ofankomo Gravel Road is a two-tyre path road located in rural ward 4, it is also a very important road that links 4 villages with a High school and Primary schools. The other villagers cannot access primary and high schools because of the bad road. In as much as the motorists and community users are using these roads but they find it hard and battle almost every day. The condition of this track road has been exacerbated by runoffs caused by heavy rains. Based on the high level of importance of this road and the service it provides to the locals, and its terrible condition, the department recommends that it must also be fast tracked by being included in a Top up Funding. 3. It must be noted that part of the condition for Top up MIG Funding is that it has to be spent before the end of June 2023 which means a project plus expenditure will only run for less than 3 months. This will make it difficult for SCM processes to be followed. We therefore request the Accounting Officer to consider a service provider from the panel who possess both engineering abilities and construction		public who use this road for economic reasons Unakane Security Guarding Division (Pty) Ltd The finding is noted. There was a risk of vandalism to the public facilities in the municipal asset register. Failure to respond to threats may have resulted in more expenditure on repairs and maintenance of that infrastructure. A threat on the buildings and facilities can not be treated like threats for individuals and therefore this was not reported to SAPS. However, preventative and mitigation control measure can be put in place in a form of security service. It is on those basis that the municipality could not wait for tender process to appoint security company. The municipality has advertised a panel of security service providers to avoid these deviations in future.	

No.	Audit Query	Detailed Audit Query		Recommendations	Audit Response	Action to date-February 2024
			capabilities to execute this type of a project including a correct CIDB grading. We inspected the aforementioned government gazette and no condition is included therein pertaining to the spending of the additional allocation by 30 June 2023 but that the additional funding was provided to municipalities showing improved performance. No further conditions were included therein with regards to the spending of the additional funding prior to or by 30 June 2023. We further inspected the Division of Revenue Act published in government gazette no.45903 of 11 February 2022 under duties of receiving officer in respect of schedule 5 allocations and no condition was included thereto relating to the spending of the MIG grant allocation prior to or on 30 June 2023 Therefore, based on the above; the auditors could not confirm whether the reasons for deviating from competitive bidding process are justifiable due to the following reasons: a) The municipality indicated that letters of intention to appoint were issued to service providers on 04 April 2023 however the only evidence provided related to ACB Group. b) The service provider (ACB Group) was evaluated on the proposals with necessary declarations when they were			

No.	Audit Query	Detailed Audit Query		Recommendations	Audit Response	Action to date-February 2024
			appointed onto the panel of service providers dating back to 21 April 2021. c) There is no corroborative evidence that the municipality evaluated the CIDB grading of other possible service providers as the project amounts were not pre-determined beforehand, thus rendering the procurement process not meeting the requirements of fairness and competitiveness. d) The municipality fast tracked the implementation of the projects planned for the 2022-23 financial year on the basis that any unspent funding by 30 June 2023 will have to be surrendered back to National Treasury and management could have requested for a roll-over of funds given that the additional allocation was only received in the last quarter of the 2022-23 financial year. The surrender of any unspent allocation does not justify deviation from normal competitive bidding process to ensure that the awards are compliant with the pillars of procurement in terms of section 217(1) of the Constitution relating to fairness and competitiveness.			
		Bargain Uniform- Protective clothing uniform	Union and Staff threatening a strike is not a valid reason for the municipality to deviate from proper SCM processes. The procurement did not constitute an emergency and exceptional situation where it is it was impractical or impossible for the municipality to follow official procurement processes as the initial uniforms were received towards the end of 2021/22 financial year for use in the current financial year under review.			
		ASAMBISANE ENTERPRISE	R66 road is the responsibility of the KZN Department of Transport. The maintenance or refurbishment of the road does not fall within the legislative mandate of the Mthonjaneni Local municipality. The procurement is not of specialised nature or the urgency of the work had concluded			

No.	Audit Query	Detailed Audit Query		Recommendations	Audit Response	Action to date-February 2024
			does not justify the impracticability to follow the normal procurement process.			
		Unakane Security Division (PTY) Ltd	The municipality is responsible for monitoring and contract management of all contracts awarded such that a new procurement process should have been followed given that the previous contract in place was approaching its end date. There is no corroborative evidence that the municipality reported vandalism cases with the South African Police Services (SAPS) thus necessitating immediate action to procure security services for municipal facilities Consequently, the above awards constitute non-compliance with SCM regulation 36(1)(a) resulting in an understatement of Irregular expenditure and overstatement of deviations from supply chain management regulations disclosure notes in the annual financial statements with an amount of R12 825 377.			

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024																																																
7	No project manager appointed to monitor contracts	During the audit of contract management, it was noted that Civil Engineers were appointed as a contractor and project manager Via Turn-Key for the following projects. No project manager was appointed to monitor the contractor as the contractor was monitoring their own contract. The following bears reference: <table><tr><td>CO NT RA CT NU MB ER</td><td>APP OIN TE D BID DE R</td><td>DE SC RIP TIO N OF GO OD S/S ER VIC ES/ PR OJ EC TS</td><td>CO NT RA CT VAL UE AS PE R CO NT RA CT</td><td>CO NT RA CT STA RT DA TE</td><td>CO NT RA CT EN D DA TE</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>8/1 /3/ 4/2 62</td><td>TPA CO NS ULT ING CC</td><td>LW AZI LW ET HU CR EC HE - WA RD 9</td><td>3 576 647 ,14</td><td>202 2/0 5/1 0</td><td>202 3/0 5/3 0</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>8/1 /3/ 4/2 61</td><td>BI INF RA STR UC TU RE CO NS ULT AN TS</td><td>BE DL AN E CO MM UNI TY HA LL - WA RD 8</td><td>5 880 443 ,01</td><td>202 2/0 9/2 7</td><td>202 3/0 5/0 8</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>8/1 /3/ 4/2 64</td><td>ISA ND O STR UC TU RAL EN GIN EE RIN G AN D</td><td>MF UL E CR EC HE - WA RD 4</td><td>3 037 929 ,00</td><td>202 2/0 9/2 2</td><td>202 3/0 6/3 0</td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	CO NT RA CT NU MB ER	APP OIN TE D BID DE R	DE SC RIP TIO N OF GO OD S/S ER VIC ES/ PR OJ EC TS	CO NT RA CT VAL UE AS PE R CO NT RA CT	CO NT RA CT STA RT DA TE	CO NT RA CT EN D DA TE							8/1 /3/ 4/2 62	TPA CO NS ULT ING CC	LW AZI LW ET HU CR EC HE - WA RD 9	3 576 647 ,14	202 2/0 5/1 0	202 3/0 5/3 0							8/1 /3/ 4/2 61	BI INF RA STR UC TU RE CO NS ULT AN TS	BE DL AN E CO MM UNI TY HA LL - WA RD 8	5 880 443 ,01	202 2/0 9/2 7	202 3/0 5/0 8							8/1 /3/ 4/2 64	ISA ND O STR UC TU RAL EN GIN EE RIN G AN D	MF UL E CR EC HE - WA RD 4	3 037 929 ,00	202 2/0 9/2 2	202 3/0 6/3 0							Management should ensure that a project manager was appointed to ensure that the project is monitor and performance is as per the contracted terms of the agreement	Management notes the finding. For these projects the municipality appointed using Turnkey where the consultants did both project management and construction. However, to minimise the risk where the service provider does both project management and construction, the municipality uses PMU to monitor the projects. The Director: technical services together with the Manager: PMU does monitoring of these projects and provide detailed report on the progress of the project. They (Technical Services and PMU) report to the committees (Technical and Manco) on monthly basis on the progress on these projects including expenditure. The reports on these projects are consumed in the council committees including the full council being the last committee. Internal control in place as management is able to monitor project and personnel appointed on contract.	CFO N M Myeni
CO NT RA CT NU MB ER	APP OIN TE D BID DE R	DE SC RIP TIO N OF GO OD S/S ER VIC ES/ PR OJ EC TS	CO NT RA CT VAL UE AS PE R CO NT RA CT	CO NT RA CT STA RT DA TE	CO NT RA CT EN D DA TE																																																
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		8/1 /3/ 4/2 90	AC B GR OU P	SIZ AN ANI GR AV EL RO AD - WA RD 1	5 431 640 ,81	202 3/0 4/2 4	202 3/0 6/3 0								
		8/1 /3/ 4/2 89	AC B GR OU P	OF AN KO MO GR AV EL RO AD - WA RD 3	5 667 215 ,95	202 3/0 4/2 7	202 3/0 6/3 0								
		8/1 /3/ 4/2 43	ZL M PR OJ EC T EN GIN EE RIN G	NO ZIP HIV A EL EC TRI FIC ATI ON -	9 500 000 ,00	202 2/1 1/0 1	202 3/0 6/3 0								

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No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024																								
8	Measures to monitor contract performance and delivery not defined and implemented	During the audit of contract management, it was noted that measures to monitor contract performance and delivery were not defined and implemented for the following contracts. The following bears reference: <table> <tr> <th>CONTRACT NUMBER</th><th>APPOINTED BIDDER</th><th>DESCRIPTION OF GOODS/SERVICES/ PROJECTS</th><th>CONTRACT VALUE AS PER CONTRACT</th><th>CONTRACT START DATE</th><th>C O N T R A C T E N D A T E</th></tr> <tr> <td>8/1/3/4/2 62</td><td>TPA CONSULTING CC</td><td>LWAZILWETHU CRECHE - WARD 9</td><td>3 576 647,14</td><td>2022/05/10</td><td>2023/05/30</td></tr> <tr> <td>8/1/3/4/2 61</td><td>BI INFRASTRUCTURE CONSULTANTS</td><td>BEDLANE COMMUNITY HALL - WARD 8</td><td>5 880 443,01</td><td>2022/09/27</td><td>2023/05/08</td></tr> <tr> <td>8/1/3/4/2 77</td><td>RECOVERING DIVISION AMA NQUHE DATA</td><td>DEBT COLLECTION SERVICES</td><td>-</td><td>2022/10/19</td><td>2025</td></tr> </table>	CONTRACT NUMBER	APPOINTED BIDDER	DESCRIPTION OF GOODS/SERVICES/ PROJECTS	CONTRACT VALUE AS PER CONTRACT	CONTRACT START DATE	C O N T R A C T E N D A T E	8/1/3/4/2 62	TPA CONSULTING CC	LWAZILWETHU CRECHE - WARD 9	3 576 647,14	2022/05/10	2023/05/30	8/1/3/4/2 61	BI INFRASTRUCTURE CONSULTANTS	BEDLANE COMMUNITY HALL - WARD 8	5 880 443,01	2022/09/27	2023/05/08	8/1/3/4/2 77	RECOVERING DIVISION AMA NQUHE DATA	DEBT COLLECTION SERVICES	-	2022/10/19	2025	Management should improve their oversight over compliance with applicable legislation and regulations relating to contract management and ensure that measures to monitor contract performance and delivery are clearly defined and implemented.	Management notes the finding. All capital projects are clearly defined from the beginning with deliverables clearly defined, as all projects are a temporary endeavour, service providers are requested to submit project plans/ construction programmes, with clearly defined start and end dates for critical tasks. The programme is then used to monitor the contract, should the project slower than originally planned, service providers submit request for extension of time and an acceleration plan which will outline how lost time will be recovered, or alternatively how the requested time will be utilised to ensure project is completed and further delays are avoided. Therefore, measures are in place to monitor contract performance and are clearly defined for each contract agreement.	
CONTRACT NUMBER	APPOINTED BIDDER	DESCRIPTION OF GOODS/SERVICES/ PROJECTS	CONTRACT VALUE AS PER CONTRACT	CONTRACT START DATE	C O N T R A C T E N D A T E																								
8/1/3/4/2 62	TPA CONSULTING CC	LWAZILWETHU CRECHE - WARD 9	3 576 647,14	2022/05/10	2023/05/30																								
8/1/3/4/2 61	BI INFRASTRUCTURE CONSULTANTS	BEDLANE COMMUNITY HALL - WARD 8	5 880 443,01	2022/09/27	2023/05/08																								
8/1/3/4/2 77	RECOVERING DIVISION AMA NQUHE DATA	DEBT COLLECTION SERVICES	-	2022/10/19	2025																								

No.	Audit Query	Detailed Audit Query						Recommendations	Audit Response	Action to date-February 2024
							/10/119			
		8/1/3/4/290	ACB GROUP	SIZANANI GRAVEL ROAD - WARD 1	5 431 640,81	2023/04/24	2023/04/24			

No.	Audit Query	Detailed Audit Query				Recommendations			Audit Response	Action to date-February 2024
		8/1/3/4/289	ACB GROUP	OFANKOMO GRAVEL ROAD - WARD 3	5 667 215,95		2023/04/27	2023/06/30		
		8/1/3/4/243	ZLM PROJECT ENGINEERING	NOZIPHIVA ELECTRIFICATION - WARD 11	9 500 000,00		2022/11/01	2023/06/30		
		M23 - 2021/2022	THOKOMELA TRADING	ESIDAKENI ELECTRIFICATION - WARD 10	6 843 602,90		2022/11/01	2023/06/30		

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024																														
9	Supplier's performance not monitored on monthly basis	During the audit of contract management, it was noted that the performance of the below listed suppliers were not monitored on the monthly basis, the municipality monitored the performance of the below suppliers on a quarterly basis instead. The following bears reference: <table border="1"> <thead> <tr> <th>CONTRACT NUMBER</th><th>APPOINTED BIDDER</th><th>DESCRIPTION OF GOODS/SERVICE S/PROJECTS</th><th>CONTRACT VALUE AS PER CONTRACT</th><th>CONTRACT START DATE</th><th>CONTRACT END DATE</th></tr> </thead> <tbody> <tr> <td>8/1/3/4/295</td><td>Metrofile (Pty)Ltd</td><td>RECORDS MANAGEMENT SYSTEM</td><td>R933 944.35</td><td>2023/06/26</td><td>2026/06/26</td></tr> <tr> <td>M19 - 2020/21</td><td>CONTOUR TECHNOLOGY</td><td>SUPPLY, DEL & INSTALLATION OF FINANCE VENDING SYSTEM</td><td>-</td><td>2020/12/10</td><td>2023/12/10</td></tr> <tr> <td>8/1/3/4/240</td><td>BONAKUDE CONSULTING</td><td>INTERNAL AUDIT SERVICES</td><td>985 920,00</td><td>2020/12/10</td><td>2023/12/10</td></tr> <tr> <td>8/1/3/4/262</td><td>TPA CONSULTING CC</td><td>LWAZILWETHU CRECHE - WARD 9</td><td>3 576 647,14</td><td>2022/05/10</td><td>2023/05/30</td></tr> </tbody> </table>	CONTRACT NUMBER	APPOINTED BIDDER	DESCRIPTION OF GOODS/SERVICE S/PROJECTS	CONTRACT VALUE AS PER CONTRACT	CONTRACT START DATE	CONTRACT END DATE	8/1/3/4/295	Metrofile (Pty)Ltd	RECORDS MANAGEMENT SYSTEM	R933 944.35	2023/06/26	2026/06/26	M19 - 2020/21	CONTOUR TECHNOLOGY	SUPPLY, DEL & INSTALLATION OF FINANCE VENDING SYSTEM	-	2020/12/10	2023/12/10	8/1/3/4/240	BONAKUDE CONSULTING	INTERNAL AUDIT SERVICES	985 920,00	2020/12/10	2023/12/10	8/1/3/4/262	TPA CONSULTING CC	LWAZILWETHU CRECHE - WARD 9	3 576 647,14	2022/05/10	2023/05/30	Management should improve their oversight over compliance with applicable legislation and regulations relating to contract management to ensure that contracts are monitored on a monthly basis.	Finding noted. The user departments responsible for each service provider do monitor performance regularly, i.e. daily, weekly and monthly. However, we have been using the reporting template as per Cogta reporting requirements in terms of performance that splits the reporting on quarterly basis. That template is more relevant to the organisational performance management and compilation of annual performance. This applies to all the other soft projects with the exception of capital projects. Service Providers are monitored monthly and are required to submit monthly progress reports, these reports are submitted to the Management Committee and further submitted to Oversite Committees with clear recommendations from the acting director technical services on any interventions to be taken in that particular month. Additionally, regular progress meetings are held by the project team to evaluate not only the project's performance but the performance of the service provider. Adequate measures are in place to monitor and evaluate suppliers performance on monthly basis	-the municipality will modify the existing assessment tool for monitoring suppliers performance on monthly basis.
CONTRACT NUMBER	APPOINTED BIDDER	DESCRIPTION OF GOODS/SERVICE S/PROJECTS	CONTRACT VALUE AS PER CONTRACT	CONTRACT START DATE	CONTRACT END DATE																														
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No.	Audit Query	Detailed Audit Query				Recommendations	Audit Response	Action to date-February 2024
		8/1/3/4/48	FIDELITY CASH SOLUTIONS	CASH MANAGEMENT SERVICES	203 993,28			
		8/1/3/4/247	CHICO MAN TRADING	TOWN CLEANING /GRASSCUTTING	5 912 373,19			
		M25-2021/22	INDWE RISK SERVICES PTY LTD	SHORT TERM INSURANCE SERVICES	-			
		8/1/3/4/261	BI INFRASTRUCTURE CONSULTANTS	BEDLANE COMMUNITY HALL - WARD 8	5 880 443,01			
		8/1/3/4/264	ISANDO STRUCTURAL ENGINEERING AND CIVILS	MFULE CRECHE - WARD 4	3 037 929,00			
		8/1/3/4/278	BROCKWELL ENGINEERING CC	STANDBY GENERATOR	412 000,00			

No.	Audit Query	Detailed Audit Query						Recommendations	Audit Response	Action to date-February 2024
		8/1/3/4/296	BROCKWELL ENGINEERING CC, SERVICE ON SITE	SERVICE,REPAIRS & MAINTENANCE OF MUNIC. VEH	-	2020/12/10	2023/12/10			
		8/1/3/4/277	RECOVERING DIVISION A MANQUHE DATA	DEBT COLLECTION SERVICES	-	2021/03/10	2024/03/10			
		8/1/3/4/227	IZINGA HOLDINGS CC	NTILINGWANE GRAVEL ROAD WARD 12	4 845 180,00	2022/01/06	2025/01/06			
		M25 - 2021/2022	IBHELE NABANGANI CONSULTING ENGINEERS	KWESEZULU SPORTSFIELD - WARD 7	11 193 290,57	2022/09/27	2023/05/08			
		8/1/3/4/290	ACB GROUP	SIZANANI GRAVEL ROAD - WARD 1	5 431 640,81	2022/09/22	2023/06/30			
		8/1/3/4/289	ACB GROUP	OFANKOMO GRAVEL ROAD - WARD 3	5 667 215,95	2023/06/26	2023/07/26			
		8/1/3/4/243	ZLM PROJECT ENGINEERING	NOZIPHIVA ELECTRIFICATION - WARD 11	9 500 000,00	2023/06/26	2026/06/26			
		M23 - 2021/2022	THOKOMELA TRADING	ESIDAKENI ELECTRIFICATION - WARD 10	6 843 602,90	2022/10/19	2025/10/19			

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024																																																												
10	DTI was not notified on all successful bidders supplying local content and produced goods to the municipality.	During the audit of local content and production we noted that the municipality did not provide copies of contract, MBD 6.2 certificate, declaration C of the successful bidder to the DTI within 30 days of awards. The following awards bears reference: <table><tr><th>NO.</th><th>SUPPLIER NAME</th><th>DETAILS</th><th>Prescribed minimum threshold</th><th>DESIGNATE D PRODUCT</th><th>CONTRACT AMOUNT (R)</th></tr><tr><td>1</td><td>Conlog (Merlin Gerin SA (Pty) Ltd)</td><td>100x conlog prepaid meter</td><td>90%</td><td>electrical and telecoms cables sector</td><td>R 132- 825</td></tr><tr><td>2</td><td>DSM Electrical Contractors cc</td><td>mv cables</td><td>90%</td><td>electrical and telecoms cables sector</td><td>R 81 045,33</td></tr><tr><td>3</td><td>LADUMA SPORTS</td><td>300X ROUND T-SHIRT</td><td>100 %</td><td>textile, clothing and leather</td><td>R184 575</td></tr><tr><td>4</td><td>Conlog (Merlin Gerin SA (Pty) Ltd</td><td>stock-meters</td><td>90%</td><td>electrical and telecoms cables sector</td><td>R81 230,25</td></tr><tr><td>5</td><td>THINGO PROJECTS</td><td>M022 Supply and Delivery of T/shirt, cap</td><td>100%</td><td>textile, clothing and leather</td><td>R129 662,5</td></tr><tr><td>6</td><td>THINGO PROJECTS</td><td>M024 Supply and Delivery of Sport kits</td><td>100%</td><td>textile, clothing and leather</td><td>R 184 862,5</td></tr><tr><td>7</td><td>LADUMA SPORTS</td><td>M020 Supply and Delivery of Tracksuit</td><td>100%</td><td>textile, clothing and leather</td><td>R 191 360</td></tr><tr><td>8</td><td>LADUMA SPORTS</td><td>M021 Supply and Delivery of Sport Attire</td><td>100%</td><td>textile, clothing and leather</td><td>R 196 650</td></tr><tr><td>9</td><td>LADUMA SPORTS</td><td>Blankets and Umbrellas for Senior Citize</td><td>100%</td><td>textile, clothing, leather and footwear sector</td><td>R 179 400</td></tr></table>	NO.	SUPPLIER NAME	DETAILS	Prescribed minimum threshold	DESIGNATE D PRODUCT	CONTRACT AMOUNT (R)	1	Conlog (Merlin Gerin SA (Pty) Ltd)	100x conlog prepaid meter	90%	electrical and telecoms cables sector	R 132- 825	2	DSM Electrical Contractors cc	mv cables	90%	electrical and telecoms cables sector	R 81 045,33	3	LADUMA SPORTS	300X ROUND T-SHIRT	100 %	textile, clothing and leather	R184 575	4	Conlog (Merlin Gerin SA (Pty) Ltd	stock-meters	90%	electrical and telecoms cables sector	R81 230,25	5	THINGO PROJECTS	M022 Supply and Delivery of T/shirt, cap	100%	textile, clothing and leather	R129 662,5	6	THINGO PROJECTS	M024 Supply and Delivery of Sport kits	100%	textile, clothing and leather	R 184 862,5	7	LADUMA SPORTS	M020 Supply and Delivery of Tracksuit	100%	textile, clothing and leather	R 191 360	8	LADUMA SPORTS	M021 Supply and Delivery of Sport Attire	100%	textile, clothing and leather	R 196 650	9	LADUMA SPORTS	Blankets and Umbrellas for Senior Citize	100%	textile, clothing, leather and footwear sector	R 179 400	Management should implement the relevant internal controls to ensure that copies of the contract, the MBD 6.2 certificates together with the declaration C submitted by the successful bidders within 30 days of awards for local content production are submitted to the DTI.	Agree with the finding. The report with the schedule of transactions for the year (2022/2023) was submitted to the DTI on 15 July 2023. However, the actual declarations were not submitted.	CFO N M Myeni -CFO will review the reporting processing to DTI for purchases of goods and services requiring local content.
NO.	SUPPLIER NAME	DETAILS	Prescribed minimum threshold	DESIGNATE D PRODUCT	CONTRACT AMOUNT (R)																																																												
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No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024
11	AoPO - Incorrect baseline used to determine the current year target	During the audit of performance information against predetermined objectives for the selected development priority “Basic service delivery” as presented in the annual performance report (APR), it was noted that in the current year management used the incorrect baseline in terms of the performance reported in the prior year being achieved in the annual performance report (APR). This is inappropriate as the prior year finding identified that the reported achievement as per APR is misstated. Furthermore, management changed the indicators relating to electricity projects from “Ensure the eradication of electrification backlogs by providing new connections to households to “number of households constructed with electrification infrastructure” thus the baseline used is incorrect.	Management should ensure that adequate reviews of the annual performance report takes place prior to submitting for auditing. Management should implement adequate and efficient controls on the development of performance indicators and annual targets in order to ensure that correct level of performance is being used to determine the baseline.	Management Disagrees with the Finding. However, AG concluded that, The finding remains and will be reported on the management report	

No.	Audit Query	Detailed Audit Query										Recommendations	Audit Response	Action to date-February 2024
12	AoPO - Inconsistencies identified between the IDP and the SDBIP	During the audit of performance information against predetermined objectives and the high level review of the IDP and the SDBIP, the following internal control deficiencies were identified for the set key performance indicators and targets;										Management should ensure that adequate reviews of the IDP and SDBIP takes place prior to submitting for auditing in order to ensure full alignment. Management should implement adequate and efficient controls on the development of IDP and SDBIP in order to ensure full alignment. Management must ensure that before the IDP and SDBIP is adopted, it is reviewed thoroughly for alignment.	Management Disagrees with the finding. An Integrated Development Plan is a super plan for an area that gives an overall framework for development. It aims to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in an area. It should consider the existing conditions and problems and resources available for development. The plan should look at economic and social development for the area as a whole. It must set a framework for how land should be used, what infrastructure and services are needed and how the environment should be protected In terms of Chapter 5 of the Municipal Systems Act the IDP is a planning document that informs the development of Budget. The alignment that is key between the IDP and SDBIP is the alignment of strategies and objectives as lined out in the Municipal IDP Framework	
			Performance indicator and budget					Targets						
		Performance indicator	Project name	Awarded Contract Amount	Budget per IDP	Budget per SDBIP	Difference between IDP and SDBIP	Planned targets per IDP	Reported targets per SDBIP (Baseline and annual target)	Difference				
		Number of households constructed with electrification infrastructure	Nqekwane electricity project	2 204 461.11	1 500 000.00	2 513 085.67	-1 013 085.67	75	74	1				
		Number of households constructed with electrification infrastructure	Njome lwane electricity project	3 855 220.33	1 250 000.00	4 394 951.18	- 3 144 951.18	50	75	-25				
		Number of households constructed with electrification infrastructure	Kataza electricity project	2 093 419.19	1 525 000.00	2 284 835.00	- 759 835.00	61	63	-2				

No.	Audit Query	Detailed Audit Query									Recommendations	Audit Response	Action to date-February 2024
		Number of households constructed with electrification infrastructure	Umhlatuze electricity project	4 635 068.62	2 500 000.00	5 283 932.63	- 2 783 932.63	100	150	-50		As per Municipal Finance Management Act Chapter 1 Service Delivery and Budget Implementation Plan is defined as a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA) for implementing the municipality's delivery of municipal services. During the community consultations, the community makes submission on what they need in their wards and this is factored in the IDP, On the year of implementation, the Technical Department then undertakes feasibility study on these projects to get the current state or accurate number of beneficiaries (The changes in the ground from the day of IDP to the implementation), this then informs the application of funding from DMRE, it is important to note that the DMRE cost per connection is standardized for both rural and urban areas but it does not factor in the terrain and the pattern of households, this usually leads to the Municipality appointing the service provider at a higher cost than what was estimated in the IDP	
		Number of households constructed with electrification infrastructure	Dubeni electricity project	3 906 815.00	625 000.00	4 453 769.84	-3 828 769.84	25	64	-39			
		Number of households constructed with electrification infrastructure	Inkisa electricity project	3 090 611.49	2 125 000.00	3 523 297.10	- 1 398 297.10	25	110	-85			
		Number of households constructed with electrification infrastructure	Ntombokazi electricity project	2 544 938.39	1 000 000.00	2 901 229.76	-1 901 229.76	50	84	-34			
		Number of households constructed with electrification infrastructure	Sangoyana electricity project	3 028 005.20	1 800 000.00	3 451 925.93	- 1 651 925.93	72	97	-25			

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024
				The SDBIP is therefore an implementation plan to Budget and can only be compared to budget	

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024
13	HR management - Disclosure of benefits and interests	During the audit of Human resource compliance – it was noted that the two senior managers employed on 1 November 2023 only signed their declaration of benefits and interest on 26 April 2023. This is not in line with the requirements of the above mentioned regulation as the regulation requires the senior managers to disclose their interest within 60 days after their appointment. Consequently, The above indicates a non-compliance with the requirements of regulation on appointment and conditions of employment of senior managers 36(1)(a).	Management should investigate the reasons as to the non-compliance thereof and ensure that compliance with the regulations is ensured in future	The MEC report on the appointment of the senior Managers was submitted to the MEC on the 23rd of November 2022 and the appointment of the Senior Managers was on the 1st of November 2022. As part of the report was the contract of employment, confirmation that senior managers do not hold positions in the political office, disclosure of financials and interest and other returnable documents. All original documents were submitted without making copies, however we have requested copies of the declarations from COGTA.	

No.	Audit Query	Detailed Audit Query					Recommendations	Audit Response	Action to date-February 2024
14	Payments not made within 30 days	It was noted that the following invoices were not paid within 30 days of receiving the relevant invoice or statement as prescribed by the MFMA. The following bears reference:							
		Account	Supplier name	Invoice number	Invoice date	Invoice receipt date	Payment date	Number of days	
		Contracted services	CCG	Inv19126	31/08/2022	26/09/2023	13/12/2023	78	
			Brockwell Engineering CC	064376	29/03/2023	13/04/2023	16/08/2023	125	
			Dolphin Coast Waste Management (Pty) Ltd	INA60805	31/01/2023	14/02/2023	31/03/2023	45	
			Dolphin Coast Waste Management (Pty) Ltd	INA60052	30/09/2022	06/10/2022	07/12/2022	62	
			Amanquhe Data Doctors, Analytics and Revenue Services (Pty) Ltd	MTHONN03	15/01/2023	15/01/2023	31/03/2023	75	
			Mfezi Security Guarding Services cc	IN124063	5/12/2022	24/12/2022	28/04/2023	125	
		Inventory consumed	Ezwide Trading (Pty) Ltd	6	14/09/2023	19/10/2022	28/12/2022	70	
Isibani Enterprise	1		1/11/2022	29/11/2022	31/03/2023	122			
Management should implement adequate budgetary and cash flow controls to ensure that adequate cash is available to cover financial obligations as they arise.							Management should implement adequate internal controls to ensure adequate review and monitoring of compliance with section 65(2)(e) of the MFMA.	Agreed, The Municipality has been experiencing cash flow challenges, because customers were not paying for their services on time which resulted to low revenue collection, this in turn has delayed payments.	CFO N M Myeni -there is monthly report prepared by expenditure to the CFO, we also monitor the cashflow before issuing the purchase orders.

No.	Audit Query	Detailed Audit Query		Recommendations		Audit Response	Action to date-February 2024	
			Ikwezi Foods cc	INVO3812942	11/10/2022			
			Gcinisibusiso Trading enterprise	208	19/09/2022			
			Ikwezi Foods cc	INV03830849	24/10/2022			
		Operational costs	Indwe Risk Services (Pty) Ltd	INV11262-13054	24/10/2022			
			Tourvest Travel Services		18/01/2023			
			Tourvest Travel Services		24/05/2023			
			Tourvest Travel Services	6029198-2022-sj	21/07/2022			
			Abafuyi Media Solutions	ABA25102022	12/12/2022			
			King Cetshwayo District Municipality	1381598	16/01/2023			
		Bulk Purchases	Eskom	894168882957	04/08/2022			
			Eskom	894223756632	10/01/2023			

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024
15	Disciplinary board not appointed in the current financial year under review	During the audit of consequence management, it was noted that the council has not established the disciplinary board as no appointments were made in the current year under review.	Municipal Council should establish the disciplinary board and appoint board members as required by financial misconduct regulation.	The Disciplinary Board members were appointed as per the resolution. There were no cases that were reported for the Board	

No.	Audit Query	Detailed Audit Query			Recommendations	Audit Response	Action to date-February 2024
16	Understatement of performance information reported on the annual performance report	While performing the audit procedures for predetermined objectives (AOPO), it was noted that there is a difference between the number of households constructed with electrification infrastructure as per the project progress report and the reported achievement in the APR.			Management should ensure that adequate reviews of the annual performance report takes place prior to submitting for auditing in order to ensure that reported information is accurate and complete.	Management Agrees with the finding The over achievements will be included in the APR	
		The following bears reference:					
		Performance indicator	APR Annual Target	APR Actual achievement			
		Number of households constructed with electrification infrastructure	Construction of Electrification Infrastructure for 103 households at Esidakeni by 30 June 2023	Electrification Infrastruc households at Esidaker completed			

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024
17	Unauthorized, Irregular and Fruitless and wasteful Expenditure (UIFW) incurred in the prior year not investigated by the relevant committee or recovered from liable persons	During the audit of compliance with laws and regulations, the auditors noted the following issues: Instances of Unauthorised and fruitless and wasteful expenditure reported in the previous financial years were not investigated to determine if any person is liable for the expenditure in accordance with section 32(2)(b) of the MFMA. Investigation into instances of irregular expenditure incurred in the previous financial years was not properly conducted due to the following reasons: The internal Audit report on Irregular expenditure does not provide evidence that each instance of irregular expenditure reported in the previous financial years was investigated applying the principles as contained in MFMA circular 68. The IA report provides that the MPAC requested the Internal Audit to conduct an investigation on prior year irregular expenditure however, the resolutions and minutes that were provided do not indicate whether such request was made and approved by council. The investigation conducted by Internal Audit did not establish whether the irregular must be recovered utilising the factors outlined in regulation 74 of the Municipal Budget and Reporting Regulations. The report provided does not address whether, despite the non-compliance that was detected there was any	Management should consider the audit finding and indicate whether they agree therewith or not. If you do not agree, please provide your reasons supported by appropriate audit evidence. If you agree with the finding non-compliance do not reoccur in the future.	Disagree with the finding: No investigation for unauthorized and fruitless and wasteful expenditure has been conducted hence it has never been written off. MPAC is the committee of council with delegated powers of dealing with unauthorized, fruitless and wasteful expenditure investigations. MPAC resolved on its meeting that took place on 24 January 2023 that internal audit investigates irregular expenditure for prior years due to capacity gaps	CFO N M Myeni- -the municipality have advertised for external service provider to investigate UIFW. It is expected that by April the appointment will be done.

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024
		value for money obtained by the municipality and any losses suffered due to the non-compliance The report provided did not address the steps that have will be implemented or taken to prevent the recurrence of such expenditure. There is no corroborative evidence that the terms of reference of the investigation conducted by the IA were approved by council or MPAC.			

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024
18	Copy of the IDP was not sent within 10 days to the MEC local Government	during the audit of Strategic planning and budgeting we noted that the IDP was adopted by the Council of the Municipality on 19 May 2023. We further inspected confirmation letter from the KwaZulu-Natal Department of Cooperative Governance and Traditional Affairs which indicated that the IDP together with the relevant supporting documentation were received on 28 June 2023. Accordingly, the municipality did not submit a copy of the IDP as adopted by the council of the municipality, to the MEC for Local Government within 10 days as prescribed by the Municipal Systems Act. The above results in a non-compliance with section 32(1)(a) of the Municipal Systems Act	Management should ensure that all the legislative prescripts regarding the submission of the IDP within 10 days to the MEC local Government is adhered to.	Management Agrees with the finding	

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024
19	Irregular Expenditure written off without obtaining Council approval	During the audit of consequence management, it was noted that irregular expenditure was certified by Council as irrecoverable and written off (prior year) for the amount of R16 230 743 as disclosed in the AFS under note 54. The Council minutes dated 13 October 2023, confirmed that an amount of R14 409 193 of the irregular expenditure for the year ended 30 June 2022 as a result of improper composition of the adjudication committee was written off. As a result, the approval for write off of the remaining R1 821 550 was not supported and management did not provide the approval thereof.	Management must ensure that MFMA legislation and regulations are complied with in all instances, thus ensuring that losses resulting from irregular expenditure are written-off as irrecoverable after being certified and approved by the Council.	We note the finding. The municipality prepares the annual financial statements to be submitted to the Auditor General on 31 August 2023. On finalizing the AFS and necessary disclosures, these reports are submitted to the council committees. When we were preparing the AFS for the year 2021/2022, we found an amount of R14 409 193 as irregular expenditure as a result of improper composition of bid adjudication committee. This amount was disclosed on the unaudited Afs for the year that were submitted to the AG for auditing. On arrival of AG for auditing, an amount of R16 230 743 was found to be the correct figure for this disclosure, hence there is this difference of R1 821 550.	-the difference will be submitted to the council with AFS for 2023/24 financial year.

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024
20	AOPO - POE submitted for audit not sufficient	During the audit of performance information against predetermined objectives for the selected development priority "Basic service delivery" as presented in the annual performance report (APR), we noted that the reported achievements in the APR did not agree with the evidence provided as management did not provide a listing of all households constructed with electrification infrastructure to support the actual achievement reported in the current year APR. Management further indicated that electricity projects are a multi-year indicator, meaning the municipality is completing the remaining connections from the previous financial year, thus supporting evidence will include the actual achievement as reported in the prior year and management further indicated that the prior year indicators were brought forward as it was combined to form the current year actual achievement/target. The final actual evidence reported in the current year could not be supported with the actual number of beneficiaries for electrification infrastructure (number of households constructed with electrification infrastructure and locations). Management provided the technical reports, pre-marketing list and project progress reports to support the actual achievement however the combination of these sources does not provide a comprehension picture of the current year achievement in terms of electrification infrastructure in various households.	Management should ensure that adequate reviews of the annual performance report and evidence supporting the actual achievement takes place prior to submitting the information for auditing Management should ensure that the reported performance information on the annual performance report is appropriately reviewed, accurate and complete.	Management disagrees with finding. The Auditor is correct that these are multi-year projects, however as these projects are individual contracts, the progress reports are inclusive of the entire project status from its inception. Management adheres to the business process submitted to AG which outlines how actual achievements are processed and further reported. We have not deviated from the process flow. Electrification projects take years to implement; from the community wish list they are adapted into the IDP, the municipality then applies for funding from the Department of Energy using estimates as there are no means to undertake a complete feasibility study without a budget and allocation to the municipality, once funding has been secured pre-marketing is undertaken, where actual households needing electricity are identified during this phase up until construction, a lot can change in the identified beneficiaries, some move out of rural areas due to urbanisation, some customers are taken by Eskom due to duplication of projects and in other instances new beneficiaries may arise as people are susceptible to building around areas when they see services are being provided for. During the construction phase, progress meetings along with site visits are undertaken by all relevant stakeholders, i.e. client, contractor, consultants and community representatives (ward cllr & community liaison officer). These assists the project team in staying informed on the project status and ensure accurate report to management and all oversight committees. (provided to audit team for each project) Once the beneficiaries have been energized and connected to the electrical grid, they are provided with meters which have a reference linked to the individual, the meter is given to beneficiaries along with a prepaid card which is used to buy Electricity from Eskom. The list of beneficiaries along with references such as co-ordinates, beneficiary information, meter number, pole number, etc. are submitted to Eskom which is known as the PCS File, this file is captured by Eskom so that it can keep track of who is registered on their grid and ensure there are no illegal connections, furthermore as all rural electrification projects are undertaken Schedule 5b, the projects are handed over to Eskom as the owners of the	

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024
				electrical grid, handover certificates are issued which is confirmation that the asset is now in the possession of Eskom. The above informs the achievements reported, additionally no beneficiary can be energized without any infrastructure haven't been constructed.	

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024																										
21	Overstatement of performance information reported on the annual performance report	While performing the audit procedures for predetermined objectives (AOP0), it was noted that there is a difference between the number of households with access to indigent free basic electricity as per the indigent register and the reported achievement as per the APR, the discrepancies identified were due to duplications on the indigent register. 1.1 The following bears reference: <table><tr><td>Performance indicator</td><td>APR Annual Target</td><td>APR Actual achievement</td></tr><tr><td>Number of households with access to indigent electricity</td><td>3046 households with access to indigent free basic electricity monthly</td><td>3046 households have indigent free basic electricity</td></tr></table> 1.2 The following are duplication of beneficiaries (ID numbers) as per indigent register: <table><tr><td>Surname</td><td>Name</td><td>Gender</td><td>ID</td></tr><tr><td>Sbiya</td><td>Velile</td><td>Female</td><td>82</td></tr><tr><td>Xulu</td><td>Velile Gcinile</td><td>Female</td><td>82</td></tr><tr><td>Mthethwa</td><td>Mphiliseni</td><td>Male</td><td>75</td></tr><tr><td>Mthethwa</td><td>Mphiliseni</td><td>Male</td><td>75</td></tr></table>	Performance indicator	APR Annual Target	APR Actual achievement	Number of households with access to indigent electricity	3046 households with access to indigent free basic electricity monthly	3046 households have indigent free basic electricity	Surname	Name	Gender	ID	Sbiya	Velile	Female	82	Xulu	Velile Gcinile	Female	82	Mthethwa	Mphiliseni	Male	75	Mthethwa	Mphiliseni	Male	75	Management should ensure that adequate reviews of the annual performance report takes place prior to submitting for auditing in order to ensure that reported information is accurate and complete. Management should review the indigent register on an annual basis to confirm that it is accurate and complete. The municipality should investigate these to determine whether these beneficiaries qualify as indigent or if they should be charged for the services. Management should ensure that adequate reviews of the annual performance report takes place prior to submitting for auditing in order to ensure that reported information is accurate and complete. Management should review the indigent register on an annual basis to confirm that it is accurate and complete. The municipality should investigate these to determine whether these beneficiaries qualify as indigent or if they should be charged for the services	Management Notes the finding. Management will investigate reason for duplicate ID numbers.	CFO N M Myeni
Performance indicator	APR Annual Target	APR Actual achievement																													
Number of households with access to indigent electricity	3046 households with access to indigent free basic electricity monthly	3046 households have indigent free basic electricity																													
Surname	Name	Gender	ID																												
Sbiya	Velile	Female	82																												
Xulu	Velile Gcinile	Female	82																												
Mthethwa	Mphiliseni	Male	75																												
Mthethwa	Mphiliseni	Male	75																												

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024
22	Exceptions identified on indigents register	The indigent register was reviewed utilizing computer assisted auditing techniques (CAATS) which highlighted the following exceptions: Seventy (70) indigents listed as deceased persons on the National Population Register (NPR), kindly refer to the attachment (Test 02 Annexure A). On the death of the account holder, the indigent support should be terminated by the municipality. If the indigent had dependents, the dependents would need to re-apply for the support as the subsidies are not transferrable. In addition, the municipality cannot determine who the heir of the deceased is where the dependents did not re-apply and whether they qualify for the free basic services, therefore, the auditor has a limitation of scope on determining whether revenue and receivables are understated. Seventy (70) indigents listed as deceased persons on the National Population Register (NPR), kindly refer to the attachment (Test 02 Annexure A). On the death of the account holder, the indigent support should be terminated by the municipality. If the indigent had dependents, the dependents would need to re-apply for the support as the subsidies are not transferrable. In addition, the municipality cannot determine who the heir of the deceased is where the dependents did not re-apply and whether they qualify for the free basic services, therefore, the auditor has a limitation of scope on determining whether revenue and receivables are understated. Thirty-three (33) records of Indigents where the ID number could not be found on the NPR database, kindly refer to the attachment (Test 03 Annexure B). These account holders may have provided fraudulent documents to the municipality in order to qualify as indigent when they should not. The municipality should investigate these to determine whether they qualify as indigent or if they should be charged for the services. Seventy-eight (78) records of indigents in the employment of one another government department or organisation, kindly refer to the attachment (Test 04 Annexure C). These account holders may not qualify as indigent as their income may be above the threshold set by the municipality in the Indigent Policy. The municipality should provide auditors with evidence (such as the account holder's proof of income) in order to determine whether they indeed should qualify as indigent. These account holders should be charged for the services, as not charging them results in an understatement of revenue and receivables. Two (2) records of indigents that have an interest in suppliers of government, kindly refer to the attachment (Test 05 Annexure D). These account holders may not qualify as indigent as their income may be above the threshold set by the municipality in the Indigent Policy. The municipality should provide auditors with evidence (such as the account holders proof of income) in order to determine whether they indeed should qualify as indigent. The account holders who should be charged for services and are not being charged results in an understatement of revenue and receivables. Two (2) records of indigents with an ID Number duplicated on the indigent register, kindly refer to the attachment (Test 06 Annexure E). The municipality should investigate these to determine whether they qualify as indigent or if they should be charged for the services Eleven (11) records of spouses of Indigents in the employment of one or another government department or organisation, kindly refer to the attachment (Test 08 Annexure F). These account holders may not qualify as indigent as their income may be above the threshold set by the municipality in the Indigent Policy. The municipality should provide auditors with evidence (such as the account holder's proof of income) in order to determine whether they indeed should qualify as indigent. Two (2) records of indigent beneficiaries with Old ID Numbers that was converted and found on the NPR database Six (6) records of indigent beneficiaries with older than 100 years, kindly refer to the attachment (Test 11 Annexure H). The municipality should investigate these to determine whether these are still valid indigents	Management should investigate the above matters as per the auditor comments and submit the outcome of the exercise for evaluation. Additionally, management should quantify the amount not billed to these consumers. Management should strengthen the verification of indigent applications as per the indigent policy and regularly review the register in order to confirm individuals that still qualify as indigents.	Finding Noted, The exceptions reported by CAATS Data on the indigent register will be reviewed/investigated and a revised indigent register taken to council for approval. Management does not have the system to monitor and Vet indigent beneficiaries. However all indigent beneficiaries sign a declaration form about their social status and information provided	CFO Mr N M Myeni -achieved. The municipality has removed these indigents from the register.

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024																
23	Inconsistencies identified between the technical report and progress report	During the audit of performance information against predetermined objectives for the selected development priority “Basic service delivery” as presented in the annual performance report (APR), we noted the following inconsistencies between the technical report and progress report in terms of the project progress reported. The following bears reference 1. The technical report prepared and compiled by management indicates that construction of infrastructure is 100% complete, whereas the project progress report provided stipulate 51 of 74 connections energised in December 2021 and the 23 remaining connections energised in April 2023. On the basis that 51 connections were energized in the previous financial year, the actual achievement that relates to the current financial year should be 23, thus the reported achievement of 52 households constructed with electrification infrastructure is considered not valid and accurate <table><tr><td>Performance indicator</td><td>APR Annual Target</td><td></td><td>APR Actual</td></tr><tr><td>Number of households constructed with electrification infrastructure</td><td>Construction of Electrification Infrastructure for 52 households at Ngekwane by 30 June 2023</td><td></td><td>Construction of 52 households completed</td></tr></table> 2. The technical report prepared and compiled by management indicates that construction of infrastructure is 100% complete, whereas the project progress report provided stipulate 58 of 84 connections energised in December 2021 and the 26 remaining connections require outage. On the basis that 58 connections were energized in the previous financial year, the actual achievement that relates to the current financial year should be 25 thus the reported achievement of 59 households constructed with electrification infrastructure is considered not valid and accurate <table><tr><td>Performance indicator</td><td>APR Annual Target</td><td></td><td>APR Actual</td></tr><tr><td>Number of households constructed with electrification infrastructure</td><td>Construction of Electrification Infrastructure for 59 households at Ntombokazi by 30 June 2023</td><td></td><td>Construction of 59 households completed</td></tr></table>	Performance indicator	APR Annual Target		APR Actual	Number of households constructed with electrification infrastructure	Construction of Electrification Infrastructure for 52 households at Ngekwane by 30 June 2023		Construction of 52 households completed	Performance indicator	APR Annual Target		APR Actual	Number of households constructed with electrification infrastructure	Construction of Electrification Infrastructure for 59 households at Ntombokazi by 30 June 2023		Construction of 59 households completed	Management should ensure that adequate reviews of the annual performance report takes place prior to submitting for auditing in order to ensure that reported information is accurate and complete. Management should perform adequate site inspections and oversight over consultants to ensure consistency of information reported to the Municipality and alignment between the technical report and project progress reports submitted	Management disagrees with finding. The progress reports consist of information for entire project, the consulting engineers report on the status of the project monthly from start to end date with emphasis on what has transpired in that month. Additionally, the consultants as the client's agent is appointed to supervise the entire project lifecycle, and therefore has to include all information regarding the project including what has been achieved and what remains to be achieved. The progress reports are compiled by the engineers and sometimes the terminology may be lost in translation. The Ngekwane progress report stipulates those 51 connections out of 74 connections had had outages (energized) which is correct, however only 22 households had been uploaded to the system and able to buy electricity from Eskom by June 2022. The balance of 29 households had no meter installation. Therefore, this number (22) was reported as achieved as the target in that FY was number of connections energized which in layman's terms is people who can utilize electricity and in essence those that have been switched on. This also applies for Ntombokazi. The municipality conducts regular site visits and is therefore able to prepare the technical reports. As the technical report is an internal document, it is aligned with the performance indicator however all phases of the project are reported such as the infrastructure and outage progress. Njomelwane June progress reports clearly stipulates that all construction has been completed, outdated report used to audit project. Sangoyana progress report for June 2023, stipulates that 100% has been achieved for construction, this was corroborated in the technical report after internal project term conducted site visit and thereafter produced the technical report. Even after analysis of the (outdated) February 2023 report used by auditors, although the construction breakdown is reported as 88%, this is due to items related to outages have been included in the breakdown as the consultant is obligated to report on all aspects of project up until project handover.	
Performance indicator	APR Annual Target		APR Actual																		
Number of households constructed with electrification infrastructure	Construction of Electrification Infrastructure for 52 households at Ngekwane by 30 June 2023		Construction of 52 households completed																		
Performance indicator	APR Annual Target		APR Actual																		
Number of households constructed with electrification infrastructure	Construction of Electrification Infrastructure for 59 households at Ntombokazi by 30 June 2023		Construction of 59 households completed																		

No.	Audit Query	Detailed Audit Query	Recommendations	Audit Response	Action to date-February 2024																								
24	Procurement and contract management - Awards made to suppliers in service of the state	During our performance of Computer Assisted Audit Techniques (CAATs) tests on Procurement and contract management, the following persons in service of another state institution was identified as having a private or business interest in a contract awarded by the municipality. The interest was not declared as required by Regulation 13(c) of the Municipal Supply Chain Management Regulations and thus the declarations made by the suppliers were false and misleading. The following bears reference: <table> <tr> <th>SUPPL_NO</th><th>SUPPL_NAME</th><th>SUPPL_AMT</th><th>EMPL_NO</th><th>EMPL_NAM E</th><th>EMPL_APPC</th></tr> <tr> <td>MTH0003</td><td>Mthonjaneni Bus Services Co-Op</td><td>231 400,00</td><td>64871282</td><td>MBUZELEN I NUNU MTHETHW A</td><td>2013/04/0</td></tr> <tr> <td>GCI001</td><td>Gcinisbusiso Trading Enterprise (Pty) Ltd</td><td>450 238,86</td><td>30120764</td><td>ZANDILE HAPPINESS -ZUNGU</td><td>2023/03/0</td></tr> <tr> <td>ABA0012</td><td>ABAZALA SOLUTIONS PROJECTS AND TRADINGS</td><td>29 750,00</td><td>67266061</td><td>SIYATHOK OZA VUKANI LAMULA</td><td>2022/04/0</td></tr> </table>	SUPPL_NO	SUPPL_NAME	SUPPL_AMT	EMPL_NO	EMPL_NAM E	EMPL_APPC	MTH0003	Mthonjaneni Bus Services Co-Op	231 400,00	64871282	MBUZELEN I NUNU MTHETHW A	2013/04/0	GCI001	Gcinisbusiso Trading Enterprise (Pty) Ltd	450 238,86	30120764	ZANDILE HAPPINESS -ZUNGU	2023/03/0	ABA0012	ABAZALA SOLUTIONS PROJECTS AND TRADINGS	29 750,00	67266061	SIYATHOK OZA VUKANI LAMULA	2022/04/0	Management should ensure that all the suppliers in service of the state that have any private or business interest in any contract to be awarded; disclose such interest. In respect of the identified interests, it is recommended that management investigate each instance and follow-up with the employee and the supplier the reasons for falsely declaring that they had no interest. Management need to indicate to the auditors what measures it will implemented against these suppliers where the declarations made by the suppliers are found to be false. Evidence that the investigations have been instituted should be provided to the auditors. In addition, management have to indicate whether there was any reason at the time of the award that they were aware of the interest not declared by these suppliers.	Mthonjaneni Bus Services Co-Op is a transport company with license for buses and taxis in Mthonjaneni. Mr Mthethwa is the chairperson of the taxi association, he would attend meetings with department of transport on behalf of the association. He gets paid by the department for attending the meetings hence he has a persal number used for payments. Gcinisbusiso Trading Enterprise (Pty) Ltd The director being ZH Zungu was working in the job creation programme for the department of education. Her contract was for 6 months from 01 March 2023 to 30 September 2023. ABAZALA SOLUTIONS PROJECTS AND TRADINGS The director being SV Lamula is on the internship programme for the department of education. The service providers have been submitting signed declaration forms (MBD4) accompanying their quotes	CFO N M Myeni -MBD4 is signed before the appointment -CSD report id produced to monitor the restriction -Service providers have advised and some of them and amended their registration information.
SUPPL_NO	SUPPL_NAME	SUPPL_AMT	EMPL_NO	EMPL_NAM E	EMPL_APPC																								
MTH0003	Mthonjaneni Bus Services Co-Op	231 400,00	64871282	MBUZELEN I NUNU MTHETHW A	2013/04/0																								
GCI001	Gcinisbusiso Trading Enterprise (Pty) Ltd	450 238,86	30120764	ZANDILE HAPPINESS -ZUNGU	2023/03/0																								
ABA0012	ABAZALA SOLUTIONS PROJECTS AND TRADINGS	29 750,00	67266061	SIYATHOK OZA VUKANI LAMULA	2022/04/0																								

Table 10 - AG Action Plan

Addressing (a) leads to a financially unqualified report whilst addressing both (a) and (b) leads to a clean audit report. Having a disclaimer may entail prioritizing (a) to improve the audit opinion.

5.5.1 Municipal Goals, Strategic Objectives, Programmes, Projects, and Budget 2024/2025

The Municipality's Goals, Strategic Objectives, Programmes and Projects are addressed in the Chapter 4:

Development Strategies.

The Municipality held several community participation meetings in all wards to obtain their basic needs and priorities. The list below has the needs and priorities for 13 wards in Mthonjaneni Municipality.

COMMUNITY NEEDS

WARD 1

No.	WARD 1	Area
1	Lightning Pole (Ikhonkwane)	Yanguye
2	Concrete Road (eyndaweni Zimbi)	Nongalaza,Ncanyini, Ngekwane
3	Dam	Yanguye, Eygodini
4	Infills	Yanguye
5	water Infrastructure	Emgojane
6	Renewal of Yanguye Stadium	yanguye
7	Gravel Road	Sizanani
8	Ncanyini	Ncanyini
9	Gym Park	Sanguye Tribal Court

Table 11 - Community Needs: Ward 1

WARD 2

NO.	Community challenges	Area
1.	Internet Café	Phase 3
2.	Post office	Phase 3
3.	Speed humps	Phase 5
4.	Library	Phase 4
5.	Gymnasium	Phase1
6.	Car Wash	Phase
7.	Gym Park	Phase 4
8.	Naming of the Streets	Phase 3,4 & 5

Table 12 - Community Needs: Ward 2

WARD 3

NO.	Community challenges	Area
1.	Youth Culture Activities center	Makhosineni
2.	Sportfield	Makhosineni

3.	Salon building	Njomelwane
4.	Gravel Road	Kwabhozo
5.	Gravel Road	Ofankomo
6.	Bhadaza Hall	KwaBhadaza
7.	Gymnasium	Town
8.	Youth Car Wash	Town
9.	Youth Culture Activities center	Makhosineni
10.	Sportfield	Makhosineni
11.	Salon building	Njomelwane
12.	Gravel Road	Kwabhozo

Table 13 - Community Needs: Ward 3

WARD 4		
NO	Community challenges	Area
1.	Thunzini Gravel Road	Thunzini
2	Bomvini Gravel Road	Bomvini
3	Kwamagwaza Gravel Road	Kwamagwaza
4	Mhlathuze Gravel Road	Mfusamvu
5	Thengele Gravel	Thengele
6	Creche	KwaMagwaza
7	Access Road	KwaMagwaza
8	Electricity Project	Mkhumbane
9	Community Hall	Thengele
1	Thunzini Gravel Road	Thunzini
2	Bomvini Gravel Road	Bomvini
3	Kwamagwaza Gravel Road	Kwamagwaza
4	Mhlathuze Gravel Road	Mfusamvu
5	Thengele Gravel	Thengele

Table 14 - Community Needs: Ward 4

WARD 5		
NO	Community challenges	Area
1.	Sabiza Gravel Road	Sabiza
2.	Zimele Gravel road	Mgabhi
3.	Magwaza Community Hall	Othini
4.	Othini Creche	Othini
5.	Mfanefile Type 3 - Infill	Mfanefile

Table 15 - Community Needs: Ward 5

WARD 6

NO.	Community challenges	Area
1.	Electricity	All areas in ward 6
2.	Gravel Road	Nsengeni
3.	Community Hall	Ekuthuleni
4.	Sportfield	Edubeni
5.	Creche	Esingobile

Table 16 - Community Needs: Ward 6

WARD 7

NO.	Community challenges	Area
1.	Community Hall	Ndabazensangu
2.	Community Hall	Ohawule
3.	Gravel Road	KwaNgcongco
4.	Creche	Ndundulu next to sportfield
5.	Paypoint	Ndundulu sportsground

Table 17 - Community Needs: Ward 7

WARD 8

NO.	Community challenges	Area
1.	Community Hall	Bedlane
2.	Gravel Road	Bedlane
3.	Sportfield	Mxosheni
4.	Electricity	Ndundulu
5.	Drivers Licences	Ndundulu
6.	Community Hall	Bedlane
7.	Gravel Road	Bedlane

Table 18 - Community Needs: Ward 8

WARD 9

NO.	COMMUNITY CHALLENGES	AREA
1	Playing Ground	Enkwenkwe
2	Multi- Prupose Center	Masangweni
3	Majaji Roud Gravel Road	Majaji School
4	Creche	Mpemvu
5	Community Hall	Bhonkolo
1	Playing Ground	Enkwenkwe
2	Multi- Prupose Center	Masangweni

Table 19 - Community Needs: Ward 9

WARD 10		
NO.	COMMUNITY CHALLENGES	AREA
1	Mpempeni Bridge & Course Way	Mpempeni
2	Ndulinde Bridge	Ndulinde
3	Nhlozane Bridge	Nlozane
4	Qondindlela	Qondindlela
5	Mpempni Electrical Project	Mpempeni
6	Qomintaba Electrical Project	Qominetaba
7	Noziphiva Electrical Project	Noziphehiva
8	Noziphiva Gravel Road	Noziphehiva
9	Ndulinde Gravel Road	Nduliende
10	Maqweha Gravel Road	Maqweeha
11	Qondindlela Gravel Road	Qondiendlela
12	Sivananda Gravel Road	Sivaneanda
13	Ndulinde Creche	Nduliende
14	Sithinta creche	Sithienta
15	Nhlude creche	Nhludee
16	Noziphiva creche	Noziphehiva
17	Sivananda water line Installation	Sivaneanda
18	Ncemane Water line Installation	Ncemaene
19	Community Hall	Sthinta
20	Creche	Mpempeni
21	Creche	Nomponjwana

Table 20 - Community Needs: Ward 10

WARD 11		
NO.	COMMUNITY CHALLENGES	AREA
1	Gravel road	Goduka
2	Sports field	Emfeceni
3	Gravel road	eigqibaneni
4	Creche	Ezinketheni
5	Community Hall	Folishini / Ezinketheni
1	Gravel road	Goduka
2	Sports field	Emfeceni
3	Gravel road	eigqibaneni
4	Creche	Ezinketheni

Table 21 - Community Needs: Ward 11

WARD 12		
NO.	COMMUNITY CHALLENGES	AREA
1	Creche	Mpentsheni
2	Access road	Mpentsheni
3	Creche	Keteza
4	Sport Field	keteza
5	Sport Field	Maphukanqola
6	Access Road	Emkhandlwinini
7	Creche	Emkhandlwinini
8	Creche	Nungwini
9	Sport Field	Nungwini
10	Access road	Nungwini

11	Community Hall	Mkhandlwini
12	Soccer Field	Oviceni
13	Soccer Field	Ngqungqu
14	Dam	Danyini
15	Garden Project	Danyini
16	Nursery	Mawanda
17	Nursery	Mkhandlwini
18	Nursery	Lumbi
19	Creche	Mpentsheni
20	Access road	Mpentsheni
21	Creche	Nhlube

Table 22 - Community Needs: Ward 12

SWOT ANALYSIS

The Municipality's SWOT Analysis is addressed in the Situational Analysis Chapter and is provided at the end of each Key Performance Area.

FINAL- MUNICIPAL BUDGET

The Municipality's Final Budget for 2024/2025 is attached as an annexure

MSCOA COMPLIANCE

The Minister of Finance has, in terms of section 168 of the Local Government: Municipal Finance Management Act, 2003 (Act No.56 of 2003), and acting with the concurrence of the Minister of Co-operative Governance and Traditional Affairs gazetted the Municipal Regulations on Standard Chart of Accounts (MSCOA) into effect on 22 April 2014. The Municipal SCOA provides a uniform and standardised financial transaction classification framework. Fundamentally this means that the MSCOA prescribes the method (the how) and format (the look) that municipalities and their entities should use to record and classify all expenditure (capital and operating), revenue, assets and liabilities, policy outcomes and legislative reporting. This is done at transactional level and ensures that a municipality and its entities have minimum business processes in place. This will result in an improved understanding of the role of local government in the broader national policy framework and linkage to other government functions.

The Regulations apply to all municipalities and municipal entities and indicate their applicability and relevance to each specific municipal environment while simultaneously accommodating organisational uniqueness and structural distinctions. The Regulation provides for a three-year preparation and readiness

window and all 278 municipalities had to be compliant to the MSCOA classification framework by 1 July 2017.

Chapter 6 of the MFMA tasks the Municipal Manager with managing the financial administration of the Municipality. Since MSCOA is a municipal business reform, the Municipal Manager has the overall responsibility to manage the successful implementation of the MSCOA project within the Municipality, to ensure the Municipality can capture all transactions (at posting level) in accordance with MSCOA within its respective financial applications (systems) by 1 July 2017 going forward.

BACK TO BASICS PROGRAMME

This section is addressed in **Section I**

OPERATION SUKUMA SAKHE

This section is addressed in section 8.2

DEVELOPMENT OF NEW AND REVIEW OF OLD SECTOR PLANS

This section is addressed in section 5.9

HOW WILL OUR PERFORMANCE BE MEASURED

The implementation of Integrated Development Plan is well met by having the Budget and SDBIP that aligns to this document. Performance Management System laid out in Chapter 5 of the Municipal Systems Act No.32 of 2000 is the tool that is used to monitor and measure the success on non-success of the IDP Implementation.

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

5. PLANNING AND DEVELOPMENT

The Integrated Development Planning (IDP) is a process by which Mthonjaneni Municipality prepares its strategic development plan for the development of the 5th Generation IDP 2022/23 – 2026/27. The Integrated Development Planning as an instrument lies at the centre of the new system of developmental local government in South Africa and represents the driving force for making municipalities more strategic, inclusive, and responsive and assume a performance-driven character.

The IDP seeks to integrate and balance the economic, ecological, and social pillars of sustainability within the Mthonjaneni municipal area without compromising the institutional capacity required to implement and co-ordinate the efforts needed across sectors and relevant spheres of government. The IDP is, therefore, the principal strategic planning instrument which guides and informs all planning, budgeting, and all development in the Mthonjaneni municipal area.

The IDP is also the strategic planning tool of the Municipality and was prepared within the first year after the newly elected Council had been appointed and will be subject to an annual review during the Council's term of office. The priorities and actions identified in this IDP will inform the structure of the Municipality, the service delivery standards, all financial planning, and budgeting as well as performance reporting by the Municipality.

CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA, ACT 108 OF 1996

- Section 152, 153 and 195 of the Constitution compelling municipalities to perform specific duties and in a certain way including:
- Provide a democratic and accountable government for local communities
 - Ensure a provision of services to communities in a sustainable manner
 - Promote social and economic development
 - Promote a safe and healthy environment
 - To encourage the involvement of communities and community organisations in the matters of local government

MUNICIPAL SYSTEMS ACT (NO 32 OF 2000)

According to Chapter 5, Section 32 of the Municipal Systems Act of 2000, all municipalities (i.e., Metros, District Municipalities and Local Municipalities) are required to undertake an integrated development planning process to produce integrated development plans (IDPs). A credible IDP is a single, inclusive strategic plan for the municipality that:

- is based on up to date and accurate statistics and empirical data that can inform strategic decision making.
- integrates, co-ordinates and facilitates service delivery, local economic development, and wise land use management within the municipal area of jurisdiction.
- forms the general basis on which annual budgets are developed.
- aligns the resources and capacity of the municipality with the implementation of the plan.
- assists a municipality in fulfilling its constitutional mandate as developmental local government; and
- Facilitates the processes of realized and sustainability through vigorous public participation.

Chapter 5, Section 34 of the Municipal Systems Act (No 32 of 2000), requires municipalities to review their IDP's on annual basis to address amongst others but not limited to:

- Comments from the MEC for Co-operative Governance need to be considered as part of the IDP preparation process.
- Consider new Council priorities.
- New policies (e.g National Development Plan, Provincial Growth and Development Strategy, Growth Path);

MUNICIPAL STRUCTURES ACT (NO 117 OF 1998)

The Municipal Structures Act No 117 of 1998 makes provision for the powers and functions between the districts and local municipalities. It mandates district wide functions to the district municipalities and critical day to day functions to the local municipalities.

MUNICIPAL FINANCE MANAGEMENT ACT (NO 56 OF 2003)

The Annual Budget and the IDP must be linked to one another and that has been formalised through the promulgation of the Municipal Finance Management Act (2004). Chapter 4 and Section 21 (1) of the Municipal Finance Management Act indicates that:

At least 10 months before the start of the budget year, table in the municipal Council a time schedule outlining key deadlines for:

- a) The preparation, tabling, and approval of the annual Budget.
- b) The annual review of:
 - a. The integrated development plan in terms of Section 34 of the Municipal Systems Act, and
 - b. The Budget related policies
- c) The tabling and adoption of any amendments to the integrated development plan and budget related policies, and
- d) The consultative processes forming part of the processes referred to in subparagraphs (a), (b) and

The Disaster Management Act No 53 of 2002, Section 25 requires:

1. Each municipality must, within the applicable municipal disaster management framework-

- (a) prepare a disaster management plan for its area according to the circumstances prevailing in the area.
- (b) co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players.

I regularly review and update its plan: and

(d) through appropriate mechanisms, processes and procedures established in terms of Chapter 4 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), consult the local community on the preparation or amendment of its plan.

(2) A disaster management plan for a municipal area must-

- (a) form an integral part of the municipality's integrated development plan.
- (b) anticipate the types of disaster that are likely to occur in the municipal area and their possible effects.
- (c) place emphasis on measures that reduce the vulnerability of disaster-prone areas,
- (d) seek to develop a system of incentives that will promote disaster management in the municipality.
- (e) identify the areas, communities, or households at risk.
- (f) consider indigenous knowledge relating to disaster management.
- (g) promote disaster management research.
- (h) identify and address weaknesses in capacity to deal with possible disasters.
- (i) provide for appropriate prevention and mitigation strategies.
- (j) contain contingency plans and emergency procedures in the event of a disaster,

(3) A district municipality and the local municipalities within the area of the district municipality must prepare their disaster management plans after consulting each other.

(4) A municipality must submit a copy of its disaster management plan, and of any amendment to the plan, to the National Centre, the disaster management centre of the relevant province, and, if it is a district municipality or a local municipality, to every municipal disaster management centre within the area of the district municipality concerned.

LOCAL GOVERNMENT: MUNICIPAL PLANNING and PERFORMANCE MANAGEMENT REGULATIONS, 2001

In 2001, the Municipal Planning and Performance Management Regulations were issued to further provide guidelines and clarity on the issues of IDP and PMS. The Municipal Planning and Performance Management Regulations provide details on the requirements of the IDP and Performance Management System.



The planning system currently occupies the centre stage at their respective spheres of government, and they have an overarching role. One of the key objectives of IDP is to ensure alignment between national and provincial priorities, policies, and strategies (as listed below):

- Sustainable Development Goals
- National Development Plan (Vision 2030)
- National Spatial Development Perspective
- National Key Performance Areas
- National Outcomes
- Provincial Growth and Development Strategy (2035)
- District Growth and Development Plan

The proposed Sustainable Development Goals (SDGs) offer major improvements on the Millennium Development Goals (MDGs). Not only do they address some of the systemic barriers to sustainable development, but they also offer better coverage of, and balance between, the three dimensions of sustainable development – social, economic, and environmental – and the institutional/governance aspects. The overall balance is illustrated by four of the goals discussing global environmental issues (climate, water, ecosystems, oceans).

The MDGs dealt only with developing countries and only to a limited degree captured all three dimensions of sustainability. In contrast, the SDGs deal with all countries and all dimensions, although the relevance of each goal will vary from country to country. The SDG process has been a huge step forward through the effort to create universal goals that articulate the need and opportunity for the global community to come together to create a sustainable future in an inter- connected world.

INTERNATIONAL POLICY DIRECTIVES: SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDG) initiative is aimed at attaining the following goals. Each goal has specific target/s:

Goal 1: End poverty in all its forms everywhere.
Goal 2: End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.
Goal 3: Ensure healthy lives and promote well-being for all at all ages.
Goal 4: Ensure inclusive and equitable quality education and promote life-long learning opportunities for all.
Goal 5: Achieve gender equality and empower all women and girls.
Goal 6: Ensure availability and sustainable management of water and sanitation for all.
Goal 7: Ensure access to affordable, reliable, sustainable, and modern energy for all.
Goal 8: Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.
Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
Goal 10: Reduce inequality within and among countries.
Goal 11: Make cities and human settlements inclusive, safe, resilient, and sustainable
Goal 12: Ensure sustainable consumption and production patterns.
Goal 13: Take urgent action to combat climate change and its impacts.
Goal 14: Conserve and sustainably use the oceans, seas, and marine resources for sustainable development.

Goal 15: Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable, and inclusive institutions at all levels; and

Goal 17: Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.

National Outcome Delivery Agreements

The Government has agreed on 12 outcomes as a key focus of work from 2014 to date. Each outcome has a limited number of measurable outputs with targets. Each output is linked to a set of activities that will help achieve the targets and contribute to the outcome.

NATIONAL OUTCOME DELIVERY AGREEMENTS

Each of the 12 outcomes has a delivery agreement which in most cases involves all spheres of government and a range of partners outside government. Combined, these agreements reflect government's delivery and implementation plans for its foremost priorities. Each outcome has been broken into various outputs that stipulate activities to be undertaken towards the achievement of a particular outcome

Outcome	Role to be played by Mthonjaneni
Outcome 1: Improved quality of basic education	Although the Municipality is not responsible for basic education, it will from time-to-time support schools and other learning institutions with learning and other resources. Collaborate with the local colleges to support science, technology, and agricultural development. Support will also be given to schools on mining and conservation. Ensure DOE is always part of IDP Rep Forums
Outcome 2: A long and healthy life for all South Africans	Mthonjaneni Municipality supports the local Health Care facilities and there is a plan to invite investors to construct a private health care facility

Outcome 3: All South Africans should be and feel safe; there should be decent employment through	Although the Municipality is not directly responsible for crime prevention and safety, community safety campaigns and initiatives are continuously supported.
Outcome 4: Decent Employment through Inclusive Economic Growth	Mthonjaneni municipality has adopted the Expanded Public Works Programme in partnership with other sector departments and/or government agencies as an integral part of all its projects to create jobs and grow the economy
Outcome 5: An efficient, competitive, and responsive economic infrastructure network	Continuous training will be given to employees and all those responsible for service delivery
Outcome 6: There should be vibrant, equitable, sustainable rural communities with food security for all	Mthonjaneni is one of the most Agriculture capable Municipality, Municipality will have programs to support local/ household farming to ensure that they grow their vegetables.

The effective implementation of the service delivery agreement will assist in achieving the following imperatives:

- ❖ Creating a radical paradigm shift in the management of the public service by aligning service delivery with the values and needs of the public.
- ❖ Ensuring a focus on customer value proposition which should entail evaluation of service delivery through the eyes of the customer.
- ❖ Providing strong feedback mechanisms on quality and timeliness of service delivery.
- ❖ Creating of strong public/private partnerships through involvement of the private sector and civil society in the broad process of policy determination and implementation.
- ❖ Unprecedented improvement of the image of government in the eyes of the public by enthusiastically embracing and supporting the process and culture of performance.
- ❖ Through the service delivery agreement,

COGTA and municipalities commit to the following:

- ❖ The extension of basic services which include water, sanitation, electricity, and waste Systems for improved service Management.
- ❖ Creation of job opportunities through the Community Works Programme.
- ❖ Transformation of administrative and financial systems in the municipalities which includes Supply Chain Management and the integration and streamlining all our internal software systems to ensure uniformity, linkages, and value for money.
- ❖ The filling of six critical senior municipal posts in various municipalities namely Municipal Manager, Chief Financial Officer, Town Engineer, Town Planner, Human Resources Manager and Communications manager as the basic minimum for every municipality.
- ❖ That all municipalities in the province will achieve clean audits.
- ❖ Building municipal capacity to enable municipalities to collect 90% of their revenues.
- ❖ Strengthening the organizational performance management delivery and accountability to the communities; and
 - ❖ Improving our interaction with the institutions of traditional leaders and integrating the Ward-based system of planning and governance with the programme of traditional councils, where they exist.

These talk to the five (6) National Key Performance Areas (KPA's) and should form the basis for every municipality's strategic objective. Through the service delivery agreement, the Honorable Mayors of all municipalities commit themselves to the following:

- ❖ That they will play their role as outlined in the Municipal Finance Management Act by monitoring the prudent management and utilization of their municipal finances.
- ❖ That they will monitor the execution of their municipal Service Delivery and Budget Implementation Plans (SDBIPs) for improved and accelerated service delivery.
- ❖ That they will take personal responsibility and accountability for non-delivery to communities.
- ❖ That they will ensure every rand spent in their municipalities does what it is earmarked for:
- ❖ That they will advocate for, and actively work, towards corrupt-free municipalities.
- ❖ That they will lead by example in their various communities by adhering to ethical standards and professional conduct in their public and private lives.
- ❖ That they will render unwavering support to the effective functionality of their newly established Municipal Public Accounts Committees and Audit Committees to ensure that corruption, fraud, and mismanagement prevented; and

- ❖ That, working with our esteemed traditional leaders, they will work tirelessly in restoring the confidence of the people in the system of local government.

NATIONAL AND PROVINCIAL DEVELOPMENT PLANNING AND POLICY

Chapter 5 of the MSA provides instruction on co-operative governance, encouraging municipalities to develop their strategies in line with other organs of state to give effect to the five-year strategic plan. It goes further to inform that the IDP must link, integrate and co-ordinate development plans for the Municipality. Resources and capacity must align with the implementation of the plan, forming the foundation on which the annual budget must be based.

The plan must be compatible with national development plans and planning requirements that are binding on the Municipality in terms of legislation. The state has introduced a three-tiered system of integrated planning aimed at ensuring intergovernmental priority setting, resource allocation, implementation, and monitoring and evaluation to achieve sustainable development and service delivery. The key instruments which constitute this system include at national level the National Development Plan (*Vision for 2030*), the Medium-Term Strategic Framework (MTSF) and the National Spatial Development Perspective (NSDP) as indicative and normative planning instruments; at provincial level the Provincial Growth and Development Strategy reviewed (PGDS, 2016), supported by Provincial Spatial Economic Development Strategy (PSEDS); the District Growth & Development Plan and at local level the municipal Integrated Development Plan (IDP), which include Spatial Development Framework (SDF). Improvements in spatial analysis has allowed for a clearer basis for spatial priorities to be laid out in the PSEDS. The PSEDS guides the focusing of infrastructure investment in certain spatial areas.

THE NATIONAL DEVELOPMENT PLAN: VISION 2030

The National Development Plan has been prepared by the National Planning Commission, which was appointed by the President, and it is not a government department. The purpose of the National Planning Commission serves to advice government on issues impacting long term development. The National Development Plan has a vision and targets to be achieved from now till 2030.

The National Development Plan is a step in the process of charting new path for the country. By 2030, the plan seeks to eliminate poverty and reduce in quality and create employment and it serves to change the life chances of millions of the people. The National Development Plan mainly seeks to address the following main challenges:

- Too few people work.
- The standard of education for most black learners is of poor quality.
- Infrastructure is of poor quality and under maintained.
- South Africa remains a divided society.
- Corruption is widespread; and
- Public services are uneven and often of poor quality.

The 2030 targets which are aimed to be achieved by the National Development Plan are as follows:

Economy and employment

- Reducing unemployment rate by 20% in 2011 to 14% by 2020, and 6% by 2030; creation of 11 million jobs by 2030.

Economic Infrastructure

- People with access to electricity should rise from 70% in 2010, to 95% by 2030.

Transition to a low carbon economy

- Reducing of green gas emissions by 2025

Inclusive rural economy

- An additional of 643 000 direct jobs and 326 000 indirect jobs in agriculture, agro – processing and related sectors by 2030.

Education, training, and innovation

- 80% of the schools and learners to achieve 50% and above in literacy, mathematics, and science in grades 3, 6 and 9.
- Improve education and training graduation rate to 75% by 2030.

Health care for all

- Under 20 age group should largely be an HIV free generation

Social protection

- Number of public works jobs should rise from the present level to about 1 million in 2015, and then to about 2 million by 2030.

Building safer communities

- In 2030; people living in South Africa feel safe and have no fear of crime.

Fighting corruption and enhancing accountability

- a corruption free society and high adherence to ethics and government accountable to its people

Transforming society and uniting the country

- Living society where opportunities are not being determined by race and birthright, seek a united, prosperous, and non – racial society

STRATEGIC GOAL NO	STRATEGIC OBJECTIVE 2016
1. INCLUSIVE ECONOMIC GROWTH	Develop and promote the agricultural potential of KZN Enhance sectoral development through trade investment and business retention Enhance spatial economic development Improve the efficiency, innovation, and variety of government-led job creation programmes Promote SMME and entrepreneurial development Enhance the Knowledge Economy
2. HUMAN RESOURCE DEVELOPMENT	Improve early childhood development, primary and secondary education

	Support skills development to economic growth Enhance youth and adult skills development and life-long learning
3. HUMAN AND COMMUNITY DEVELOPMENT	Eradicate poverty and improve social welfare services New Wording Enhance health of communities and citizens Safeguard and enhance sustainable livelihoods and food security New Wording Promote sustainable human settlements Enhance safety and security Advance social cohesion and social capital New Wording Promote youth, gender and disability advocacy and the advancement of women
4. INFRASTRUCTURE DEVELOPMENT	Development of seaports and airports New Wording Develop road and rail networks Develop ICT infrastructure Ensure availability and sustainable management of water and sanitation for all Ensure access to affordable, reliable, sustainable and modern energy for all Enhance KZN waste management capacity
5. ENVIRONMENTAL SUSTAINABILITY	Enhance resilience of ecosystem services New Wording Expand the application of green technologies Adapt and respond climate change
6. GOVERNANCE AND POLICY	Strengthen policy, strategy coordination and IGR Build government capacity Eradicate fraud and corruption

	Promote participative, facilitative, and accountable governance
7. SPATIAL EQUITY	Enhance the resilience of new and existing cities, towns, and rural nodes, ensuring equitable access to resources, social and economic opportunities Ensure integrated land management use across the province, ensuring equitable access to goods and services, attracting social and financial investment

SPATIAL DEVELOPMENT FRAMEWORKS (PROVINCIAL AND MUNICIPAL)

Through the Provincial Spatial Economic Development Strategy (PSEDS), the Provincial Government hopes to strike a sound balance between progressive community growth and the environmental preservation of the communities. The Mthonjaneni Spatial Development Framework (SDF) which is an overarching document in the municipal IDP is a mirrored expression of the development intentions of the Municipality as expressed in the IDP. The SDF must be aligned with the PSEDS.

STATE OF THE NATION ADDRESS

The President of the Country H.E Cyril Ramaphosa delivered the State of Nation Address to a joint sitting of the two houses of Parliament- the National Assembly and National Council of Provinces at the Cape Town City Hall on Thursday 9 February 2023

The Financial and Fiscal Commission takes an interest in the State of the Nation Address and the budget implications of any announcement in the address. The State of the Nation Address looked at how to improve the living conditions of South Africans. The 2023 SONA focused on four broad themes, namely energy crisis, reducing unemployment, cost of living and crime and corruption.

The NHI

Expectations ahead of this SONA were that Ramaphosa would give some sort of update about the controversial National Health Insurance (NHI) bill, which is currently sitting on his desk and waiting for sign-off after being passed by parliament.

No such timeline was forthcoming. He did, however, treat the house to a joke about how he was looking for his pen to do so...

More interestingly were his comments about a staged roll-out of the policy that has had opposition parties and the private sector up in arms. It's probably this push-back that prompted Ramaphosa's note that his government plans to "incrementally implement the NHI." He separated out different phases to deal with:

- Health system financing
- The health workforce
- Medical products
- Vaccines and technologies
- Health information systems
- Missing from this list, however, was a timeline of when and how each of these will be rolled out.

Youth unemployment

The much-talked-about youth vote presents the biggest risk to the ruling ANC in this coming election. These largely dormant voters may well rise up, given how poorly they have fared in SA's democracy thirty years on. Consider that over 3 million young South Africans (aged 15 – 24) aren't in any form of education or employment, according to Stats SA. That's roughly a third. In this year's speech, Ramaphosa spoke of the launch of the Presidential Employment Stimulus and other initiatives to create over 1.7 million work opportunities, plus zero-rated platforms like SAYouth.mobi to help young people access learning and earning opportunities.

"Over 4.3 million young people are now engaged on the network and 1.6 million have so far secured opportunities," said Ramaphosa. It's a good start. As the president himself pointed out, work is pretty crucial to the human spirit. "Having a job does not only provide an income – it is fundamental to people's sense of self-worth, dignity, hope, purpose and inclusion," said Ramaphosa.

Climate Change Response Fund

Probably the only thing that looked like a new announcement or initiative was Ramaphosa's announcement on the Climate Change Response Fund.

If you've been following climate change conversations, this would fall under the "resilience" bit. There is only so much "adaptation and mitigation" we can do to protect our people from the effects of climate change – two other strategies often talked about.

Quick explainer: "Mitigation can help minimise climate change, so we don't get increasingly severe storms, adaptation helps prepare for the more severe storms which we are already beginning to experience, and resilience helps us bounce back more quickly following these storms." Credit.

As Ramaphosa pointed out, SA has been hit hard by the effects of climate change. "We have had devastating wildfires in the Western Cape, destructive floods in KwaZulu-Natal, unbearable heat waves in the Northern Cape, persistent drought in the Eastern Cape, and intense storms in Gauteng," he noted earlier in his speech when listing the literal and figurative storms the country has weathered over the years.

Later in the speech, he looped back to the issue with the announcement of a Climate Change Response Fund. Something like this has been mooted in previous bills.

As Ramaphosa noted: "This will bring together all spheres of government and the private sector in a collaborative effort to build our resilience and respond to the impacts of climate change."

However, more details were, as was the case with this speech, in scant supply.

Election date and special grant extension

Hopes that Ramaphosa would announce this year's election dates were dashed. Neither are we much wiser about whether the special social relief grant, introduced during the COVID-19 pandemic lockdowns, would be extended again – something pundits were looking out for in this speech. All Ramaphosa said on this score was: "We

have seen the benefits of this grant and will extend it and improve it as the next step towards income support for the unemployed.” Again, there were no dates or details, though that may be forthcoming during the follow-up budget speech, where his finance minister generally provides a more detailed implementation plan.

The SRD grant, as it is known, reaches nine million people who aren’t eligible for other grants. This R350.00 a month often means the difference between going hungry or not for SA’s poorest citizens.

Details and timelines on the rebuild of the parliament building and also the ending of loadshedding were scarce tonight.

Education

We’ve mentioned before that our obsession with matric results is misplaced and doesn’t tell the full story of education in South Africa.

But education is one of the few metrics where Ramaphosa could boast of a hard improvement, which he did, noting: “The latest matric pass rate, at 82.9%, is the highest ever.”

Following on his youth-themed jobs note, Ramaphosa made education a key part of his speech, shouting out the different ways his government is trying to improve an overall education system that still sees high drop-out rates and poor literacy and maths levels. Key points included the expansion of access to early childhood development plus improving basic education outcomes. “With each new year, learners from no-fee schools are accounting for more and more of the bachelor passes achieved,” said Ramaphosa, adding that the government has “increased funding for poor and working-class students in universities and TVET significantly over the past five years.”

Energy Crisis

The President acknowledged that persistent load shedding is impeding the economy's recovery. It was highlighted that without a reliable electricity supply, businesses cannot grow, assembly lines cannot run, crops cannot be irrigated, and basic services are interrupted. Load shedding means households and supermarkets cannot keep food fresh, the water supply is often disrupted, traffic lights need to be fixed, and streets

need to be lit at night. Without a reliable electricity supply, our efforts to grow an inclusive economy that creates jobs and reduces poverty will not succeed.

The President announced that National Treasury is finalising a solution to Eskom's R400 billion debt burden that is equitable and fair to all stakeholders, enabling the utility to make necessary investments in maintenance and transmission. The government will support Eskom to secure additional funding to purchase diesel for the rest of the financial year. This should reduce the severity of load shedding as Eskom can use its diesel-run plants when the system is under strain.

The President also announced that National Treasury is working on adjustments to the bounce-back loan scheme to help small businesses invest in solar equipment and to allow banks and development finance institutions to borrow directly from the scheme to facilitate the leasing of solar panels to their customers. The design and conditions of the loan scheme should make it easy for small businesses to take up the loan.

The energy crisis has prompted the government to look for a viable solution to the crisis in the short and long term. The President announced that Minister of Cooperative Governance and Traditional Affairs Nkosazana Dlamini Zuma had gazetted the declaration of the State of Disaster, which began with immediate effect. Moreover, the president will expand his Cabinet by appointing a minister of electricity to the Presidency. The role of the minister would be to take full responsibility for overseeing all aspects of the electricity crisis response, including the work of the National Energy Crisis Committee.

The expansion of the cabinet by establishing a minister of electricity may result in the duplication of duties and coordination challenges. The Department of Public Enterprises and the Department of Energy have functional responsibilities relating to Eskom and energy. The addition of another Minister of electricity will result in duplication if there is no clarity on functional responsibilities.

Cost of Living

The rising cost of living is deepening poverty and inequality. The President highlighted that approximately 60 per cent of the budget is allocated to the social wage,

providing various forms of support, basic services and assistance to households and individuals to combat poverty and hunger. The President announced that to counter the rising cost of living, we will continue the Social Relief of Distress Grant, which currently reaches around 7.8 million people.

Furthermore, the President announced that the existing social grants would be increased to cushion the poor against rising inflation. The Minister of Finance will set out the quantum of the increases in the budget. He further announced that work is underway to develop a mechanism for targeted basic income support for the most vulnerable within our fiscal constraints.

A basic income grant comes with many economic and social benefits. It will result in the extension of economic opportunity for the poor, an expansion of human capabilities and a reduction in the burden of poverty, hunger, and disease. However, it may also worsen the fiscal position of the country, and thus it requires a balanced approach to designing and implementing a basic income grant.

Crime and corruption

Crime and corruption continue to affect South Africa. The President announced the strengthening of the South African Police Service to prevent crime and improve the capacity of the National Prosecuting Authority and courts to ensure perpetrators are brought to justice. It was announced that more than 10,000 new recruits graduated from police academies and a further 10,000 will be recruited and trained this year.

Furthermore, the President announced that the government is working towards capacitating the Witness Protection Unit and would introduce amendments to the Protected Disclosures Act and Witness Protection Act to strengthen protections for whistle-blowers. In response to the State Capture Commission and in line with the framework for the professionalisation of the public service, integrity assessments would become a mandatory requirement for recruitment to the public service and entry exams would be introduced.

7.11 MEDIUM TERM STRATEGIC FRAMEWORK (MTSF)

The MTSF 2021-2026 is both a five-year implementation plan and an integrated monitoring framework. The plan focuses on the seven priorities and related interventions of the sixth administration of government, and the integrated

monitoring framework focuses on monitoring outcomes, indicators, and targets towards the achievement of the priorities.

The MTSF promotes alignment, coordination and ultimately full integration of all development planning instruments into an integrated framework bearing results without duplication, role conflict and development contradictions, better coordination through the district-based delivery model.

The seven priorities are:

PRIORITY NO	PRIORITY DESCRIPTION
Priority 1	A Capable, Ethical and Developmental State
Priority 2	Economic Transformation and Job Creation
Priority 3	Education, Skills, and Health
Priority 4	Consolidating the Social Wage through Reliable and Quality Basic Services
Priority 5	Spatial Integration, Human Settlements and Local Government
Priority 6	Social Cohesion and Safer Communities
Priority 7	A Better Africa and World

STATE OF THE PROVINCE ADDRESS

On the 24th of February 2023 the Premier of KZN. Hon Nomusa Dube delivered the State of the Province address in KwaZulu-Natal Legislature in Pietermaritzburg.

The speech was themed: “Taking Decisive Action in the Time of Renewal and Hope as we Rebuild a Better, Prosperous, and Resilient KwaZulu-Natal.”

In relation to the ongoing energy crisis, Dube-Ncube said they were establishing a KZN energy war room comprising government and strategic partners to oversee the province’s response to the challenge. By the end of March 2023, KwaZulu-Natal will appoint a panel of energy experts to co-ordinate and help accelerate the implementation of the KZN energy master plan.

Building standards will be reviewed to ensure new houses are fitted with energy saving equipment and that it is standard for RDP Houses to be fitted with solar rooftops,” she said.

Dube-Ncube said KwaZulu-Natal continued to be listed among the most violent provinces, especially for women as murder, rape, and gender-based violence and femicide still rate high.

KZN Government called for a review and tighter regulation of the possession of firearms and ammunition, limiting the number of rounds a person can purchase. Those contravening the law must face harsher sentences. Dealing decisively with unlicensed guns, fake gun shops, and guns which are in the hands of illegitimate firearm owners due to deceased estates

PROVINCIAL GROWTH AND DEVELOPMENT PLAN- DISTRICT GROWTH AND DEVELOPMENT PLAN

The February 2018 Cabinet Lekgotla resolved amongst other issues that the Provincial Planning Commission and KZN COGTA to support the District Municipalities with the development of District Growth and Development Plans [DGDPs] as part of Integrated Development Plan [IDP] process.

The DGDP was to be informed, directed and take a total form of the PGDS/P while at the same time forming a basis for and guide all other implementation plans at the District family of municipalities. The DGDP guides and informs the programmes and priorities for the 5-year IDP within the dynamics and complex municipal space. The Provincial Growth and Development Strategy (2035) review was initiated and approved by the Provincial EXCO in November 2016 necessitating the DGDP review

INTER-GOVERNMENT RELATIONS

All municipalities are responsible for facilitating inter-governmental relations within its area of jurisdiction. In line with the Intergovernmental Relations Framework Act, Mthonjaneni Municipality has taken upon itself to improve intergovernmental engagements to ensure that proper intergovernmental planning guides public, private and donor investment in the district.

The Municipality is working directly with Government departments on the issues of Disaster, LED and IDP. Since the introduction of District Development Model, some Inrergovernmental issues are now prioritized more in the DDM.

The line of accountability is still however a challenge with programs included by the Provincial institutions in the IDP or Municipal Plans as to how do you ensure accountability and that these programs are achieved timeously

Chapter 5 and Section 25 of Local Government Municipal Systems Act (32 of 2000), requires that the 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, and that the plan be reviewed annually. Accordingly, Mthonjaneni Municipality has initiated a process towards the preparation of a credible Integrated and Development Plan (IDP) as a five-year strategic plan to guide service delivery and investment (both private and public sector) within the area.

Mthonjaneni Municipality's IDP is a strategic guide during the term of office of the current Council. The IDP is based on the issues articulated by the stakeholders and is aligned with the national and provincial development imperatives such as the National Development Plan and the Provincial Growth the Development Strategy (PGDS).

Its objectives 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 Mthonjaneni Municipality area of jurisdiction.
- To engage communities and other key interested and affected parties in municipal affairs, particularly continuous integrated development process.
- To position the Municipality to make a meaningful contribution towards meeting the district and provincial development targets and priorities.

DISTRICT DEVELOPMENT MODEL

Objective of the DDM is to **achieve coherent governance**, the President announced:

-

- a coordinated District & Metro level approach to business by all 3 spheres- “we are going to do away with this fragmented approach to development.”

- 44 Districts and 8 Metros will be the high impact zones for the country.
- Redirect and confirm Co-operative governance & Integrated collaborative planning and implementation undertaken at a District and Metro level by all 3 spheres.
- Institutionalized Long term co planning in ONE PLAN per District & Metro towards Sustainable Development and Spatial Transformation & Equity.
- Integrated Services
- Strengthened M&E
- M/DDM is a practical Intergovernmental Relations (IGR) mechanism for all three spheres of government & SOE's to work jointly and to plan and act in unison
- Ensure that we bring to life the aspirations of The People Shall Govern & Bring government closer to the people. Developmental change is shaped and owned at district level in partnership with communities, citizens and social partners

SUSTAINABLE DEVELOPMENT GOAL

The Sustainable Development Goals, officially known as **transforming our world: the 2030 Agenda for Sustainable Development** is a set of 17 "Global Goals" with 169 targets between them. They were Spearheaded by the United Nations through a deliberative process involving its 194 Member States, as well as global civil society, the goals are contained in paragraph 54 United Nations Resolution A/RES/70/1 of 25 September 2015. The Resolution is a broader intergovernmental agreement that acts as the Post 2015 Development Agenda (successor to the Millennium Development Goals). The SDGs build on the Principles agreed upon under Resolution A/RES/66/288, popularly known as The Future We Want.

Sustainable Development Goals (SDGs)	Alignment to Mthonjaneni Goals, Strategic Goals and
Goal 8: Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.	To ensure internal municipal excellence and effective organization
Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	To reduce levels of infrastructure backlogs by providing Basic Services, Facilities and maintaining existing

Goal 8: Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. Goal 17: Strengthen the means of implementation and revitalize the	To promote Local economic and Social Development
Goal 4: Ensure inclusive and equitable quality education and promote life-long learning opportunities for all. Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice	To ensure financially viable and sustainable municipality
Goal 12: Ensure sustainable consumption and production patterns Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable	To ensure financially viable and sustainable municipality
Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	To reduce levels of infrastructure backlogs by providing Basic Services, Facilities and maintaining existing infrastructure

Government Priorities

National Plan Priorities	Alignment with Mthonjaneni
Create jobs	Increase Job Opportunities
Expand infrastructure	Improve service delivery and infrastructure development
Use resources properly	To ensure financially viable and sustainable municipality
Inclusive planning	To provide a democratic and accountable government for local
Quality education	To provide a democratic and accountable government for local communities
Quality healthcare	To provide a democratic and accountable government for local
Build a capable state	To ensure internal municipal excellence and effective organization
Fight corruption	To promote Social Responsibility and Cohesion through sustainable
Unite the nation	To promote Social Responsibility and Cohesion through sustainable development initiatives

National Outcome	Alignment with Mthonjaneni Local Municipality
Improved Quality of basic education	To promote Social Responsibility and Cohesion through sustainable
A long and healthy life for all South Africans	To promote Social Responsibility and Cohesion through sustainable development initiatives
All people in South Africa are and feel safe	To promote Social Responsibility and Cohesion through sustainable
Decent employment through inclusive economic growth	Increase Job Opportunities
Skilled and capable workforce to support an inclusive growth path	To ensure internal municipal excellence and effective organization
An efficient, competitive, and responsive infrastructure network	Efficient and Integrated infrastructure and Services
Vibrant, equitable, sustainable rural communities contributing towards food security for all	To ensure the provision of Basic & Sustainable Services
Sustainable human settlements and improved quality of household life	To ensure the provision of Basic & Sustainable Services housing

Responsive, accountable, effective, and efficient local government system	To provide a democratic and accountable government for local
Protect and enhance our environmental assets and natural resources	Improve environmental management Promotion
Create a better South Africa, a better Africa, and a better world	To provide a democratic and accountable government for local communities
An efficient, effective and development oriented public service and an empowered, fair, and inclusive citizenship	To provide a democratic and accountable government for local communities
An inclusive and responsive social protection system	To provide a democratic and accountable government for local
Nation building and social cohesion	To promote Social Responsibility and Cohesion through sustainable development initiatives

There are Five National and Six Provincial Priorities include the following:

Five National and Six Provincial Priorities as Aligned with Mthonjaneni Municipality

Five National Priorities Including Six Provincial Priorities	Alignment with Mthonjaneni Municipality
Job creation (Decent work and Economic growth)	Increase Job Opportunities
Education	To provide a democratic and accountable government for local communities
Health	To provide a democratic and accountable government for local communities
Rural development, food security and land Reform	To promote Local economic and Social Development
Fighting crime and corruption	To promote Social Responsibility and Cohesion through sustainable
Nation-building and good governance	To promote Social Responsibility and Cohesion through sustainable development initiatives

Table 11: PGDS Strategic Goals as Aligned with Mthonjaneni Development Goals

PGDS Strategic Goals	Mthonjaneni Development Goals
Inclusive Economic Growth	To promote Local economic and Social Development
Human Resource Development	To ensure internal municipal excellence and effective organization
Human and community Development	To ensure internal municipal excellence and effective organization
Strategic Infrastructure	To ensure the provision of Basic & Sustainable Services
Environmental Sustainability	To promote Social Responsibility and Cohesion through sustainable development
Responses to Climate Change	To promote Social Responsibility and Cohesion through sustainable development initiatives
Governance and Policy	To provide a democratic and accountable government for local communities
Spatial Equity	To promote Social Responsibility and Cohesion through sustainable development

DGDP Goals	Development Goals
Job Creation	To promote Local economic and Social Development
Human Resource Development	To ensure internal municipal excellence and effective organization
Human and community Development	To ensure internal municipal excellence and effective organization
Strategic Infrastructure	To ensure the provision of Basic & Sustainable Services
Environmental Sustainability	To promote Social Responsibility and Cohesion through sustainable development initiatives
Governance and Policy	To provide a democratic and accountable government for local
Spatial Equity	To promote Social Responsibility and Cohesion through sustainable development initiatives

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

National Development Plan makes it clear that meeting our transformation agenda requires functional municipalities and capable machinery at a local level that can create safe and healthy and economically sustainable areas where citizens and people can work, live, and socialise. Our goal is to improve the functioning of municipalities to better serve communities by getting the basics right.

The Municipality also displayed B2B alignment by aligning the pillars with Municipal goals and strategies in the IDP Framework and has been cascaded to the Service Delivery & Budget Implementation Plan.

SECTION C: SITUATIONAL ANALYSIS

7. SITUATIONAL ANALYSIS

The Mthonjaneni Local Municipality is a Category B municipality situated within the northern coastal region of KwaZulu-Natal, and is part of the King Cetshwayo District. It is located along the R34/R66 provincial road approximately 170km north of Durban.

It is the smallest of the five municipalities in the King Cetshwayo District Municipality.

Founded in 1888 as a 'gold-rush' town on a portion of the farm Golden Reef, when the British government annexed Zululand in 1887, the town was named after the resident commissioner, Sir Melmoth Osborn.

In the past, Melmoth performed the function of a dormitory town (and still does to some extent) for those who worked in the neighbouring town of Ulundi.

The Municipality was renamed to Mthonjaneni Local Municipality after an extensive public participation process. Mthonjaneni is an [isiZulu](#) name meaning "a spring of water". There is a spring found in the vicinity of the municipality where King [Dingaan](#) used to send his maidens to collect water for him.

Boasting 13 wards, Mthonjaneni is one of the smallest municipalities in South Africa, but it has the distinction of being regarded as one of the healthiest places to live in this country.



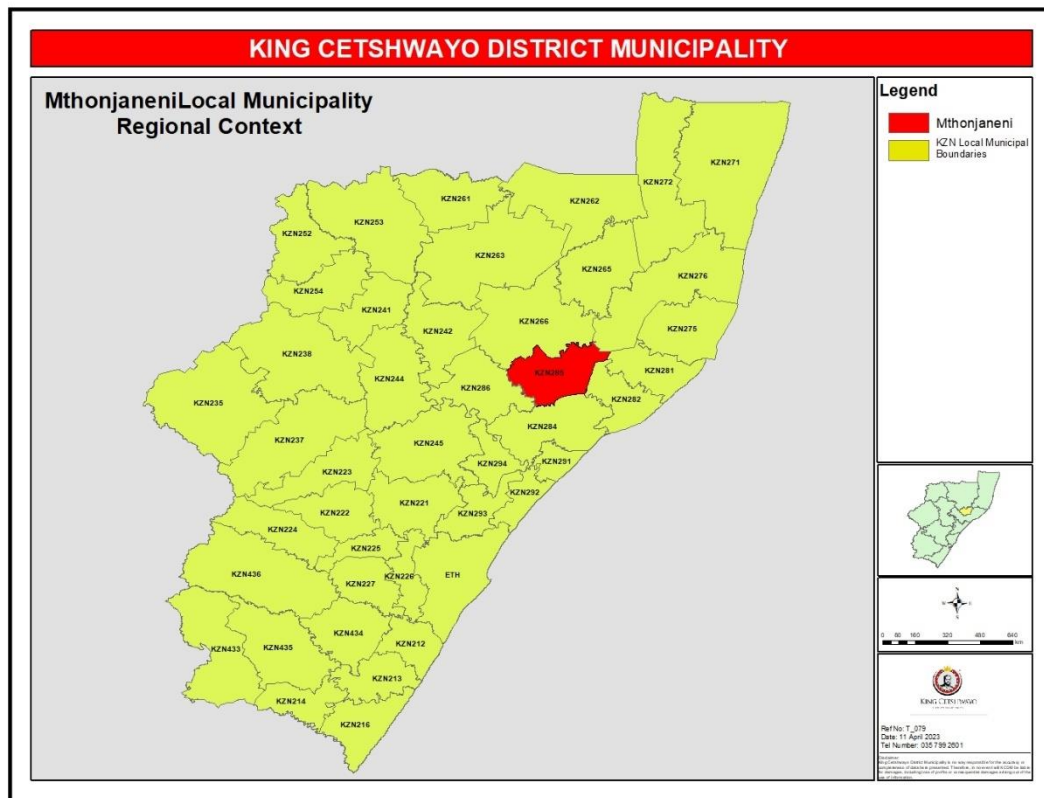
Covering a land surface area of 1,690sqkm, the town is flanked by the Hluhluwe-Mfolozi Game Park and Ophathe Game Reserve.

Mthonjaneni is a small municipality situated in the central north easterly part of KZN with a population of 78883 (CS: 2016). It consists of a town called Melmoth. The town was established in the Mthonjaneni after the invasion of Mthonjaneni by United Kingdom in 1887

and was named after Sir Melmoth Osborn.

Mthonjaneni is a member of Tourism Association Agency Route 66 which comprises of all municipalities that are linked by R66 in their economic and tourism activities. Route 66 members include Gingindlovu, Eshowe, Mthonjaneni, Ulundi, Nongoma and

Pongola. Mthonjaneni is the gateway to Mthonjaneni and major economic active provinces in RSA which is Mpumalanga Province and Gauteng through R66 route.

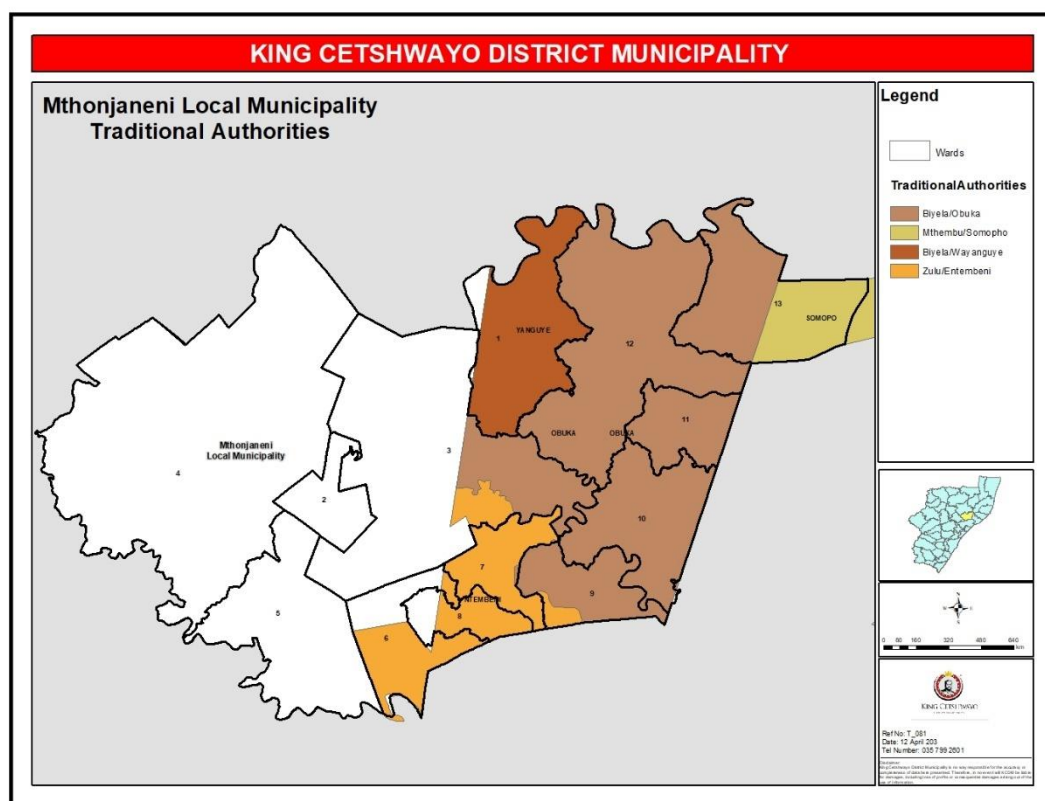


Map 10- Mthonjaneni Regional Context

ADMINISTRATIVE ENTITIES

Mthonjaneni is an administrative area within the King Cetshwayo District Municipal Area. There are 3 Amakhosi heading their respective traditional councils in Mthonjaneni including:

- INkosi Biyela of Obuka,
- INkosi Zulu of eNtembeni and
- INkosi Biyela of Yanguye.



Map 11- Mthonjaneni Traditional Authorities

STRUCTURING ELEMENTS

Land ownership includes Ingonyama Trust, Churches, Privately Owned Land, Commercial farms and State Land. The Municipality is flanked by the Hluhluwe-Imfolozi Game Park and Ophathe Game Reserve which are some of the oldest wildlife sanctuaries in the country. Melmoth town is the administrative and commercial centre for the Municipality providing a variety of amenities to its citizens. Thubalethu is part of the urban fabric along with Melmoth. The rural area is vast and outlined in the next section.

The land in Mthonjaneni is mainly used for agriculture and residential purposes. There are limited areas for recreation including a public swimming pool, golf club(not functioning optimally) and sports fields.

Lake Phobane is a large water body providing a source of water for the Mthonjaneni area as a whole.

The provincial R34/R66 provincial corridor passes through the town. There are several primary corridors connecting Mthonjaneni providing access to Mthonjaneni from other municipalities to the West, East, North and South. These are also explained in the next section.

EXISTING NODES AND CORRIDORS

The desired spatial outcome of any area is regarded as a situation rather than an environment with specific character. The location and nature of developments within the Mthonjaneni municipal area are shown in the maps in this section.

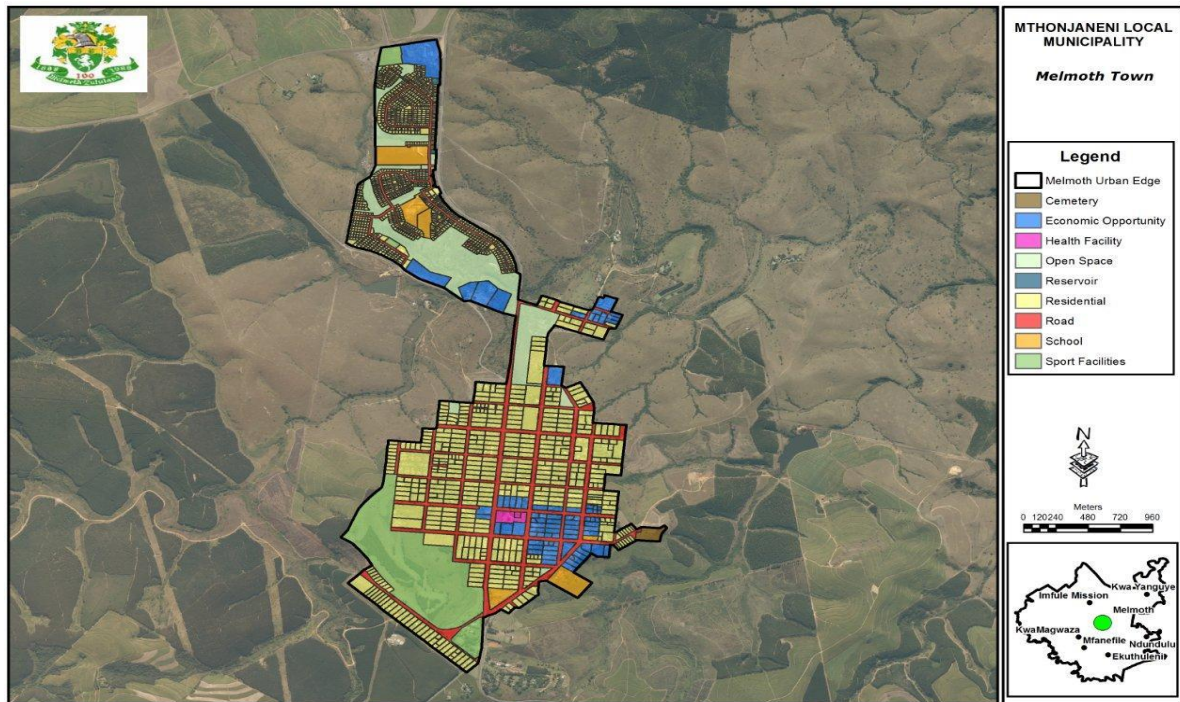
PRIMARY NODES

Town/Settlement	Existing level of services/ facilities	Desired spatial outcomes
Melmoth (including Thubalethu)	Municipal Offices Clinic Welfare Offices Primary School High School Permanent Information Centre Post Office + Post Boxes Banks Library Bus and Taxi Terminals Police Station Magistrates Court Home Affairs Offices Community Hall Wholesalers/Stores/Shops Cemetery Jail Wastewater treatment plant Refuse site Worship (8 Churches)	Melmoth is most suited for a primary node in Mthonjaneni Municipality. It has adequate facilities and meets most of the requirements in terms of level of services/ facilities for a primary node. It does not have a hospital but does have a clinic. KwaMagwaza hospital is approximately 10 km away and fulfills this function. There is no high school in Melmoth itself, but there is one in Thubalethu which services that area. Another gap is a Tertiary Training Facility.

Melmoth town and the adjoining settlement of Thubalethu form the primary node and commercial and administrative hub of the Municipality. Located within this area are the municipal offices, provincial government offices, schools, police station, magistrate's court and various stores and shops. Melmoth has a Land Use Scheme which guides land use and development within the town.

The CBD is dissected by the Primary Corridor (R66/R34) which links Melmoth and Thubalethu making them highly accessible and giving them potential for economic development. The R66/R34 is the only proposed primary corridor. The idea is to encourage mixed usage between the two areas and along the primary corridor.

The map below shows the spatial form and land use within Melmoth town.



Map 12- Melmoth Town

Ndundulu, KwaMagwaza and KwaYanguye are linked by the R66 and R68 respectively and have been identified as secondary nodes. These areas play an important role as service centres to the rural communities which are further removed from the primary node. The KwaMagwaza area is located close to the primary node and is relatively well established with a range of services and facilities.

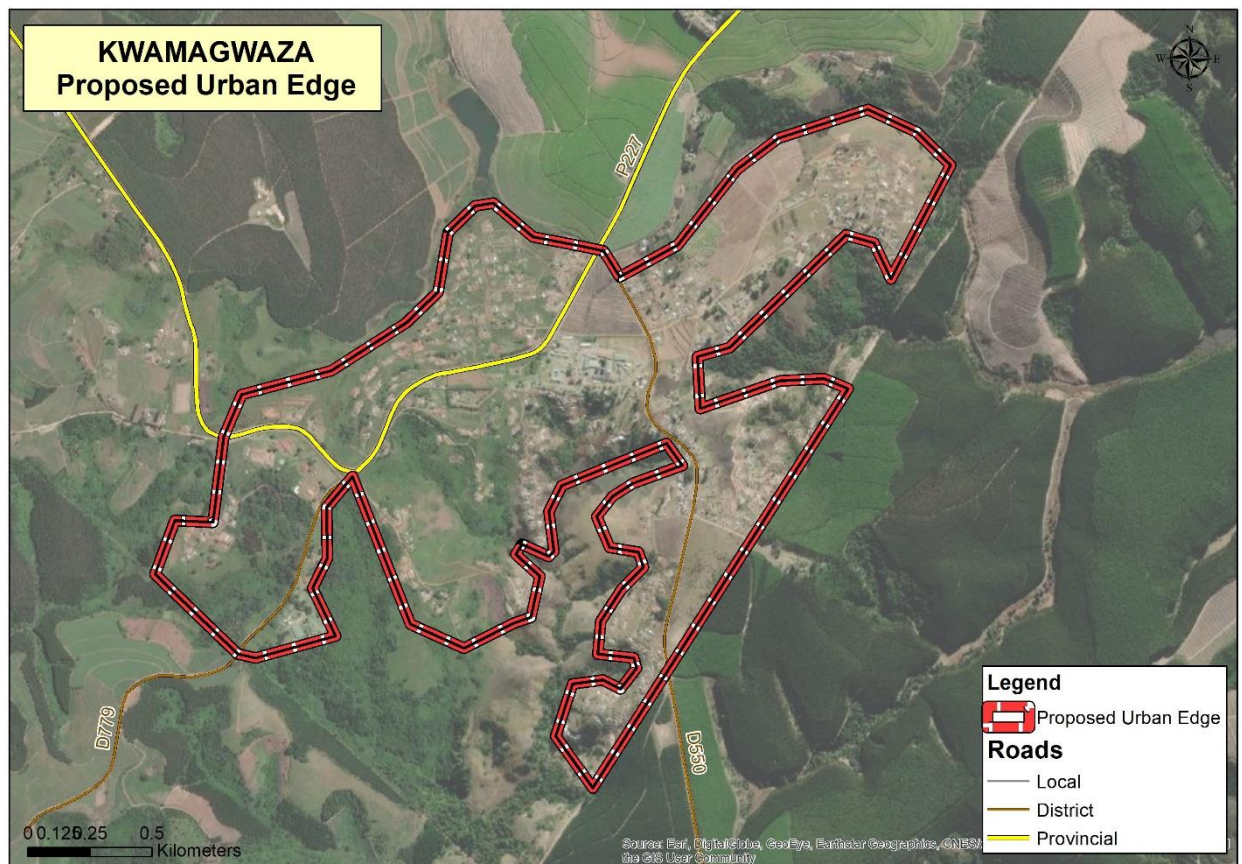
The other two areas identified as secondary nodes need further planning and development to adequately fulfil their function as service centres. According to the Public Capital Investment and Settlement Growth guideline (Dewar, D and Iyer, N 2009) capital investment should aim to develop support to facilities and The current activities. This would involve the establishment of a formal market, taxi rank and the development of a multi-purpose hall as a first step.

The development of a library and resource centre is another social facility that would complement the existing facilities at the next level of development. This should be easily accessible to the existing schools.

Table 22 below also outlines minimum levels of services and facilities which should be available at a secondary node. In addition to the community hall, taxi rank and formal market, a Satellite Police Station and access to post boxes will ensure feasibility of all three nodes. The KwaYanguye area would benefit from the establishment of an additional high school and clinic.

Town/Settlement	Existing level of services/ facilities	Desired outcomes
KwaMagwaza	Hospital Clinic Primary School High School Regular Bus Service Stores/Shops Community Hall Rural Service Information Centre	KwaMagwaza is a suitable secondary node as it has several facilities/ services. Gaps relate to the following: There is no Satellite Police Station to service the area however, Melmoth is 10 km away and serves this purpose

The map below also shows the location and nature of developments and within the KwaMagwaza area.

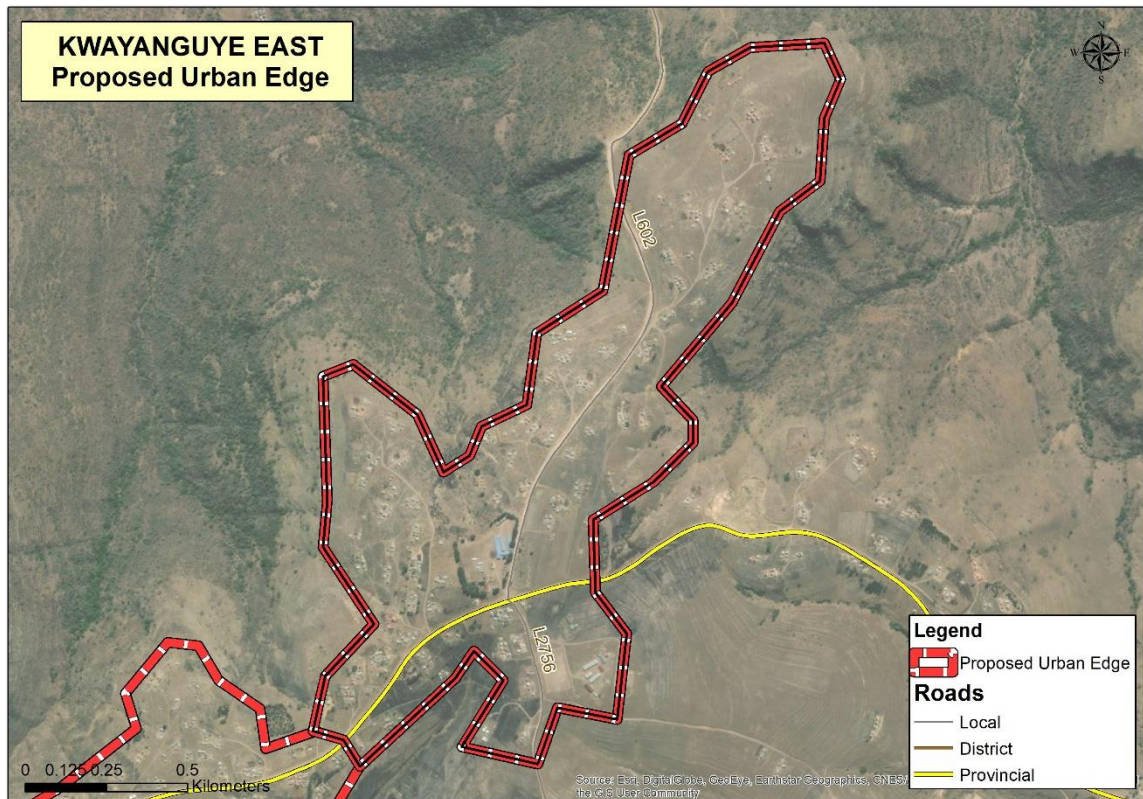


Map 13- KwaMagwaza Proposed Urban Edge

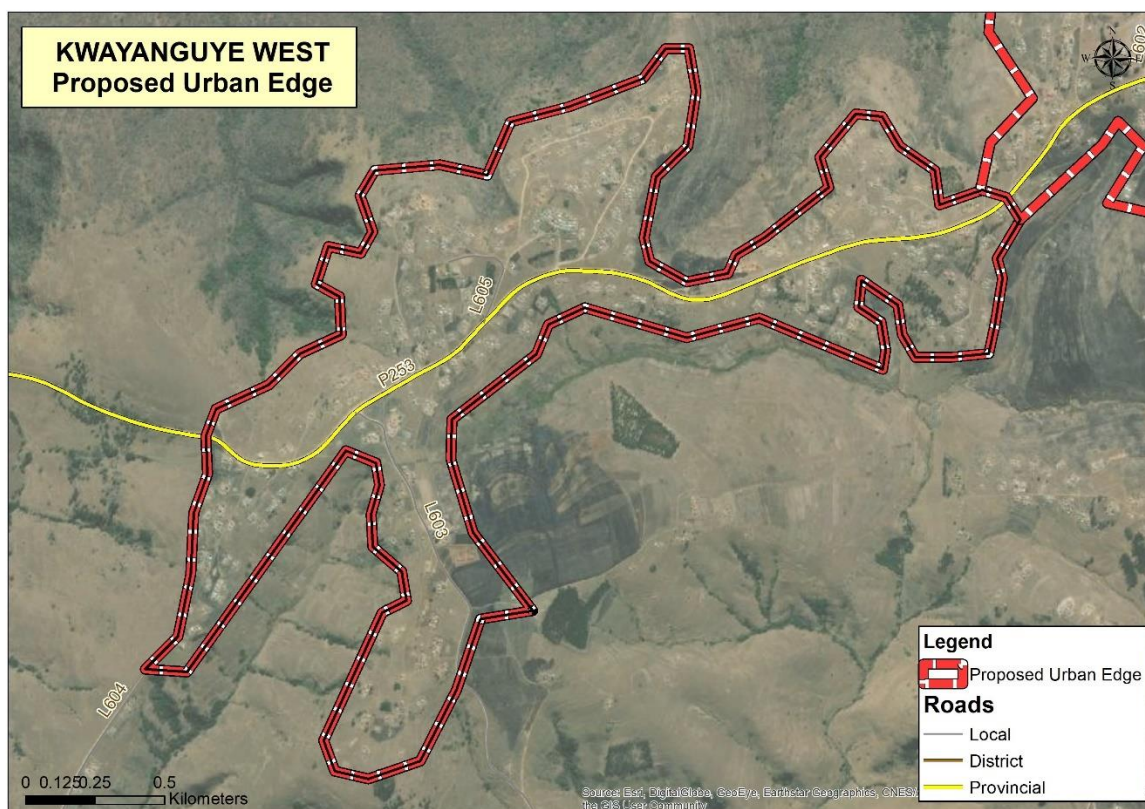
KWAYANGUYE

Town/Settlement	Existing level of services/ facilities	Desired outcomes
KwaYanguye	Primary Schools High Schools Yanguye Tribal Court Informal taxi rank Places of Worship Cemetery Clinic	This area is quite isolated and far from adequate services and facilities. If it is to be 100% effectively as a secondary node, then the correct level of services/ facilities needs to be provided. The following are needed: Satellite Police Station Rural Service Information Centre Additional clinic Additional high school

The map below also shows the location and nature of developments and within the Yanguye area.



Map 14- KwaYanguye Proposed Urban Edge

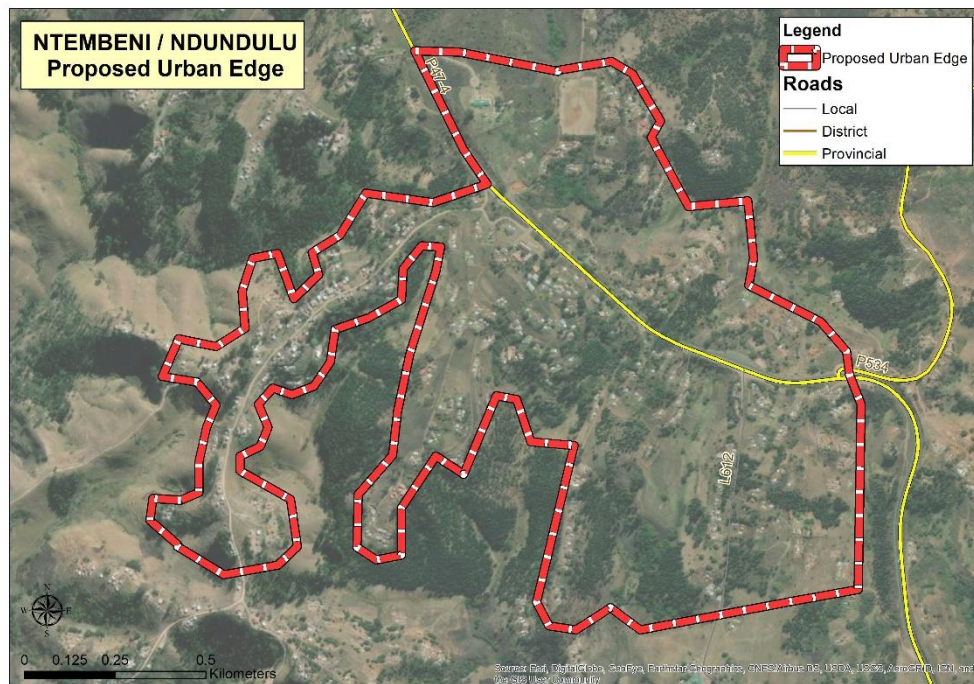


Map 15- Kwayanguye Proposed urban Edge West

NDUNDULU

Town/Settlement	Existing level of services/ facilities	Desired outcomes
Ndundulu	Clinic Primary School Ntembeni Tribal Court Place of Worship	This area was not identified as a secondary node in the Mthonjaneni SEA 2007 but is identified in the draft IDP 2012/13 to 2019/20. Several factors need to be addressed if this area is to function as an effective secondary node. Satellite Police Station Rural Service Information Centre Post Boxes High School

The map below also shows the location and nature of developments and within the Ndundulu area.



Map 16- Ntembeni Ndundulu proposed Urban Edge

TERTIARY NODES

Town/Settlement	Existing level of services/ facilities	Desired outcomes
Ekuthuleni	Primary school Secondary school clinic	This area was a former land reform project. Several issues need to be addressed to meet the requirements of a tertiary node: Routine Police Patrol Weekly Mobile Welfare Services Post Boxes Meeting Places Shops
Imfule Mission	Primary school Secondary school Shops	Routine Police Patrol Weekly Mobile Clinic Weekly Mobile Welfare Services

	Cemetery	Regular Bus Service Post Boxes Meeting Places
Mfanefile	Primary schools Secondary school	Cognizance needs to be taken of lack of services/ facilities in the area as well as its proximity to KwaMagwaza. Routine Police Patrol Weekly Mobile Clinic Weekly Mobile Welfare Services Post Boxes Shops

LAND OWNERSHIP

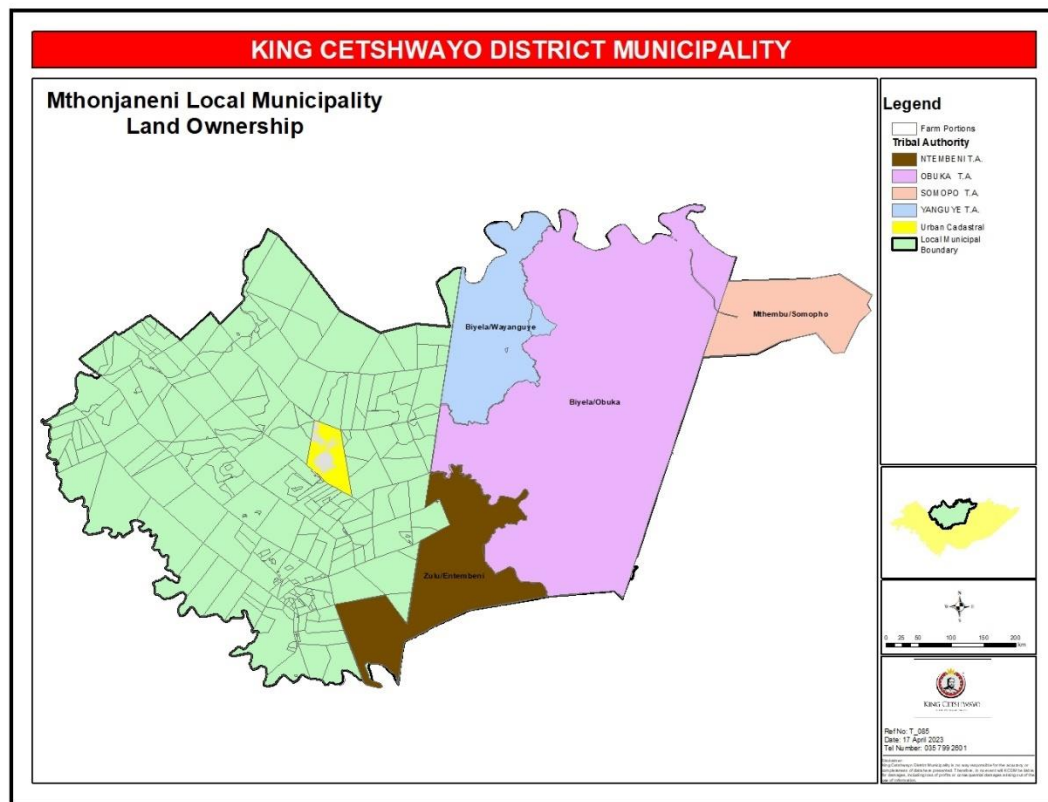
A large portion of the land is privately owned by individual and company commercial farmers. The remaining land belongs to Ingonyama Trust, Church land, as well as municipal owned land and State-owned land.

Some of the Church and State-Owned land has been earmarked for possible Land Reform projects namely.

- ✓ Melmoth State Farms,
- ✓ Ekuthuleni (Church land),
- ✓ KwaMagwaza Mission,
- ✓ Melmoth Labour Tenants,
- ✓ Mfule Mission,
- ✓ KwaYanguye (Tribal Commonage),
- ✓ Ekuthuleni State Land (started),
- ✓ Wilhemina Farm (started), and
- ✓ Arcadia Farm (started)

The land use patterns are further elaborated upon in the Land Use Management Systems (LUMS). In the LUMS, the areas described as “densely settled area of mixed residential and agriculture under private, trust or church tenure”, are identified as areas that “are not yet formalized but show potential for developing into distinct villages”.

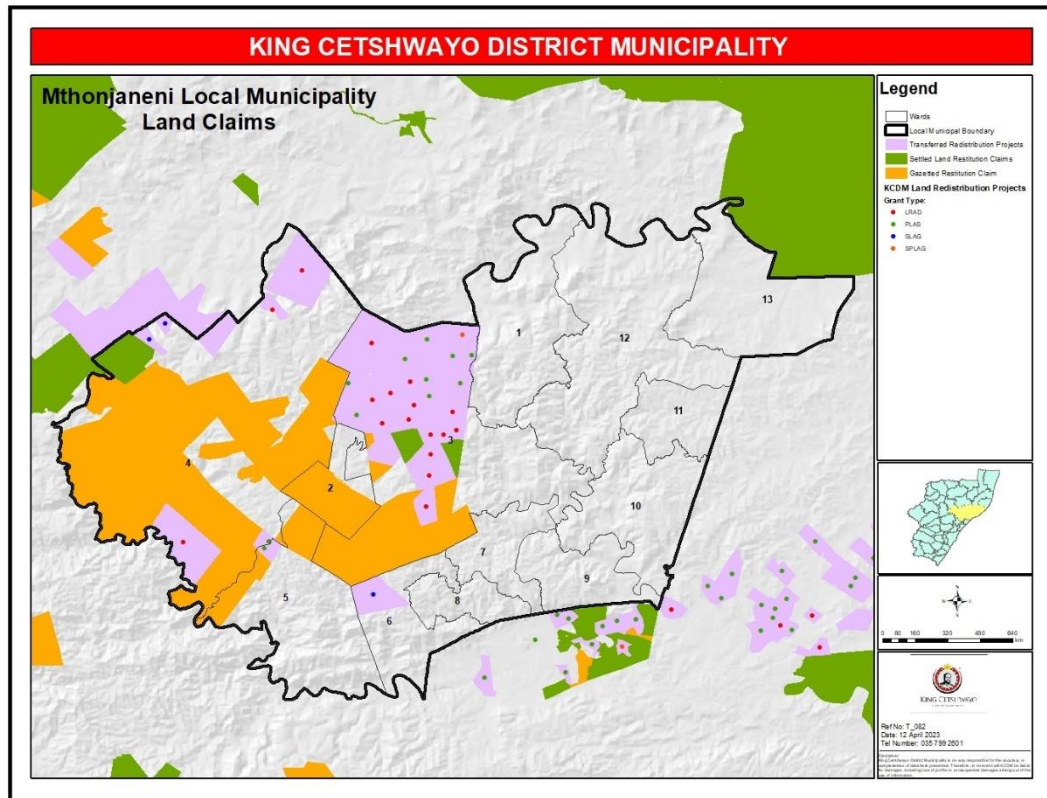
The land in Mthonjaneni is mainly used for agriculture and residential purposes. There are no conservation areas and very limited recreation areas in the form of a golf course and sports fields in places.



Map 17- Mthonjaneni Land Ownership

LAND CLAIMS

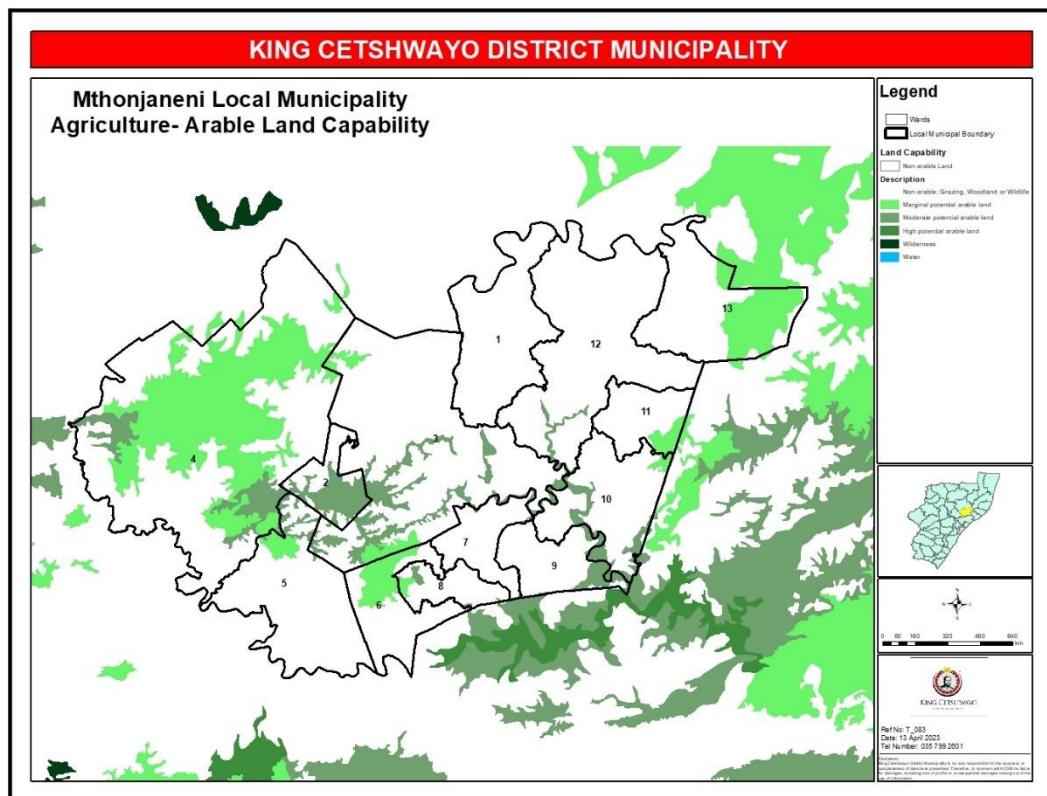
The land claim in Mthonjaneni includes land restitution, land redistribution and land tenure. There are claims which have been lodged with the regional land claims office. There are consultative meetings which have been held with all the affected stakeholders on land claim issues.



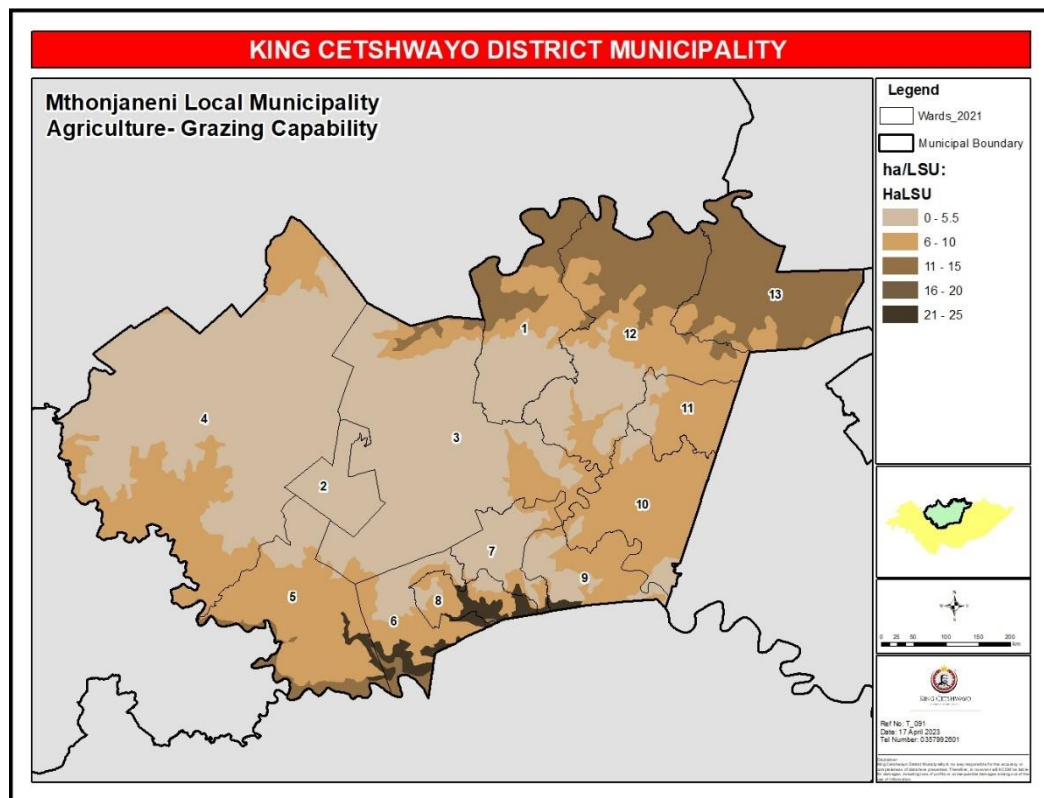
Map 18- Land Claims

LAND CAPABILITY

Much of the land under Mthonjaneni municipality is utilised for agricultural production. This is merely favoured by the availability of arable land with the highest amount of rainfall being experienced in summer.



Map 19- Agriculture Arable Land Capability



Map 20- Agriculture- Grazing Capability

PRIVATE SECTOR DEVELOPMENTS

The Mthonjaneni municipality is surrounded by privately owned commercial farmers and small holder settlements, the urban area of Melmoth and the traditional authorities of Sanguye, Obuka and Ntembeni. Most of the land ownership at Mthonjaneni belongs to Ingonyama Trust with a small portion which is privately owned. The development of private sector is currently on hold since most of the land that is owned by private sector is under land claim.

8. DEMOGRAPHICS

Population and Household Numbers

Mthonjaneni Municipality is located in King Cetshwayo District. The population increase in King Cetshwayo District, broken down per municipality is indicated in the table and explanatory figure herewith.

DEMOGRAPHIC DETAILS

	KCDM	MTHONJANENI	MFOLOZI	UMHLATHUZE	UMLALAZI	NKANDLA
2011	907519	47818	122889	334459	213601	114416
2016	971135	83577	144363	410465	233140	114284
2022	1021344	99289	159668	412075	241416	108896
% Growth	5.17%	25,89%	10,60%	0,39%	3,55%	-4,71%

Table 23 - Demographics Details

Key Findings

The 2022 Census population of Mthonjaneni municipality is estimated at **99 289**. The breakdown per race is as reflected in the table and graph below;

RACE	NUMBER	PERCENTAGE
BLACK AFRICAN	98404	99,1%
COLOURED	300	0,3%
INDIAN/ASIAN	129	0,1%
WHITE	384	0,4%
OTHER	41	0%

Table 24 - 2022 Census Population

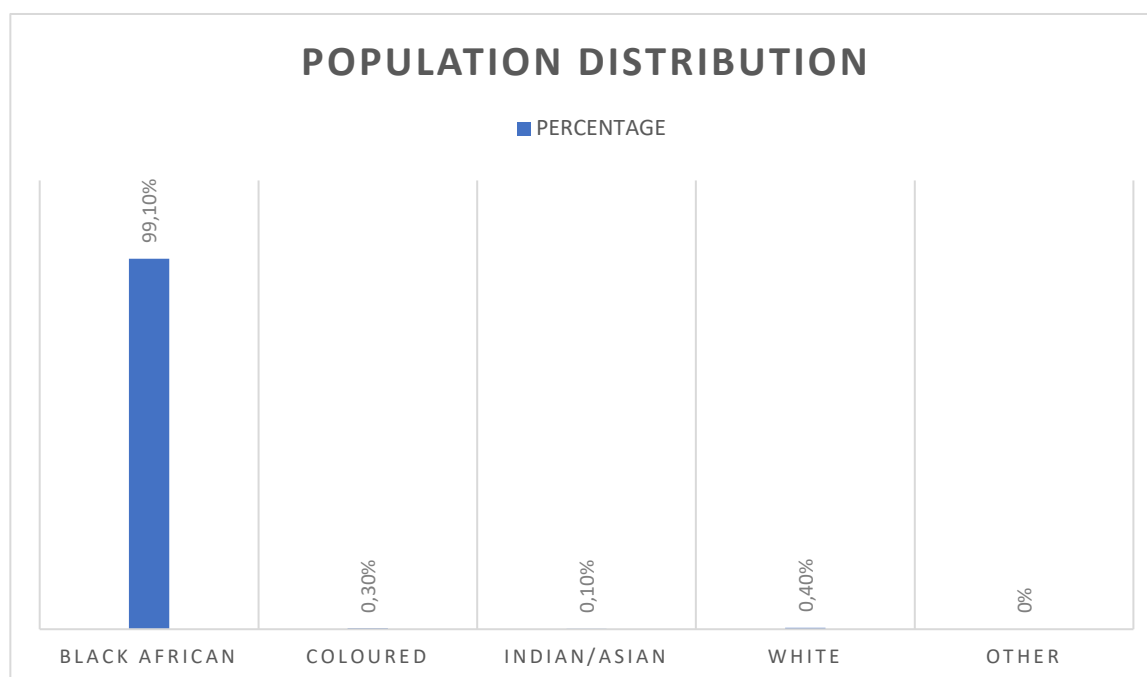


Figure 8 - Population Group

Gender Statistics

The 2022 figures indicate that there are 45.8% men in the municipality and 54.2% females. This indicates that there may be high levels of migratory labour from the municipality to other centres around the province and country.

Gender	Male	45 472
	Female	53 816
TOTAL		99 289

Table 25 - Gender Statistics

Age and Gender Profile

Knowledge about the age-sex distribution of a population is valuable information on demographics and social economic concerns.

Age	Male	Female
0-4	6 466	6119
5-9	5 419	5 465
10-14	5 275	5 338
15-19	4 578	4 495
20-24	3 708	4 382
25-29	3 657	4 829
30-34	3 363	4 271
35-39	3 001	3 847

40-44	2 374	2 847
45-49	1 890	2 410
50-54	1 390	2 098
55-59	1385	2 242
60-64	1220	1 959
65-69	889	1218
70-74	414	872
75-79	237	509
80-84	127	458
85+	79	459

Table 26 - Age and Gender Profile

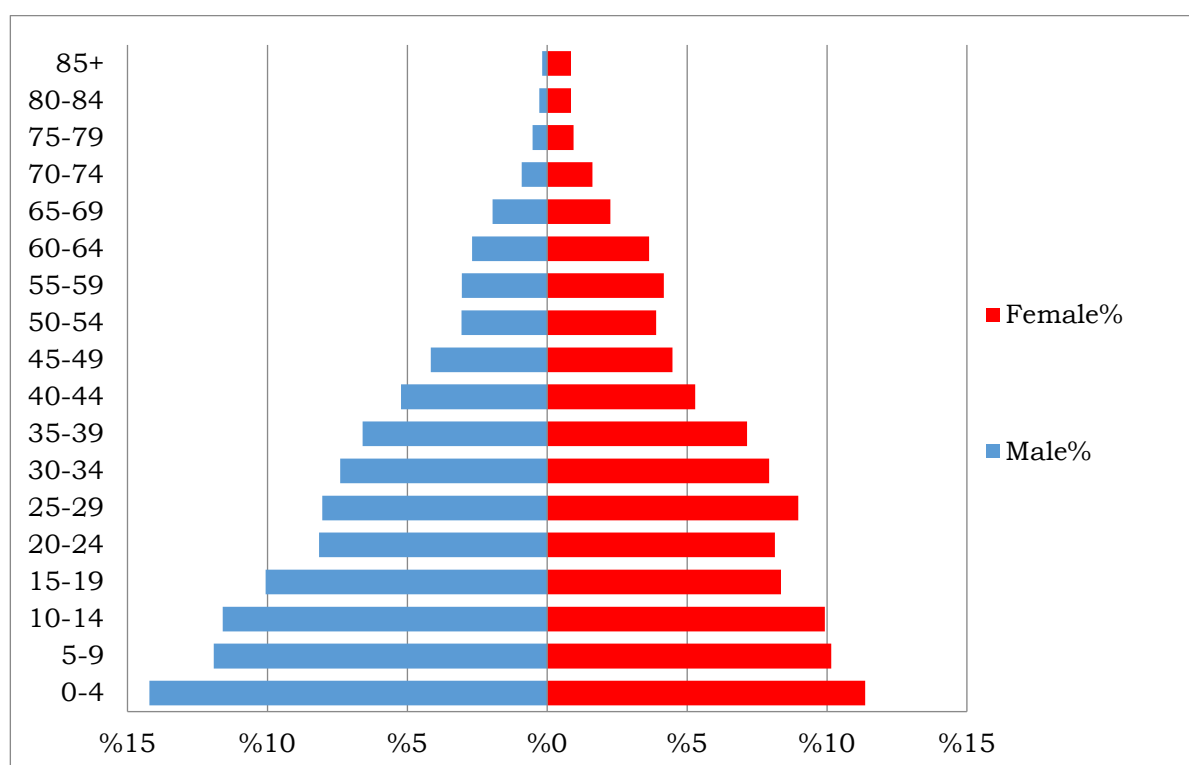


Figure 9 - Age and Gender Profile

Age and Gender Population Pyramid

Figure above presents the distribution of the municipality population by age and sex. The figure shows a fairly large proportion of females than males in all age groups, except for teen ages, where a proportion of males is higher than females.

The figure indicates that many boys are born as compared to girls, drastic decline of boys at 5-9yrs which may be caused by various reasons mainly early death. At 50 to

65yrs we see an increase in males which may entail that they are coming back to retire at home.

Overall, there are more females than males within the municipality. At an elderly stage 70+ more females seem to be surviving than males.

HOUSEHOLDS

Heads of the household

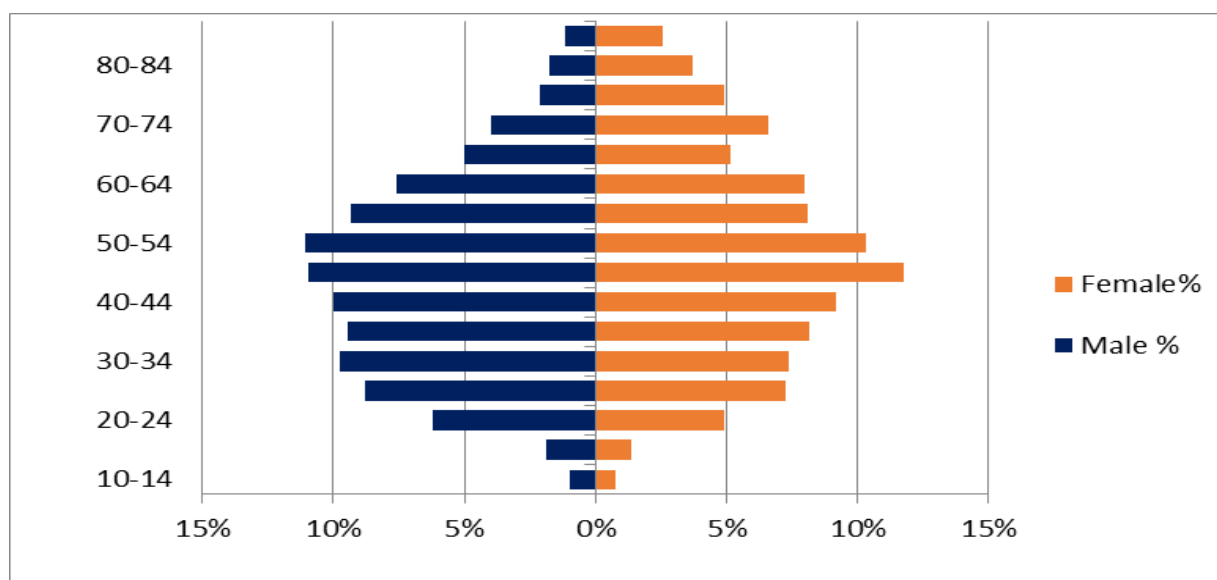


Figure 10 - Heads of Household

Table above indicates that the municipality has a large proportion of female headed Household; however, it noted that there is a proportion of male headed households as well. There is small proportion of child headed household if we consider age groups (10-19 years). Male child headed household is slightly higher than that female child headed household.

Marital and Civil Partnership Status

Mthonjaneni Municipality is dominated largely by rural areas which may be the result of the high number of Unmarried people, this emanates from the fact that people from rural areas use traditional approach to marriage which is not mostly recognized as marriage. Most families may be incorrectly categorized due to Zulu custom (Ukulobola) , this is a stage where the groom pays the dowry in form of cattles (of late they use cash too) to the bride's family. This stage is before marriage.

Marital status for Population, Mthonjaneni Local Municipality	
Legally married (including customary, traditional, religious, etc.)	12676
Living together like husband and wife/partners	1985
Divorced	98
Separated, but still legally married	61
Widowed	1241
Never married	54154
Do not know	1293
Not applicable	27712
Unspecified	70
Total	99289

Table 27 - Marital Status for Population

Migration

Migration is defined as a movement of people across international borders, within the state away from their habitual place of residence regardless of persons legal status, whether the movement is voluntary and involuntary and the causes of the movements.

There is a diversity of types of migration;

- Labour Migration
- Students
- Chain Migration- family reunification with dependants
- Return Migration- Repatriation
- Illegal- Irregular immigration/ overstaying
- Internal Migration- permanent change of residence within borders
 - In-Migration- a person moving in an area
 - Out Migration- a person leaves an area with the intention of changing residence
- International Migration- a permanent change of residence involving movement from country to another
- Voluntary migration
- Labour migration
- Involuntary migration

Sex by Region of birth for Population, Mthonjaneni Local Municipality										
	SADC	Rest of Africa	United Kingdom and Europe	Asia	North America	Latin America and Caribbean	Oceania	Unspecified	Not applicable	Total
Male	269	13	7	0	0	-	3	12	135	439
Female	83	3	-	-	-	-	4	7	107	205
Total	352	17	7	0	0	-	8	19	242	644

Table 28 - Sex by Region of Birth

The table above depicts that most immigrants are from the South African Development Community and around Africa. At Mthonjaneni Municipality majority of immigrants are settling for businesses which in essence means that they are Labour immigrants.

The Municipality does not have the resources to source data but most of the immigrants owns Tuckshops and Salons. There is no accurate data to indicate how many are documented and that are not documented, however there are cases that have been identified during the business inspections that there are illegal immigrants who are hawkers/ vendors along the streets of Mthonjaneni.

The Immigrants are integrated in the community in that they are renting the buildings in which they are doing businesses on. Some of them have even employed South Africans in their businesses which indicates that they contribute directly or indirectly in the economy of Mthonjaneni Municipality.

It is pivotal to mention that there are some documented business owners who contribute positively even in the community development programs. One practical scenario will be the recent donation from the Hardwares around Melmoth Town who are owned by Somalian natives which was aimed at fixing and beautifying the sides of Symmonds Street by Mthonjaneni Rank

The municipality is looking at collecting more data in 2024/2025 Financial Year which will assist the Municipality in integrative planning. The Municipality is looking at using the business inspections to collect as much data as possible.

Parental Survival

Orphan hood estimates becomes critical with the advent of HIV which has resulted in an upsurge in the numbers of children that are orphaned especially in Southern Africa, of which South Africa is part.

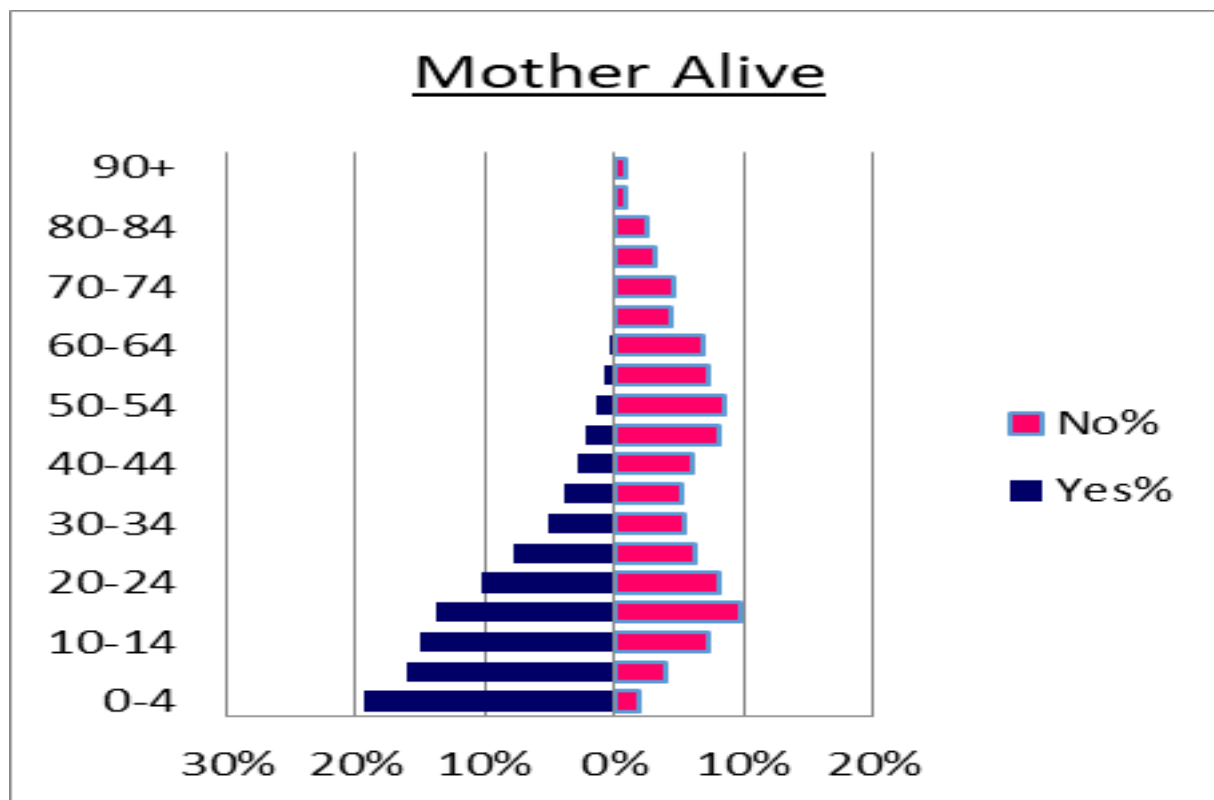


Figure 11 - Mother Alive Family

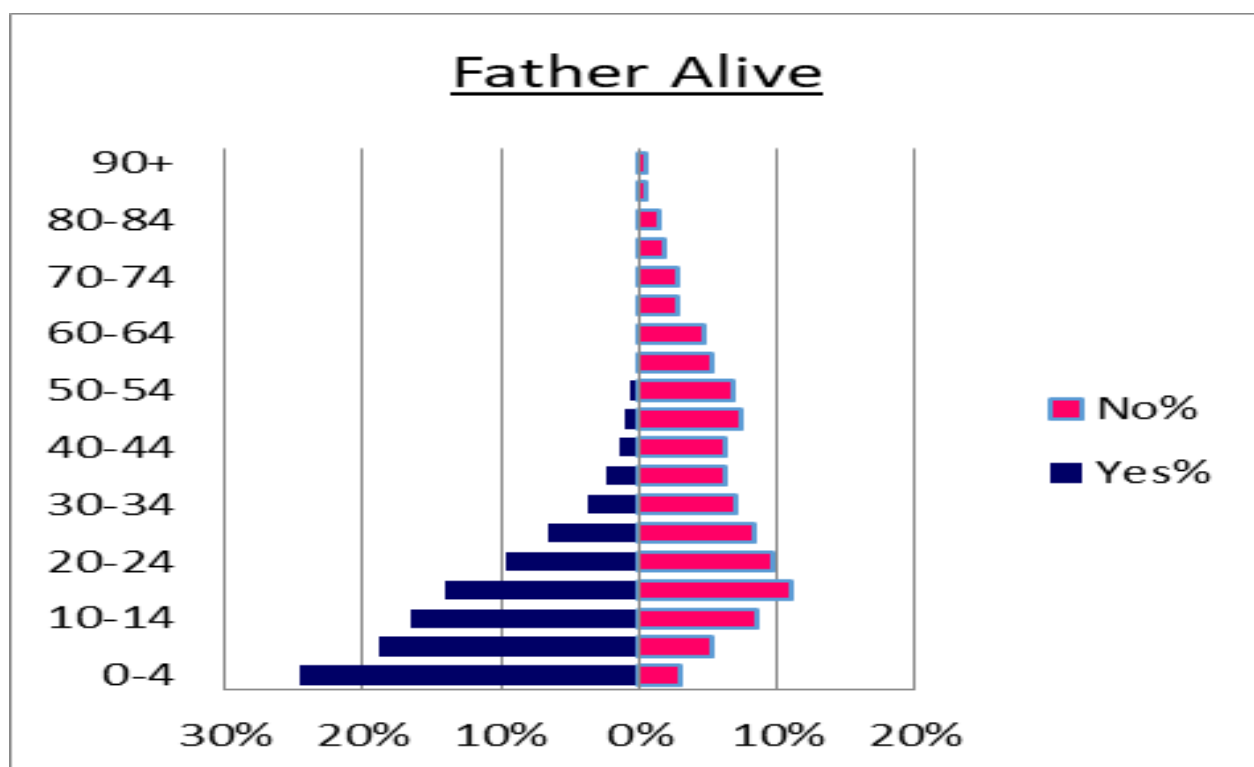


Figure 12 - Father Alive Family

Parental survival

These estimates provide an indication of the number of children who are vulnerable, even though all age groups are indicated above, the focus is on children aged 0-19. This figure above clearly shows that paternal orphan hood is consistently higher than maternal orphan hood.

9. CROSS CUTTING ISSUES

Geomorphology

The geomorphology of the landscape is generally described as middle to high-relief area. Natural forces have resulted into new physical feature being developed. This includes landforms associated with erosion and weathering. There are also many perennial and non-perennial rivers with a lot of fluvial processes involved. The boundaries of Mthonjaneni are also enclosed by two exotic rivers which is Umhlathuze river on the southerly and white imfolozi towards the north. This therefore becomes an important factor for decision-making and development planning.

Climate

Mthonjaneni Municipality experiences warm humid climate with more rainfall being experienced during the summer season. This becomes the favouring factor towards agricultural production. Forests and sugarcane production are the major commercial agricultural practices and livestock farming which is mostly subsistence in most surrounding rural areas.

Agriculture

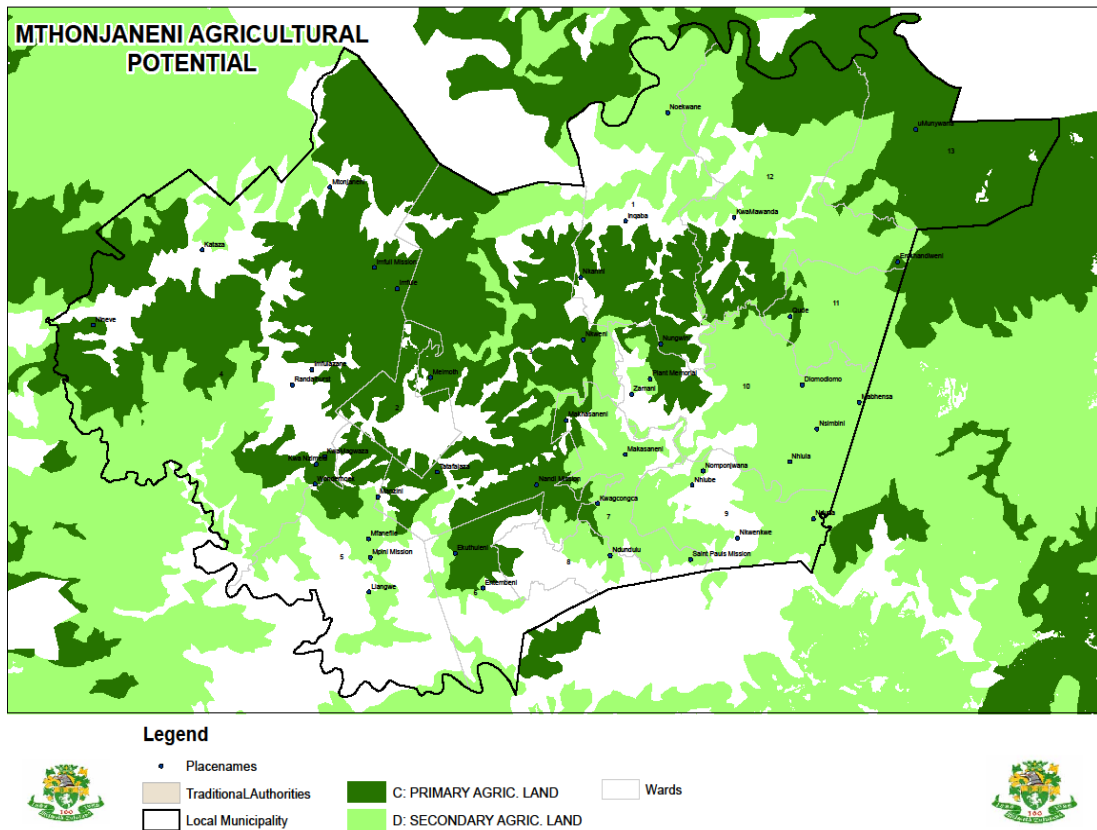
The agricultural potential within Mthonjaneni Municipality is very favourable. The agricultural potential is determined by factors such as climate, vegetation, soils, water supply and topography (Mthonjaneni SEA 2007)

There are areas of low potential along the northern and eastern boundaries of the Municipality. The south-east boundary has an area of very low potential. There is also restricted potential north of Melmoth and in the southern section of the municipality.

The Land Cover map indicates that there are large areas of Commercial Crops primarily in the central band running from the north-west to the south-east. These follow transportation corridors and there is a concentration in the area to the north and south of Melmoth. There is a very large portion of this central band that is Commercial Forestry which covers the area that has been identified as 100% transformed. It also ties in with the Agricultural Potential map in that it overlays the areas classified as having good potential and high potential.

The areas to the east and extending towards the north-east are semi-arid with soils that are having a poor structure and less arable land.

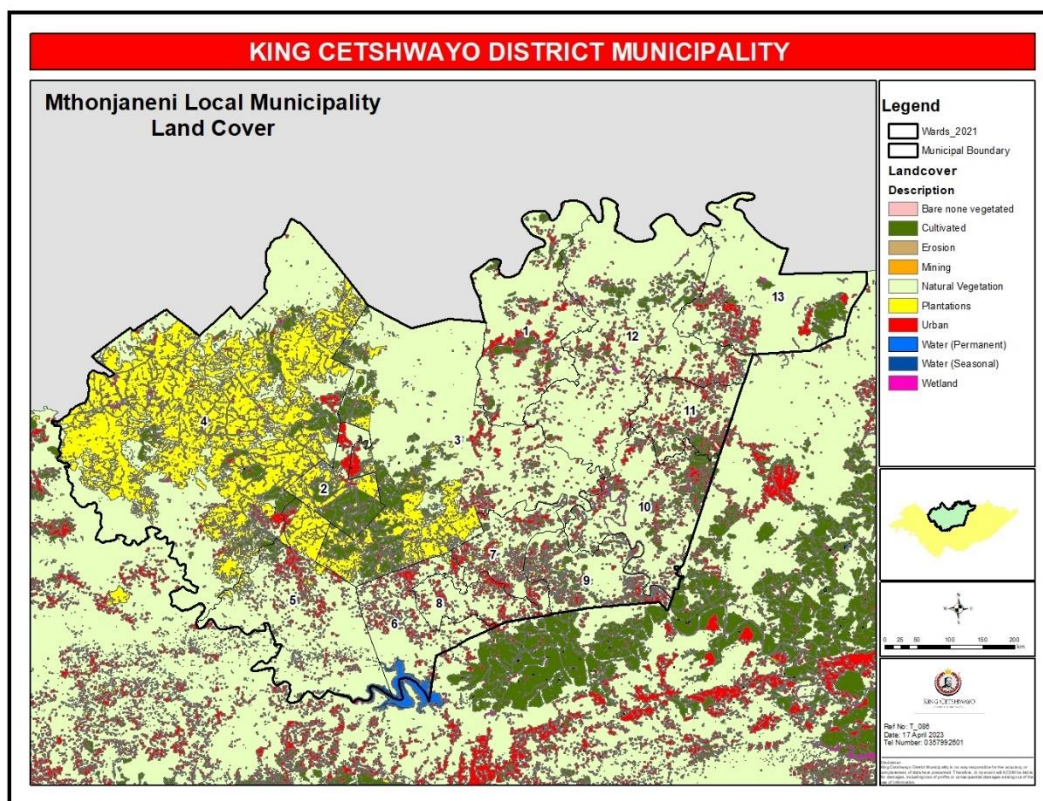
The agricultural sector boosts the economy by creating job opportunities to local people.



Map 21- Agricultural Potential

Land cover

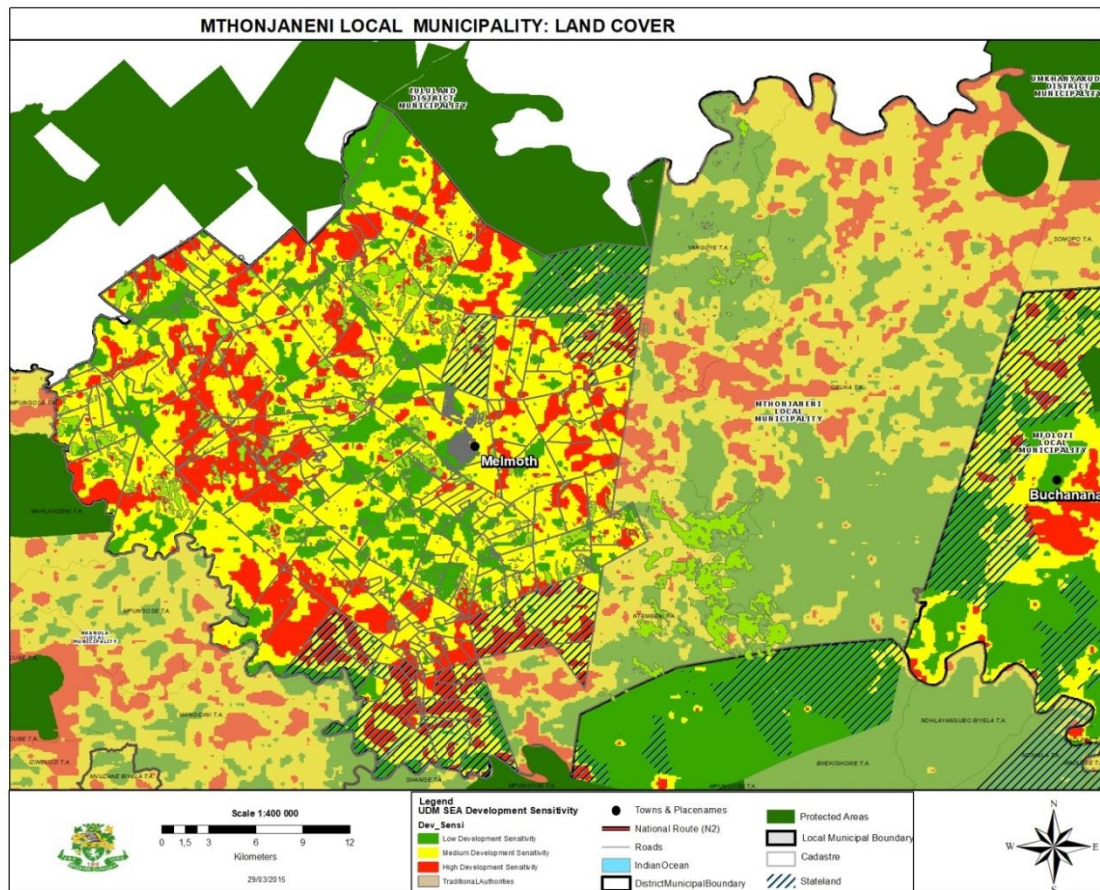
In terms of land cover there are large areas of Commercial Crops primarily in the central band running from the north-west to the south-east. These follow transportation corridors and there is a concentration in the area to the north and south of Melmoth. There is a very large portion of this central band that is Commercial Forestry. The Commercial Forestry and Farming cover the area that has been identified as 100% transformed (see Transformation map). In terms of agricultural potential map, it falls within areas classified to have high potential. Soil, climate, and rainfall are also favourable in these areas.



Map 22- Land Cover 1

The southern area of the municipality is primarily grassland and bushland with a few areas of subsistence rural agriculture mainly around settlements and the Ndundulu and Ekuthuleni area. The northern area of the municipality is primarily characterised by grassland and scattered bushland areas. Subsistence rural agriculture is located around the settlements surrounding Inqaba. There are significant bare rock/erosion areas amongst and surrounding the subsistence rural agricultural land use.

There are however areas which have suffered invasion by alien plants, and this have resulted in reducing the supply of water to some of the drainage areas.



Map 23- Land Cover 2

Biodiversity

According to the National Environmental Management: Biodiversity Act, No. 10 of 2004, biodiversity means the variability among living organisms from all sources including, terrestrial, marine, and other aquatic ecosystems and the ecological complexes of which they are part and also includes diversity within species, between species, and of ecosystems.

South Africa has ratified the International Convention on Biological Diversity which aims to develop and implement a strategy for the conservation, sustainable use and equitable sharing of biodiversity elements.

The Biodiversity Bill requires that a Bioregional Plan be developed for the province. This must ensure that a minimum area of each bioregion with all its representative ecosystems is protected. Ezemvelo KZN Wildlife are the nature conservation agency for the province and are therefore key in managing biodiversity and ensuring that the bioregional plans are prepared and implemented.

The core functions of Ezemvelo KZN Wildlife are:

- ❖ Biodiversity Conservation.
- ❖ Wise and Sustainable Use of Natural Resources; and
- ❖ Provision of Affordable Eco-Tourism Destinations
- ❖ Ezemvelo KZN Wildlife is currently in the process of preparing bioregional plans for each in the province. The Biodiversity Sector Plans for King Cetshwayo is still in the process of being prepared.

Terrestrial (MINSET)

Minset identifies a “minimum set” of planning units that will assist in meeting conservation targets. The Minset map indicates areas that are already protected, areas of transformation, and areas of biodiversity priority.

(a) Protected Areas

Protected Areas are areas that have been declared or proclaimed as such in terms of either the KwaZulu-Natal Nature Conservation Management Act (No 9 of 1997) or the National Environmental Management: Protected Areas Act (No 57 of 2003). Protected Areas play a key role in conservation and meeting biodiversity targets.

(b) Transformation

The latest Land Cover data (2005) is intended to be utilised to demarcate areas of transformation. Areas of transformation are areas that have already changed to such an extent that biodiversity is of little significance.

An Integrated approach to Development and Land Use Management

Key Intervention Areas

Specific areas will require targeted intervention to assist and guide development. The objectives set out below can also serve as guidelines for the municipality’s Land Use Management System.

An Integrated Approach to Land Use Management

To create more efficient urban form by:

- ❖ densifying existing urban nodes in appropriate locations
- ❖ strengthening secondary service centres
- ❖ identifying and implementing development corridors

- ❖ Ensure more efficient use of infrastructure
- ❖ Promoting a more appropriate land use mix
- ❖ Giving preference to those land uses that will assist in achieving the Municipality's Vision and particularly the local economic development and environmental objectives.
- ❖ preserving high quality agricultural land
- ❖ promoting diversity in land use, especially in and around the nodes
- ❖ ensuring that environmental objectives are taken into account in the formulation and adjudication of development proposals
- ❖ creating an environment conducive to small entrepreneurs
- ❖ optimising the inherent tourism and recreation potential of the area

Environmental Management Areas

The value of landscape forms in the municipality should be conserved. In terms of land use management, the specific ecosystems and vegetation communities that require specific environmental management are wetlands and grasslands, which contain the habitats of important species.

Methodology:

A comprehensive land use needs to be undertaken for the municipality to include the following categories:

- Grassland & other
- Dense Rural
- Informal Settlement
- ❖ Natural Bush
- ❖ Active and Passive Open Space
- ❖ Thornveld
- ❖ Cultivated Land
- ❖ Commercial
- ❖ Education
- ❖ Forestry
- ❖ Formal Urban
- ❖ Transport
- ❖ Hospitals
- ❖ Industrial

This land use would be determined through the analysis of digitally corrected photography of the municipality.

The Environmental Inventory in the form of these priority zones will inform the SDF. Beyond the Priority Areas the following factors need to be considered.

A) Indigenous forested areas

All areas under indigenous forest and properties with indigenous trees should be subject to the following guidelines:

- ❖ No indigenous trees should be removed without authorization from DWAF who are responsible for protection of protected tree species.
- ❖ No undergrowth should be removed, or the natural forest structure interfered with in any way as; when the forest undergrowth is removed, the large trees left standing often slowly die due to drought. Authorization must be obtained from DWAF prior to any clearing of both trees and under story of indigenous forested areas.
- ❖ All forest along streams and rivers must be conserved to prevent bank erosion.
- ❖ Wherever possible, patches of forest must be linked to form a continuous network and thus a path of migration for flora and fauna present (bushbuck, duiker, birds and so on) this would be easiest along existing corridors like streams and rivers.
- ❖ Forest trees should be left to screen development to improve stormwater drainage and aesthetics.
- ❖ Developers should be encouraged where possible to maintain any trees on site as part of the layout of the development.

B) Areas of High Biodiversity Value

These areas are identified as areas of high irreplaceability and areas in the minset data set designated as non-negotiable reserves should be categorized in this category, Further the environmental atlas areas within the municipality are almost entirely biodiversity related and therefore these areas are included in this category. These areas are somewhat limited by land transformation in the municipality and include only small portions of the northern areas and southwestern of the study area.

- ❖ This zone represents areas of natural vegetation and therefore any transformation of this area greater than 3 Ha should be subject to impact assessment. Further any development greater than 1 Ha would be subject to Basic Assessment and any

development greater than 20 Ha would be subject to Full Environmental Impact Assessment.

- ❖ The local authority should negotiate with the property developer to incorporate land not to be used for development into Conservation Reserves. This can be done when permission for development is being sought.
- ❖ The Environmental Impact Assessment required for priority 1 zones should include a biodiversity assessment of the site and its biological value.
- ❖ The layout of the development should take biodiversity impacts and mitigation into account and as such should avoid areas of high biodiversity value.
- ❖ The local authority should negotiate with the property developer to incorporate land not to be used for development into Conservation Reserves. This can be achieved as part of authorization for development on submission of the plans.
- ❖ When building plans are submitted to the local authority for approval, they shall indicate whether the development constitutes a listed activity and if so include a copy of the Record of Decision (ROD) issued by DAEA and an Environmental Management Plan (EMP) where required by the ROD.
- ❖ No construction of a listed activity under the NEMA EIA regulations may begin without authorization from DAEA, the Municipality in its development control capacity should not, under any circumstances, authorize any listed activity until such time as DAEA has given authorization for the activity to go ahead.
- ❖ Any unauthorized development should be reported immediately to the DAEA.
- ❖ The width of survey paths shall be kept to the absolute maximum of 1 metre.
- ❖ Where areas have been set aside for conservation in the layout, such areas will have to be demarcated. This should be done before building starts, sites must be staked and should be fenced or cordoned off with Chevron Tape. This is with a view to preventing damage to conservation areas during construction and operation. The fencing used should be appropriate and should allow for the movement of small animals, which may be found in this area.
- ❖ In the conserved areas, only nature-related recreation and education shall be permitted, such as bird watching, walking, and canoeing. These areas should be left as undisturbed as possible.
- ❖ Exotics should be avoided in landscaping of developments.
- ❖ Invasive aliens should be eradicated as part of landscaping and management plan for the development.
- ❖ As far as possible, medium density housing development in this zone should be clustered in order to minimise visual impact and the amount of land needed. This

reduces development costs and also makes land available for conservation or open space purposes. Further advantages are wind protection and better controlled access the development area

- ❖ Landowners shall be made aware of the priority status of their land before purchase. Estate agents in the area could assist in this regard. The clearance certificate issued to each purchaser shall make note of the priority status, for the purchaser's information, should the estate agent not have raised the issue.
- ❖ Earthmoving equipment must be prohibited from the site until the environmental assessment has been approved and the vegetation to be conserved has been demarcated.
- ❖ The Local Council should not plant exotic trees or shrubs in areas of this category.
- ❖ Sub divisional applications should be assessed in the light of proposed usage and the effect it would have on areas of high biodiversity value.
- ❖ Landowners should be made aware of the high biodiversity value of their land before purchase. Landowners should be made aware of their responsibility to maintain and manage the vegetation on their land. The local council may need to aid in the form of advice to landowners in high biodiversity value areas.

C) Nature Reserves

These areas are mapped on the Minset Map below.

- ❖ This is with a view to preventing damage to conservation areas. The fencing used should be appropriate and should allow for the movement of small animals that may be found in this area, for e.g., Duiker, weasel.
- ❖ In the conserved areas, only nature-related recreation and education shall be permitted, such as birdwatching, walking and canoeing
- ❖ The introduction of any exotic plants to conservation areas must be prevented and any existing alien invasive vegetation should be removed.

D) Wetlands, dams, and drainage corridors

The wetlands, dams, and drainage corridors are shown; however, it must be stressed that wetlands identified over and above these maps should be subject to the same guidelines:

- ❖ Infilling, drainage and hardened surfaces (including buildings and asphalt) should not be located in any of the wetland zones (i.e. permanent, seasonal and temporary) such activities generally result in significant impacts on a wetland's hydrology, hydraulics and biota and on the goods and services wetlands provide.

- ❖ Hardened surfaces and even should be located at least 15 m outside of the outer boundary of the seasonal/permanent zone (Note: if the width of the outer temporary zone is greater than 15 m and Item 1 above is met then this requirement would automatically be met). The seasonal and permanent zones generally have surface water for extended periods. In the case of seasonal zones, it may be for most of the wet season and in the case of permanent zones, it may be throughout the year. A buffer is required between areas potentially generating non-point source pollution and such areas characterized by surface water.
- ❖ Extension to the buffer in localized areas should also be included to minimize the impact of concentrated stormwater run-off into the wetland. Stormwater outflows should not enter directly into the wetland. A predominantly vegetated buffer area at least 20 m wide should be included between the stormwater outflow and the outer boundary of the wetland, with mechanisms for dissipating water energy and spreading and slowing water flow and preventing erosion. This buffer is particularly important when the catchment feeding the stormwater drain comprises predominantly hardened surfaces. Extensive hardened surfaces in the catchment and stormwater drains significantly increase the intensity of stormwater runoff, which increases the risks of erosion in a wetland. In addition, urban stormwater runoff is often polluted. A buffer is therefore required to reduce the energy and erosive power of the stormwater and to decrease the level of pollutants in the runoff before it enters the wetland.
- ❖ Where the wetland has a particularly high biodiversity value, further buffering may be required, the width of which would depend on the specific requirements of the biota. This should be determined in consultation with Ezemvelo KZN Wildlife. The value of a wetland for biodiversity derives not only from features of the wetland but also from the quality of natural, non-wetland areas adjacent to the wetland, as many wetlands dependent species such as the giant bullfrog (*Pyxicephalus adspersus*) require both wetland and non-wetland habitat.
- ❖ If a road crossing is planned in a wetland, first seek an alternative route. If this is not available, then ensure that the road has minimal effect on the flow of water through the wetland (e.g. by using box culverts rather than pipes). Do not lower the base level of the wetland or any stream passing through the wetland. Ensure an adequate buffer is present to deal with run-off from the road (see Item 3 above). During construction, minimize disturbance of the wetland at and adjacent to the road crossing site. Road crossings may potentially greatly modify local water flow patterns in a wetland. In addition to having a damming or draining effect on the flow upstream of the road, roads which do not allow for the adequate passage of water may concentrate flow

downstream, increasing the erosion hazard and drying out this portion of the wetland. A lowering of the base level increases the gradient in the wetland, thereby increasing the speed of water flow and its erosive potential and the extent to which it contributes to lowering the water table.

- ❖ Where a road runs alongside a wetland and it intercepts natural hillslope runoff into the wetland, the road should be set back from the boundary of the wetland by at least 20 m and feed-off points should be included at frequent intervals along the road (at least every 100 m) and the outflows of these should conform to the requirements of the stormwater outflows (given in Item 2 above). A road running alongside a wetland can strongly affect the natural hill slope runoff into the wetland by intercepting this runoff and concentrating it in localized entry points. The fewer the feed-off points into the wetland and the less protected they are, the more severe this effect will be.
- ❖ Where development (e.g. hardened surfaces, infilling and drainage) in a wetland is unavoidable then the resulting impacts must be mitigated. In many cases, off-site mitigation may be the only means of achieving satisfactory mitigation. The cumulative loss of wetlands in South Africa is already very high (see Section 1.1) and the continued net loss of wetlands needs to be prevented. Invasion of a wetland by alien plants may considerably reduce the integrity of a wetland.
- ❖ Where any disturbance of the soil takes place in a wetland, clear alien plants which establish and follow up for at least 2 years thereafter. Disturbance of a wetland favours the establishment of alien plants, which require long-term control.
- ❖ Where the infiltration rate of a wetland's catchment is naturally high and the wetland is maintained predominantly by groundwater input, at least 60% of the wetland's catchment should remain as permeable surfaces in a residential area and preferably at least 30% in an industrial/commercial area. Where the level of development is very high, reduced surface runoff can be promoted through mechanisms such as porous pavements (The inclusion of these mechanisms in areas dominated by hardened surfaces is generally sound catchment management practice and should be encouraged widely). Failure to maintain groundwater input to a predominantly groundwater-fed wetland will considerably alter the hydrological regime of the wetland, thereby compromising its integrity.
- ❖ The onus is on the developer to identify and delineate all wetlands in the project area at a finer scale depending on the proposed development. Mapping at a minimum scale of 1: 10 000 is generally required in order to account for the impact of a development adjacent to a wetland, it is essential that the boundary of the wetland be mapped. Any

wetlands identified on the ground should be delineated and mapped by the municipality on an ongoing basis.

- ❖ Any development must comply with the requirements of the National Water Act. Through the concept of the “ecological reserve”, this act makes provision for ensuring water of acceptable quantity and quality for maintaining the ecological functioning of wetlands and river systems. While wetlands assist in enhancing water quality, they should not be relied upon as an easy substitute for addressing pollution at source, as this may lead to serious impacts to the wetland systems.
- ❖ Access to wetlands by off-road vehicles, man and livestock, should be as far as possible prevented.
- ❖ Development within the flood line or within 32m of a river or stream should be avoided and vegetation in this zone should be conserved.

Environmental Projects

The Mthonjaneni municipality has identified projects that will address the environmental challenges, Alleviate Poverty, create employment, labour intensive and empower marginalized community.

The Municipality has request for funding from the Department of Agriculture and Environmental Affairs for the following projects:

- Rehabilitation of the transfer station
- Weigh bridge and information system
- Refuse collection and Street cleaning
- Upgrading of Parks, (ward 2 and 3)
- Guard house at the transfer station

In terms of disaster risk reduction principles, the local sphere of government is the first line of response and responsibility and therefore, in the event of a disaster occurring or threatening to occur in the Mthonjaneni municipal area of responsibility, the Municipality remains responsible for the co-ordination and management of the disaster incident until such time that the responsibility escalates to a higher level of Governance.

Thorough disaster risk management planning and effective co-ordination of all line function response agencies is, therefore, key to saving lives and limiting damage to property, infrastructure, and the environment. They (disaster risk management plans) also facilitate the optimal utilization of resources.

The Mthonjaneni Disaster Management Advisory Forum is the most effective platform from which disaster risk reduction and operational plans can be developed.

Content of an Operational Plan

10.3 DISASTER MANAGEMENT

In terms of the provisions of the Mthonjaneni Disaster Risk Management Policy Framework, the Municipality is mandated to develop Operational Plans which are aimed at: -

- Response Protocols.
- Contingency Planning
- Access to Resources for:
- Immediate relief.
- Equipment; and
- Recovery and rehabilitation.
- Guidelines for:
- Funding; and
- Declaration of a State of Disaster.

Response Protocols

Having conducted, in terms of the provisions of the approved Disaster Risk Management Policy Framework, a Disaster Risk analysis of the individual Wards within the Mthonjaneni Municipal area, the Advisory Forum will now be able to identify specific communities and infrastructure that are most vulnerable to the risks or threats that are prevalent in that particular Ward.

It is important for the Advisory Forum to be fully acquainted with the Legislative provisions in respect of Line Function Policies and Responsibilities of all Response Agencies who are likely to respond to a Disaster Incident or other Emergency which would require the activation of the Disaster Management co-ordination structures of the Municipality. This is particularly important for the development of Incident Specific Contingency Plans where it is necessary to assign functions and

responsibilities to Responding Agencies without deviating from the individual line function policies of the responders.

Although the Disaster Management Act assigns the responsibility for the co-ordination and management of the activities of all responders to a disaster incident, it is of vital importance that the on-scene Command and Control be assigned to the Response Agency most qualified, in terms of line function, to deal with the consequences of the incident. An example of this would be the assignment of Command and Control to the Fire Brigade during a fire.

The Response Protocol of Mthonjaneni will therefore identify the relevant agencies and individuals within those agencies who would respond to a specific incident and then, in a collective process, a plan of action or a Contingency Plan must be developed for each incident.

The Mthonjaneni Disaster Management Advisory Forum has studied the Risk / Hazard Analysis as contained in the Mthonjaneni Disaster Risk Profile and has identified the relevant agencies and individuals within those agencies who would respond to a specific incident.

Having identified the response agencies that have a specific line function responsibility in relation to a particular disaster incident, the Advisory Forum must, in a collective process, develop the Response Protocol for Mthonjaneni which will inform the development of a Contingency Plan (or Plan of Action) for each identified risk or hazard.

The following Risk Response Protocol Matrix has subsequently been developed by the Mthonjaneni Disaster Management Advisory in a consultative process.

Mthonjaneni Disaster Plan

The Mthonjaneni municipality has a disaster management plan in place. The plan is being reviewed during the 2022/2023 financial year.

Mthonjaneni Municipality faces increasing levels of disaster risk. It is exposed to a wide range of natural hazards, including severe storms that can trigger widespread hardship and devastation. The Municipality's extensive forestry industry, coupled to the major transportation routes, inside the municipality as well as those leading to other major centres, present numerous catastrophic and hazardous materials threats. In addition to these natural and human-induced threats and despite on-going progress to extend essential services to poor urban and rural communities, large numbers of people live in conditions of chronic disaster vulnerability in underdeveloped, ecologically fragile, or marginal areas – where they face recurrent natural and other threats that range from flooding to informal settlement fires.

The Mthonjaneni disaster management Policy Framework is the legal instrument specified by the Act to address such needs for consistency across multiple interest groups, by providing a coherent, transparent, and inclusive policy on disaster management appropriate for the Municipality of Mthonjaneni as a whole.

In this context, the disaster risk management framework of Mthonjaneni Municipality recognizes a diversity of risks and disasters that occur or may occur in the Municipal area of responsibility and gives priority to developmental measures that reduce the vulnerability of disaster-prone areas, communities, and households.

Also, in keeping with international and national best practice, the Mthonjaneni disaster risk management framework places explicit emphasis on the risk reduction concepts of disaster prevention and mitigation, as the core principles to guide disaster risk management in the municipality.

In terms of disaster risk reduction principles, the local sphere of government is the first line of response and responsibility and, in the event of a disaster occurring or threatening to occur in the Mthonjaneni municipal area of responsibility, the community is, in reality, the first responder. The primary responsibility for the co-ordination and management of local disasters rests with Mthonjaneni Municipality as the local sphere of governance. Thorough disaster risk management planning and effective co-ordination is, therefore, key to saving lives and limiting damage to property, infrastructure, and the environment. They also facilitate the optimal utilization of resources.

Apart from internal arrangements to allow for interdepartmental co-operation within the municipality, the ideal mechanism for dealing with disaster risk management planning and co-ordination has been the establishment of an Mthonjaneni disaster risk management committee or advisory forum. It was launched in August 2009 and reviewed in 2017 and comprises of all internal and external role-players, including traditional authorities.

This forum is responsible to:

- ✓ Give advice and make recommendations on disaster-related issues and disaster risk management
- ✓ Contribute to disaster risk management planning and co-ordination.
- ✓ Establish joint standards of practice.
- ✓ Implement response management systems.
- ✓ Gather critical information about Mthonjaneni's capacity to assist in disasters and to access resources; and
- ✓ Assist with public awareness, training, and capacity building.

The Mthonjaneni Disaster Management Plan is attached as annexure B.

Disaster Management SWOT Analysis

Strength:

- Existing Land use management systems that assists in allocating developments in the correct places.
- The local disaster management and local disaster advisory forums are all functional.
- Excellent Service and partnership with Rural Metro.

Weakness

- Disaster management framework not reviewed.
- Minimum budget and resources to address disaster issues.
- Disaster management officer position not filled.
- Motor vehicle accident rate is too high.

Opportunities

- Preparation of Wall-to-wall scheme will assist in land use management in rural areas and thus decrease developments in disaster sensitive areas.
- Rural Housing projects (RDP) provide safe housing structures.
- Municipal rural roads projects also act as fire breaks.

Threats

- Poor rural roads condition makes it difficult to arrive in disaster scene.
- Conditions of fire hydrant around Melmoth town in bad condition and might be a problem if there is a fire break out.
- Burning of houses caused by the illegal electricity connections.

STRUCTURING ELEMENTS

There are lot of natural as well as man-made features that shape up Mthonjaneni municipality. Indigenous plantations and mountains add to the beauty of the area of Mthonjaneni municipality. There are also cultural and tourism site like Mthonjaneni cultural museum, Phobane lake, Inkosi Mgabhi home (the home to Nandi who was the mother of King Shaka)

Mthonjaneni also has three traditional authorities which are INkosi Biyela of Obuka, INkosi Zulu of Ntembeni and INkosi Biyela of Yanguye.

LAND OWNERSHIP

A large portion of the land is privately owned by individual and company commercial farmers. The remaining land belongs to Ingonyama Trust, Church land, as well as municipal owned land and State-owned land.

Some of the Church and State-Owned land has been earmarked for possible Land Reform projects namely.

- ❖ Melmoth State Farms,
- ❖ Ekuthuleni (Church land),
- ❖ KwaMagwaza Mission,
- ❖ Melmoth Labour Tenants,
- ❖ Mfule Mission,
- ❖ KwaYanguye (Tribal Commonage),
- ❖ Ekuthuleni State Land (started),
- ❖ Wilhelmina Farm (started), and
- ❖ Arcadia Farm (started)

The land use patterns are further elaborated upon in the Land Use Management Systems (LUMS). In the LUMS, the areas described as “densely settled area of mixed residential and agriculture under private, trust or church tenure”, are identified as areas that “are not yet formalized but show potential for developing into distinct villages”.

The land in Mthonjaneni is mainly used for agriculture and residential purposes. There are no conservation areas and very limited recreation areas in the form of a golf course and sports fields in places.

LAND CAPABILITY

Most of the land under Mthonjaneni municipality is utilised for agricultural production. This is merely favoured by the availability of arable land with the highest amount of rainfall being experienced in summer.

The agricultural potential within Mthonjaneni Municipality is very favourable. The agricultural potential is determined by factors such as climate, vegetation, soils, water supply and topography (Mthonjaneni SEA 2007)

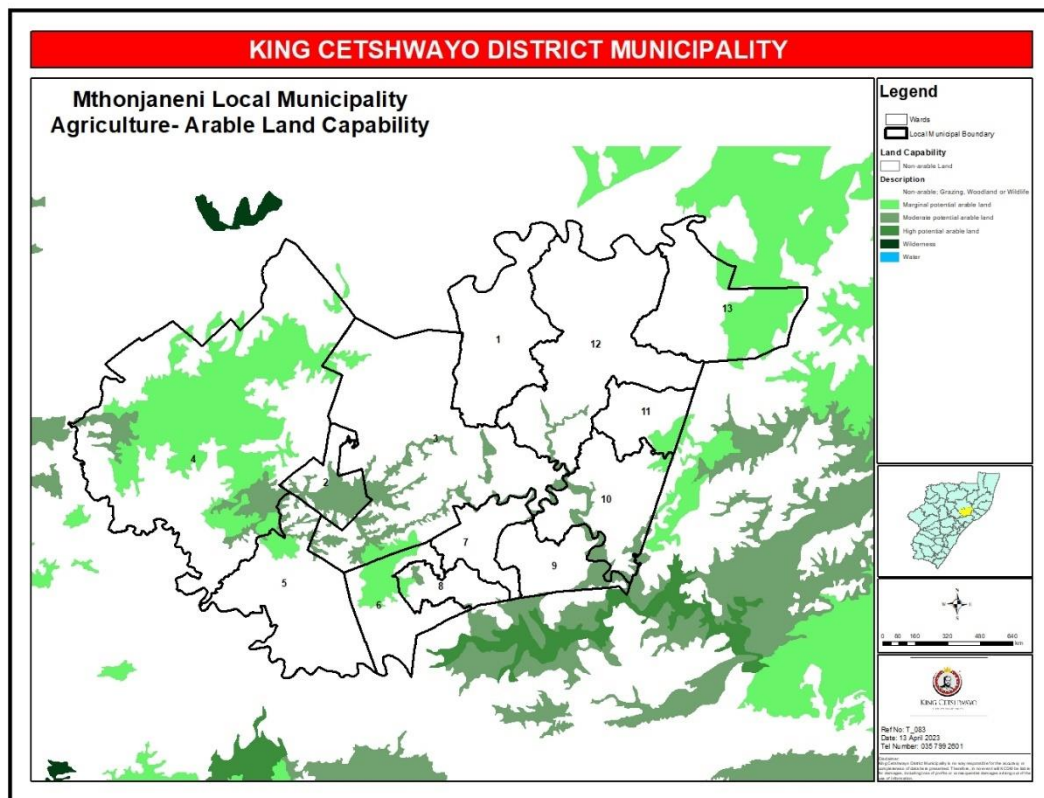
AGRICULTURAL ACTIVITY

There are areas of low potential along the northern and eastern boundaries of the Municipality. The south-east boundary has an area of very low potential. There is also restricted potential north of Melmoth and in the southern section of the municipality.

The Land Cover map indicates that there are large areas of Commercial Crops primarily in the central band running from the north-west to the south-east. These follow transportation corridors and there is a concentration in the area to the north and south of Melmoth. There is a very large portion of this central band that is Commercial Forestry which covers the area that has been identified as 100% transformed. It also ties in with the Agricultural Potential map in that it overlays the areas classified as having good potential and high potential.

The areas to the east and extending towards the north-east are semi-arid with soils that are having a poor structure and less arable land.

The agricultural sector boosts the economy by creating job opportunities to local people.



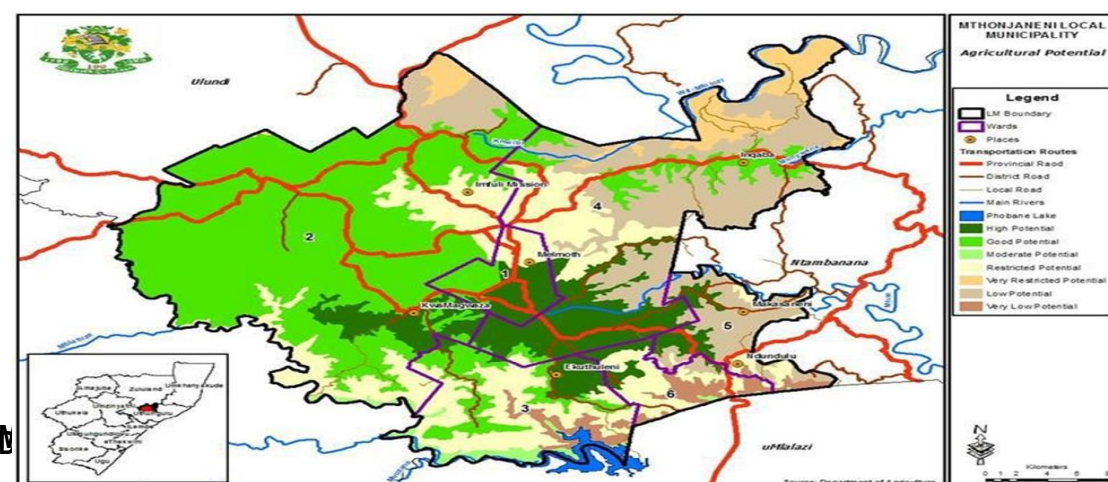
Map 24- Agriculture Arable Land 2

DEVELOPMENT NODES

This area was covered under Situational Analysis above

Agricultural Potential

The following table depicts the agricultural potential of the area, areas with high fertility being greener in colour than less potential areas.



Map 25- Agriculture potential

Commercial Agriculture

The predominant commercial farming activity is sugarcane and this together with commercial forestry forms the base of the region's economy. Other farming includes citrus, vegetables, beef, and dairy and small clusters of tropical fruit farmers. Sugarcane can be grown even in areas of restricted agricultural potential. (Mthonjaneni SEA 2007).

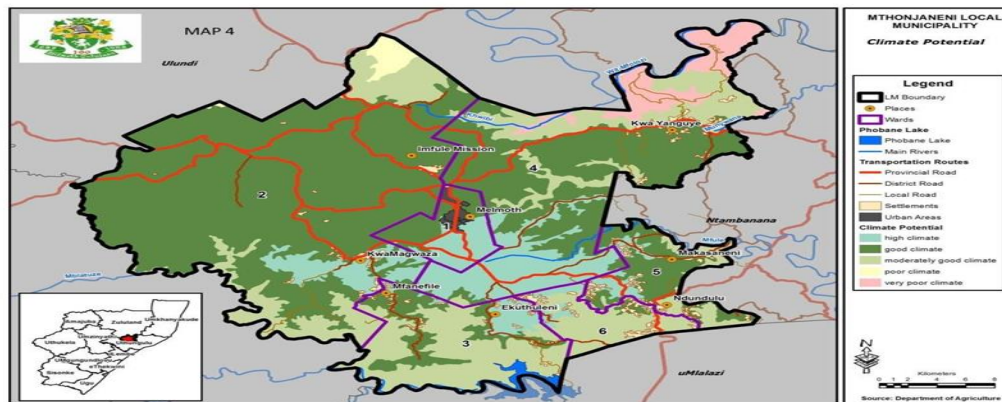
Traditional Agriculture

A large portion of the community is engaged in subsistence agriculture which includes peasant farming and small-scale livestock husbandry. Subsistence agriculture is the most significant land use practice and functions as a survival mechanism in the traditional authority areas and other rural areas. (Mthonjaneni SEA 2007). The overriding factor is that there are some light industries in the municipal area providing jobs for the local people. Nonetheless, the most critical factor is that the town depends on agriculture for survival, primarily sugar cane, timber and cattle. To some extent the avocados and citrus fruits are also produced for local foreign markets. The area produces about 300 000 tons of sugar cane and 470 000 tons of timber per year, as well as delicate cut flowers for export. The municipality incorporates large tracts of commercial farming land with most communities practicing small-scale farming for domestic purposes. Agriculture employs about 75% of the labour force. The expansion of the local economy focuses on increasing timber and sugar cane production, expanding the cut flower industry, the production of essential oils and establishment of apiaries.

Climate

A significant section of the Municipality running from the western boundary of the Municipality to the eastern boundary has a good climate. This includes Melmoth, Imfule Mission, Kwa Yanguye, Makasaneni and the KwaMagwaza area. There is

a relatively large area of high climate running from east to west to the south of the good climate mentioned above. This encompasses the Ekuthuleni area. The southern and northern boundaries are characterized by a moderately good climate, although the northern section also has a small portion of poor and very poor climate. Overall, the climate is favorable throughout the Municipality.



Arable Land

Soil types:

Soils in the region are formed from the weathering of quartzite, tillite and granite rocks and vary in texture and composition from stony and sandy loams to clay loams. The Mthonjaneni region is predominantly sandy, clay loams. (Mthonjaneni SEA 2007).

Soil depth and productivity:

Soils are shallow on hard or weathered rock. Deep, rich soils are not found on steep slopes and therefore most of the areas with a higher gradient have shallow soils. Deep soil deposits are found along rivers and streams on level to moderate slopes. Soil depth in the region varies from 450 mm to 750 mm. Soils in Mthonjaneni generally have high agricultural potential but are highly sensitive to erosion and degradation. (Mthonjaneni SEA 2007).

Water Resources

Mthonjaneni Municipal area has limited water resources as a result there are no large-scale irrigation schemes for commercial cropping.

Overall Agricultural Potential

Generally, the Mthonjaneni Municipal area has good soils and climate suitable for most of the crops and livestock production.

Crop Production

a) Fruit Production

- Citrus – oranges, naartjies, and grapefruit are prominent and grows very well in the area.
 - Deciduous fruit – litchi, pears, and pineapple also thrive well in the Mthonjaneni area.
 - Avocados of good quality is grown in some areas which is ultimately sold in the market stalls.
 - Mango of good quality could be grown in hotter areas towards the Ulundi area.
 - First harvest is only after 4 years and thereafter every year
- Challenges include:

- finding appropriate cultivars.
- soil preparation.
- planting and early care.
- irrigation.
- protection against animals.

b) Sugarcane

The area produces about 300 000 tons of sugar cane. Some of the sugar cane farms have been acquired through various government land reform programs. Farmers are receiving valuable technical support from the South African Sugar Association (SASA) and Department of agriculture extension Officers. The market for sugar cane is Felixton and Amatikulu Sugar mills, depending on the farmer

supply agreements. The sugar cane farm owners of the Mthonjaneni area have developed necessary skills to management the sugar cane farms. The farms are created substantial number of jobs to the local people.

c) *Vegetable Production*

The soils and climate of the Mthonjaneni area are generally suitable for most vegetables. Common vegetables that can be grown in the area are:

- cabbages.
- spinach.
- carrots.
- onions.
- beetroots.

Livestock/ Animal Production

a) *Poultry Farming*

- Has huge potential and profitable.
- Challenges include technical information on rearing and housing.
- Market access is also posing some difficulties although huge companies like Rainbow chickens can offer some reprieve.
- Alternative will be an abattoir to facilitate supply of chickens to major retail houses.
- Egg production offers another opportunity.

b) *Cattle and Small Livestock*

- Opportunities with beef and hides.
- Has huge potential and is profitable.
- Challenges include technical information on rearing and housing.
- Market access will be another challenge.

Essential Oils

- Mainly for export market – UK, Europe and America.
- Pays \$90 per kg and \$140 per kg for inorganic and organic plants respectively
- Oil needs certification whether inorganic or organic before being sold.
- Current project structure very poor.

Agro Processing

Located in the southern tip of the African continent between two oceans (one cold and the other one warm), South Africa is blessed with unique climatic and environmental diversity. This has allowed it to produce a wide variety of agricultural and food products. The subtropical coastline of KwaZulu Natal produces sugar cane and subtropical fruits.

Across South Africa, African subsistence farmers, funded by government's Land Bank and/or Ithala and supported by its BBBEE policy, are beginning to move into the mainstream of agriculture. This policy is focusing on critical areas like training, equitable access to and participation in the mainstream agriculture, land reform, profitability, and sustainable resource management.

The following are some of significant milestones in this industry:

- The food industry sells 20m tons of food worth R174bn annually. This includes exports as well as fruit and vegetables, and products used for food processing.
- SA produces a wide variety of crops and has substantial secondary food processing industries. In the manufacturing sector grain milling is the largest food sub-sector, while fresh fruit and vegetables are the top sectors in food consumption, followed by grains, bakery and proteins.
- The food processing industry has 11 downstream sub-sectors:
 - Meat processing.
 - Dairy products.
 - Preservation of food and vegetables.

- Canning and preserving of fish.
- Fruit canning and jams, vegetable and animal oils and fats.
- Grain mill products.
- Sugar mills and refineries.
- Chocolate and sugar confectionery.
- Prepare animal food.
- Bakery.
- Starch and starch products.

Key Agricultural Challenges

The following are the key agricultural issues for economic development in the Municipality:

Lack of infrastructure and services

Infrastructure and services such as roads, telephone, and electricity are necessary requirement for agricultural development. These services within Mthonjaneni Municipality are inadequate, especially in rural areas where emerging Farmers operate. Lack of these services has been a consistent issue among emerging farmers. Developing emerging Farmers into commercial Farmers would require addressing the deficiencies in infrastructure and services. Of particular concern currently is the poor road condition. Most roads are reported to be unusable by vehicles during the rainy season.

Poor Access to Credit and Inadequate Funding

Commercial agriculture like many other business sectors is capital-intensive. Access to credit or dependable funding is fundamental to the development of commercial agriculture. Emerging Farmers have historically been denied access to finance and the opportunity to develop their financial base. A strategy to address financial hardships experienced by emerging Farmers is a prerequisite for developing emerging Farmers into commercial Farmers.

Land

Land plays a primary role in agriculture, particularly in crop production. Emerging Farmers in the Mthonjaneni Municipality have farms ranging from under 3 ha to a maximum of 20 ha, whereas commercial Farmers have farms ranging in size from 250 ha to 2,500 ha.

Small farms are often just producing enough for the needs of the household with perhaps some surplus cash crops. This small-scale production does not allow them to benefit from economies of scale. Larger commercial farms, however, can produce on a much larger scale and will often be able to benefit from economies of scale. Economies of scale occur when the average cost of producing a larger quantity is lower than the average cost of a smaller quantity. To develop emerging Farmers into commercial Farmers, land issues need to be vigorously addressed. Some of the key land issues are:

- Ineffective land policies (willing seller willing policy is not addressing agricultural land requirements), current land restitution program still marginalizes agricultural production in the sense that land made available through this process is too limited to allow viable commercial agriculture.
- Traditional Authority influences in land allocation are sometimes counterproductive to commercial agricultural objectives. Promotion of commercial agriculture should involve tribal authorities so that they appreciate the need for larger pieces of land to be allocated to make commercial agriculture viable.

Skills development

Commercial agriculture requires skills and adequate education. Emerging Farmers have historically been denied adequate education and more especially development of skills in commercial agriculture. If commercial agriculture is to be encouraged among emerging Farmers, skills development and appropriate education need to be strategically addressed.

Markets

Marketing of agricultural produce involves organized markets and infrastructure. Commercial Farmers currently have adequate resources to market farm produce at market- related prices. For example, they have ready access to local and regional market outlets and have facilities to control marketing of their produce (they can store produce and sell when the price is right, can control costs by buying inputs in bulk, have transport to take their produce to the market). Emerging Farmers, on the other hand, are severely disadvantaged in various ways such as:

- They are often situated in rural areas where the road network is poorly maintained and therefore transport of farm inputs and produce is hampered.
- Hired transport if it exists is often too expensive to justify taking the small volumes of produce to the market.
- They have limited capability to store produce and sell it when the price is right and thus, they are often compelled to sell their produce at a low price or at a loss;
- They cannot sustain marketing contracts because of a limited cash flow situation.

Timber Sector Development

Timber is produced by larger companies like Sappi and Mondi and some few private Farmers. Timber production involves the growing of eucalyptus (gum trees), pine and wattle species. Eucalyptus species are the most famous timber species grown in the area. Timber operations involve the following operations:

- silviculture,
- harvesting,
- protection,
- roads and open area management.

A limited number of emerging Farmers are engaged in timber production through SAPPI and Mondi or government- supported grower's schemes.

- Gum trees take 8 – 9 years to harvest.
- Wattle trees take 8 – 10 years to harvest.
- Pine trees take 8 years to harvest.
- Profitable business over longer periods.
- Biggest challenge for large commercial farmers is to get planting.
- Permits from DWAF in order to grow their businesses.
- The government has made available 800 – 8000 hectares to Black farmers.

Key Timber Development Challenges

- Lack of Infrastructure.
- Access to Funding.
- Land Availability.
- Lack of Skills.
- Markets.
- Steep Slopes.
- Dominance of Private Sector.

SPATIAL AND ENVIRONMENTAL SWOT ANALYSIS

STRENGTHS	WEAKNESSES
• Good agricultural potential. • Good access- The Mthonjaneni Municipality is located along an important transport route, the R66 to Ulundi/Mthonjaneni to the north and Eshowe to the South.	• Poor land use management in the Ingonyama trust land. • Communities settling along rivers without consideration of flood lines.
OPPORTUNITIES	THREATS
• Opportunity of Tourism development along the R66 route. • The introduction of Land use management system for the whole of the municipal area.	• Poor access roads in rural areas. • Scattered developments in traditional authority areas

Table 29 - SWOT Analysis: Spatial and Environmental

10.DISASTER MANAGEMENT PLAN

DISASTER MANAGEMENT SECTOR PLAN

Disaster Management Sector Plan is a core component of the Integrated Development Plan (IDP). Section 26 (g) of Municipal Systems Act No. 32 of 2000 requires the municipal IDP to reflect an applicable Disaster Management Sector Plan (DMSP). Furthermore, Section 53 (2) (a) of Disaster Management Act No. 57 of 2002 stipulates that a disaster management sector plan for a municipal area must form an integral part of the municipality's IDP. Mthonjaneni Municipality has reviewed a Disaster Risk Management Sector Plan (DRMSP) for integration in the 2024/2025 IDP in compliance with the legislation.

Disaster risk management has become the major challenge and the entire world is currently faced with, owing to the ever-growing population, climate change, and the ever-changing environment in general. Natural and man-made disasters, in many instances, result to economic as well as environmental losses and thus place a need for systematic approach to management of risks.

The purpose of the Disaster Risk Management Sector Plan is to document the institutional arrangements for disaster risk management planning which includes the assignment of primary and secondary responsibilities for priority disaster risks posing a threat in the Municipal Area. It further provides the broad framework within which the disaster risk management planning requirements of the Act will be implemented by the departments and other entities included in the organisational structure of the municipality.

STATUS OF MUNICIPAL INSTITUTIONAL CAPACITY

Municipal Disaster Management Centre

Section 43- 50 of the Disaster Management Act 2002 (Act No.57 of 2002) makes provision of the establishment and functions of the centre to ensure effective operation and co-ordination of Disaster Risk Management within the municipality. There is currently no disaster management centre in the municipality. The Municipality has however identified the facility that will be

repurposed and be made to align with Disaster needs. There is a call centre which receives and dispatches all calls to relevant stakeholders and role players concerned. The call centre operates on a 24-hour basis. Trained call centre staffs manage each shift. The Call Centre number is 035 4507691.

FIRE SERVICES

There is currently a fire station that is in Melmoth Town under Mthonjaneni Municipality which mostly deals with bush fires, structural fires, conducting building inspections and Motor Vehicle Accidents that occurs within the parameters of the Municipal area. The Station is managed by the municipality.

Mthonjaneni Municipality is predominantly rural but however there are sugar cane and timber commercial farming areas in some wards of the municipality. The municipality deals with bush and structural fires affecting the rural communities, while fires at sugar cane and timber commercial farming areas are dealt with by ZIPFPA.

Municipal Disaster Management Policy Framework

Section 42 of the Disaster Management Act (Act 57 of 2002) states that each metropolitan and each district municipality must establish and implement a framework for disaster management in the municipality aimed at ensuring an integrated and uniform approach to disaster management in its area.

Mthonjaneni Municipality currently has a municipal disaster management policy framework which forms part of the chapter 3 of the Mthonajneni Disaster Risk Management Plan. The policy framework is aligned to the District, Provincial and National disaster management policy framework for guidance and direction regarding Municipal disaster management. In this context, the disaster risk management framework of Mthonjaneni Municipality recognizes a diversity of risks and disasters that occur or may occur in the Municipal area of responsibility and gives priority to developmental measures that reduce the vulnerability of disaster-prone areas, communities, and households.

In keeping with international and national best practice, the Mthonjaneni disaster risk management framework places explicit emphasis on the risk reduction concepts of disaster prevention and mitigation, as the core principles to guide disaster risk management in the municipality. In terms of disaster risk reduction principles, the local sphere of government is the first line of response and responsibility. In the event of a disaster occurring or threatening to occur within Mthonjaneni municipal area of responsibility, the community is the first responder. The primary responsibility for the co-ordination and management of local disasters rests with Mthonjaneni Municipality as the local sphere of governance. Thorough disaster risk management planning and effective co-ordination is, therefore, key to saving lives and limiting damage to property, infrastructure, and the environment. They also facilitate the optimal utilization of resources.

Municipal Disaster Management Plan

The Disaster Risk Management Act 2002, (Act No.57 of 2002), makes provision in Section 53 that each municipality must prepare a disaster risk management plan for its area according to the circumstances prevailing in the area.

In 2017 the Municipality developed its Five-Year Disaster Risk Management Plan which was adopted in December 2017 by the Council. The Disaster Management Act 57 of 2005 requires that it is reviewed annually. The Disaster Risk Management Plan is under review to factor the MEC Comments and will be adopted in May for submission with Final IDP

Municipal Disaster Management Advisory Forum

Section 51 of the Disaster Management Act (Act 57 of 2002) states that municipalities may establish a municipal disaster management advisory Forum. According to subsection (1) a forum is a body in which the municipality and other key stakeholders consult one another and co-ordinate their actions on matters relating to disaster management in areas under their jurisdiction.

The Mthonjaneni Municipality Disaster Management Advisory Forum was officially launched in August 2009 and reviewed in 2017 due to the new ward

boundaries demarcation of 2016. The Forum meets on a quarterly basis. Relevant government departments, Non-Governmental Organisations (NGOs), Community Based Organisations (CBOs) are some of the stakeholders that form part of the forum. Participation from some Municipal line functions and government departments is not satisfactory.

Municipal Inter-Departmental Committee

In terms of chapter 2; section 3 (a) of the Disaster management Act of 2002 stipulates the duties and functions of a committee which is to give effect to the principles of co-operative government in Chapter 3 of the Constitution on issues relating to disaster management. The uMthonjaneni municipality is using MANCO as a municipal Inter-Departmental Committee where disaster management matters are addressed and discussed. The Disaster Incidents Quarterly Reports are discussed by the MANCO before are taken to all other Municipal Council Committees for approval. Community services portfolio committee advocates matters regarding disaster management to the council.

DISASTER RISK ASSESSMENT

Risk Profile

Since the beginning of this financial year (2021/2022), the Municipality through the Disaster Management Section embarked on a participatory approach to source data from communities at ward level, which was based on historical events and experience, as well as indigenous knowledge. The municipality worked closely with municipality stakeholders to collect different kinds of data from different sources, using different platforms.

Hazards

Interviews conducted with different community sectors revealed the following hazards and threats as the common occurrences in all wards with high potential to escalate to the level of a disaster:

- Storms
- Heavy Rains

- Floods
- Structural Fire
- Bush Fires
- Tornadoes
- Motor Vehicle Incidents
- Lightning affects mostly ward 1 and 13
- Covid-19

These hazards were profiled as high risk and are seasonal. The municipality has been monitoring the incidents that are occurring within the municipal area. During the past financial year, the municipality recorded incidents as demonstrated in the bellow graphs.

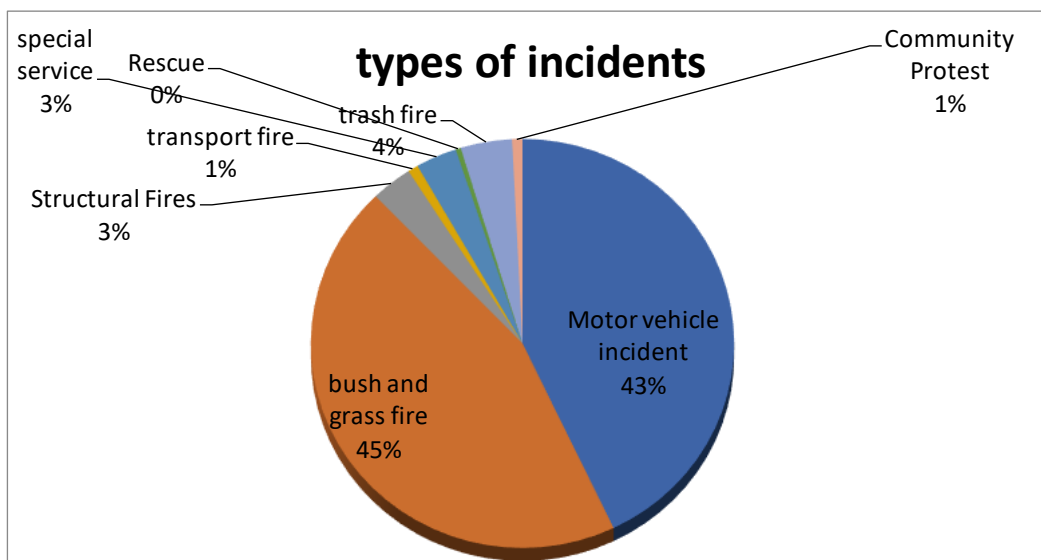


Figure 13 - Distribution of Disaster Incidents

The municipality experienced more Bush fires and Motor Vehicle incidents than any other disaster incidents

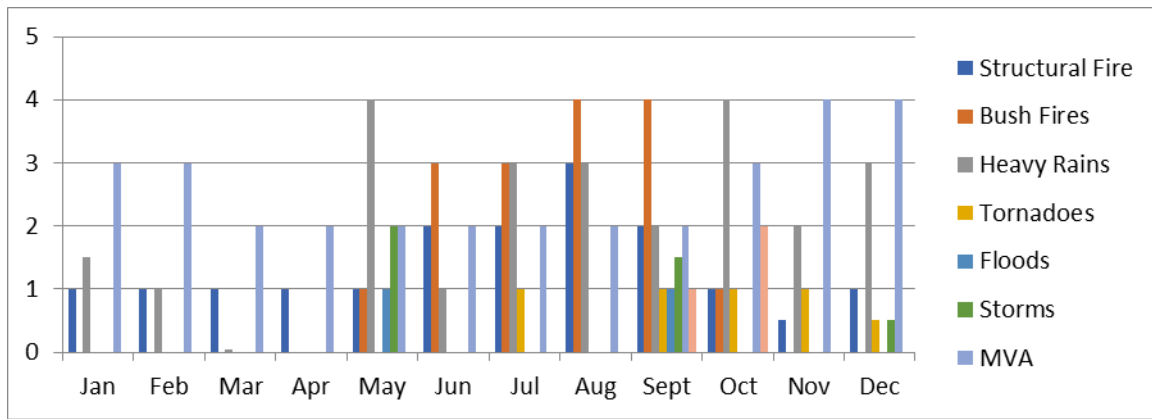
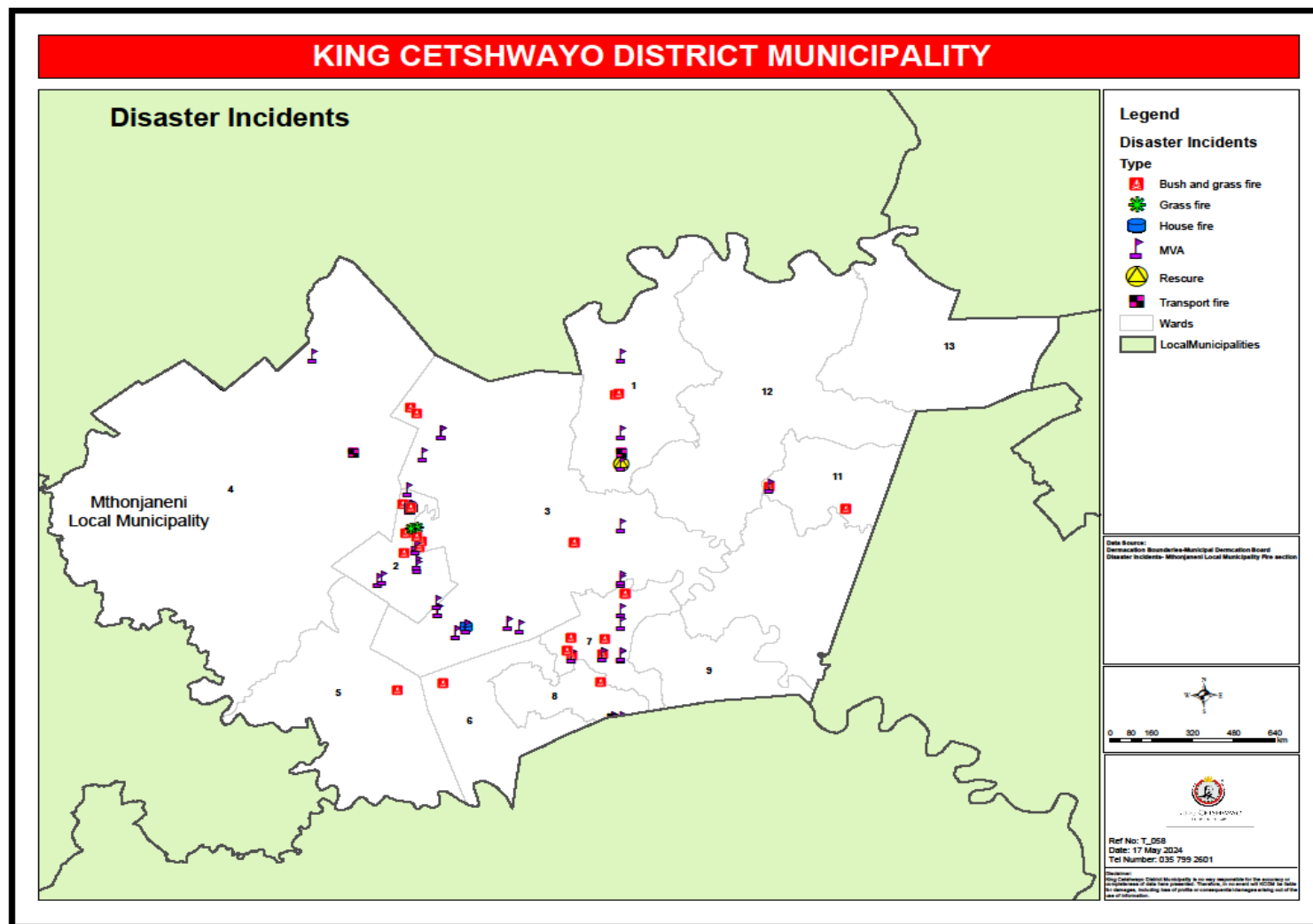
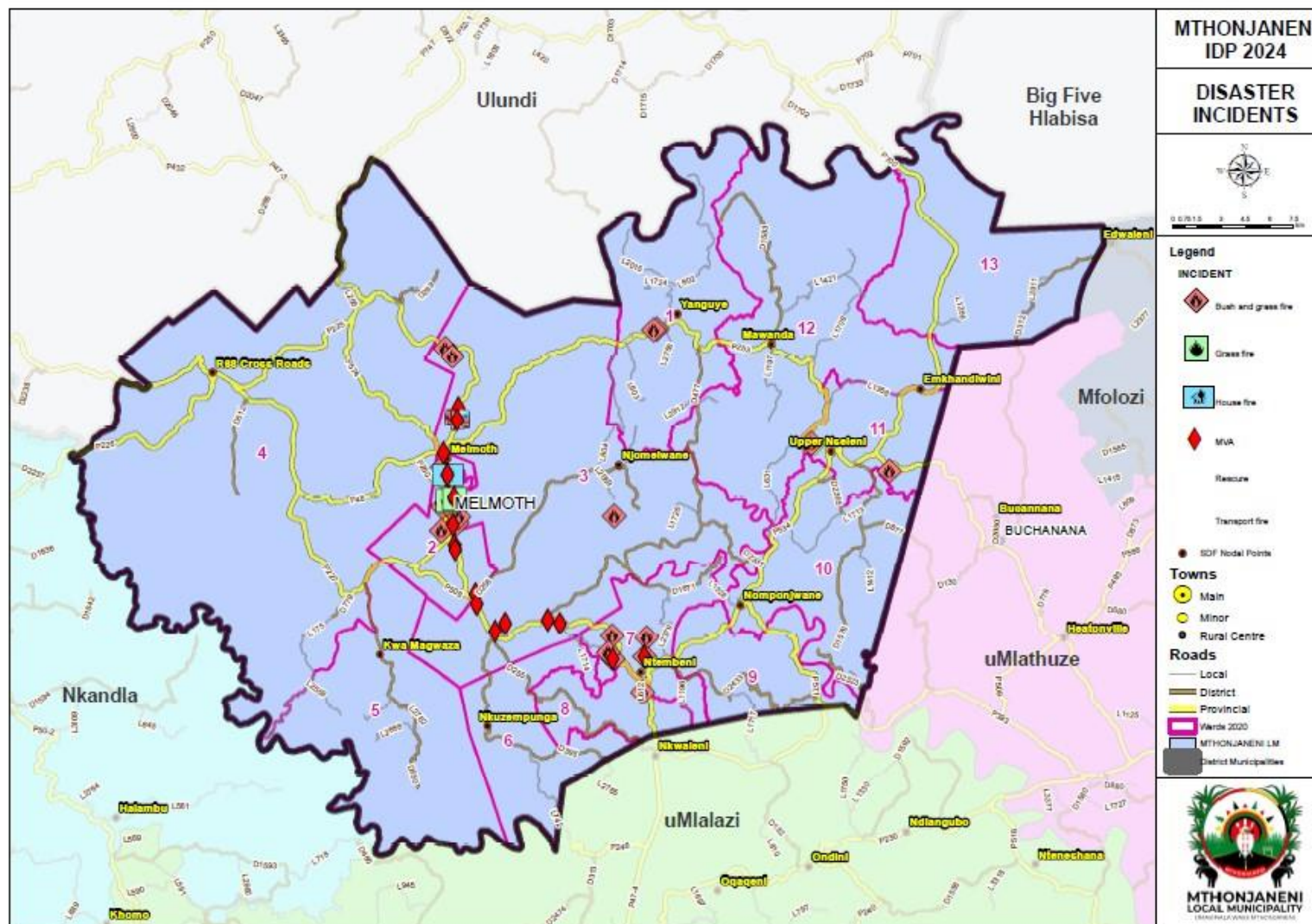


Figure 14 - Monthly distributon of Disaster Incidents

The municipality experiences MVAs incidents throughout the most time of the year.



Map 26- Disaster Incidents 1



Map 27- Disaster Incidents 2

Climate Change

Changes in climatic patterns are natural phenomena. However, there is increasing concern about the impact of climate change that has been brought about because of human activities, such as burning fossil fuels for energy and the use of motor vehicles. Human-induced changes in climate have been acknowledged as a current reality and are the subject of significant global attention. Several changes in the climate system have already been tentatively linked to climate change, such as increases in average and extreme temperatures, high intensity weather events (e.g., flooding, and extreme cold weather conditions) rise and rainfall variability, to which society and natural systems will need to adapt.

Mthonjaneni Municipality recognizes climate change as a threat to the environment, its residents, and to future development. Therefore, measures should be implemented to reduce or eliminate carbon emissions or enhance greenhouse gas sinks (mitigation). However, due to lag times in the climate and biophysical systems, the positive impacts of past and current mitigation will only be noticeable in the next 25 years. In the meanwhile, adaptation is regarded as inevitable and a necessary response to the changes that are projected to take place in the municipality.

Key Climate Change Vulnerability Indicators

Mthonjaneni Municipality has therefore prioritized the development of a Climate Change Response Plan. Through this plan key climate change vulnerability indicators for the Mthonjaneni Municipality were identified. These indicators demonstrate areas that maybe at high risk of climate change impacts.

No	Sector	Indicator Title	Exposure Answer	Sensitivity Answer	Adaptive Capacity Answer
1.	Agriculture	Change in grain (maize, wheat & barley) production	Yes	High	Low
2.	Agriculture	Change in Sugarcane Production	Yes	High	Low
3.	Agriculture	Change in fruit production	Yes	High	Low
4.	Agriculture	Change in other crop production areas (e.g. vegetables, nuts, etc.)	Yes	High	Low
5.	Agriculture	Increased exposure to pests such as eldana, chilo and codling moth	Yes	High	Low
6.	Biodiversity and Environment	Loss of High Priority Biomes	Yes	High	Low
7.	Biodiversity and Environment	Increased impacts on threatened ecosystems	Yes	High	Low
8.	Biodiversity and Environment	Increased impacts on environment due to land-use change	Yes	High	Low
9.	Biodiversity and Environment	Loss of Priority Wetlands and River ecosystems	Yes	High	Low
10.	Human Health	Health impacts from increased storm events	Yes	High	Low
11.	Human Health	Increased heat stress	Yes	High	Low

12.	Human Health	Increased vector borne diseases from spread of mosquitoes, ticks, sandflies, and blackflies	Yes	High	Low
13.	Human Health	Increased water and communicable diseases (e.g., typhoid fever, cholera, and hepatitis)	Yes	High	Low
14.	Human Health	Increased malnutrition and hunger as a result of food insecurity	Yes	High	Low
15.	Human Health	Increased air pollution	Yes	High	Low
16.	Human Settlements, Infrastructure and Disaster Management	Loss of industrial and labour productivity	Yes	High	Low
17.	Human Settlements, Infrastructure and Disaster Management	Increased impacts on traditional and informal dwellings	Yes	High	Low
18.	Human Settlements, Infrastructure and Disaster Management	Increased risk of wildfires	Yes	High	Low
19.	Water	Decreased water quality in ecosystem	Yes	High	Low

		due to floods and droughts			

Table 30 - Climate Change Impact

DISASTER RISK REDUCTION

All disaster risk management plans must give explicit priority to the core principles of disaster prevention and mitigation. Disaster prevention, mitigation and preparedness are referred to as disaster risk reduction measures because they lessen the likelihood of harmful losses by avoiding endangering hazards or reducing vulnerability. In this way, prevention and mitigation are central to achieving the goal of disaster risk reduction in which vulnerabilities and disaster risks are reduced and sustainable development opportunities strengthened.

It is often difficult to decide whether an intervention is preventive or mitigative in nature. For this reason, it is more practical to refer to them jointly as disaster risk reduction measures, because both minimize the risk of disasters.

Disaster Management Programs/Projects by Municipality

After the assessment as outlined above, the following project were identified for implementation per hazard as illustrated in table below:

Hazards	Possible Projects
Run-away Fires Structural Fires Bush Fires	• Procurement of fire beaters • Conduction of awareness's • Burning of fire brakes • Improving firefighting equipment • Provision of Relief Material
Floods	• Construction of dams • Construction according to building standards • Consistency in Awareness Campaigns • Consistency in Early Warning Systems • Building Bridges
Storms and Heavy Rains	• Consistent Awareness Campaigns • Consistency in Early Warnings • Provision of Relief Material
Lightning	• Lightning Conductors • Consistency Awareness Campaigns • Consistency in Early Warnings

Drought	• Conduct Awareness Campaigns
Motor Vehicle Incidents	• Upgrading and Road Maintenance • Visibility of Road Traffic Officers • Awareness Campaigns
Covid-19	• Conduct Awareness and Campaigns • Provide PPE to all frontline workers • Ensure compliance to all precautionary measures as outlined by the Health Department

Table 31 - Implementation per hazard

Climate Change Projects

No	Objective	Project
01	Manage increased impacts on traditional and informal dwellings	Enhance maintenance on storm water drainage systems in urban areas of the Mthonjaneni.
30	Manage increased impacts on traditional and informal dwelling	Research climate proof construction of RDP houses (e.g. installation of lightning conductors)
02	Manage potential increased isolation of rural communities.	Research climate proofing bridges and roads.
31	Manage potential increased isolation of rural communities.	Ensure that the District Municipality install water reservoirs in rural areas within Mthonjaneni Municipality.
31	Manage potential increased isolation of rural communities.	Ensure that the District Municipality Install sanitation systems in rural areas within Mthonjaneni Municipality.
03	Manage potential increased risk of wildfires	Establish by-laws on fire safety and management.
33	Manage potential increased risk of wildfires	Build capacity of traditional council, Amakhosi and community members on the causes and management of wildfires.
33	Manage potential increased risk of wildfires	Establish Disaster Management Centre and the satalite fire station in ward 11 (Upper-Nseleni)
33	Manage potential increased risk of wildfires	Establish sufficient human capacity and equipment for fire management.

Table 32 - Climate Chamge Projects

RESPONSE AND RECOVERY

Responsibility for co-coordinating response to specific known rapid- and slow-onset significant events and disasters must be allocated to a specific organ of state. For example, flood response and recovery efforts would involve the combined efforts of many stakeholders, but the primary responsibility must be allocated to

a specific organ of state with the other stakeholders assuming supportive responsibilities

Having conducted, in terms of the provisions of the approved Disaster Risk Management Policy Framework, a Disaster Risk analysis of the individual Wards within the Mthonjaneni Municipal area, the Advisory Forum will now be able to identify specific communities and infrastructure that are most vulnerable to the risks or threats that are prevalent in that Ward. Having identified the response agencies that have a specific line function responsibility in relation to a particular disaster incident, the Advisory Forum must, in a collective process, develop the Response Protocol for Mthonjaneni which will inform the development of a Contingency Plan (or Plan of Action) for each identified risk or hazard.

RESPONSE PROTOCOLS FOR MTHONJANENI

OPERATIONAL RESPONSE	FIRE	STORMS	HAZMAT	EPIDEMIC	DROUGHT	FLOOD
MTHONJANENI MUNICIPALITY						
MANAGER: DISASTER SECTION	X	X	X	X	X	X
MUNICIPAL MANAGER	X	X	X	X	X	X
MAYOR	X	X	X	X	X	X
PROTECTION SERVICES	X	X	X			X
MTHONJANENI FIRE BRIGADE	X	X	X			X
TECHNICAL DEPARTMENT	X	X	X	X	X	X
FINANCE DEPARTMENT	X	X	X	X	X	X
KING CETSHWAYO DISTRICT MUNICIPALITY						
DISTRICT D.M. CENTRE	X	X	X	X	X	X
DISTRICT CHIEF FIRE OFFICER	X		X			
PROVINCE						
KZN PROVINCIAL D.M.C.	X	X	X	X	X	X
E.M.R.S.	X	X	X	X	X	X
R.T.I.	X	X	X			X
Dept. Agriculture, Environment and Rural Development	X	X	X	X	X	X
DEPT OF TRANSPORT (Roads)	X	X	X	X	X	X
DEPT. SOCIAL DEVELOPMENT	X	X				X
DEPT. OF HEALTH	X	X	X	X		X
DEPT. OF EDUCATION	X	X		X		X
DEPT. ENVIRONMENTAL AFFAIRS	X					
NATIONAL						

N.D.M.C.	X	X	X	X	X	X
S.A.P.S.	X	X	X	X		X
D.W.A.F.	X	X	X	X	X	X
DEPT. HOME AFFAIRS						
CORRECTIONAL SERVICES						
N.G.O.						
S.A. RED CROSS	X	X	X	X	X	X
ORG. AGRICULTURE	X	X	X	X	X	X
Z.I.F.P.A.	X					
M.R.A.	X	X	X	X		X
SAPPI Forest						

Table 33 - Response Protocols

CAPACITY FOR DISASTER MANAGEMENT

The Municipality has designated personnel for disaster management though the unit is short staff. There are 13 staff members responsible for all sorts of Disastrous incidents i.e Manager for Disaster Management, Fire and Rescue Services, one Fire Station Officer, two Leading Fire Fighters and nine Fire Fighters. District Municipality currently supports the local municipality, but it does not have the adequate capacity to deal with disaster management issues as they are also short staff and lack adequate resources to support local municipalities. More personnel for the unit need to be recruited and a volunteer system is sought as an immediate solution to the problem. The unit is also in need of extra fire engine vehicles to add on the already existing ones. Currently the unit has one Fire Truck Engine and two Fire Engine Vans and are all fully equipped.

MONITORING AND EVALUATION OF DISASTER MANAGEMENT

The Municipality's performance management systems are in place to monitor and evaluate performance. Community Services Portfolio committee plays an oversight on disaster management issues. The municipality writes monthly and quarterly reports that are presented to the District Disaster Management Advisory Forum, MANCO, and Community services Portfolio Committee on quarterly bases.

NB: Disaster management functionaries must be beefed up with capacity to and be afforded the opportunity to serve in development and service delivery oversight committees of the municipality.

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT:

11. MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

PGDS GOAL: HUMAN RESOURCE DEVELOPMENT

Organogram was adopted in May 2024.

Municipal Powers and Functions

A municipality has the functions and powers assigned to it in terms of Sections 156 and 229 of the Constitution. Chapter 5 of the Local Government: Municipal Structures Act, 117 of 1998 clearly defines those functions and powers vested in a local municipality, notably:

- a) To provide democratic and accountable government for local communities.
- b) To ensure the provision of services to communities in a sustainable manner.
- c) To promote social and economic development.
- d) To promote a safe and healthy environment, and
- e) To encourage the involvement of communities and community organizations in the matters of local government.

In setting out the functions of a Local Municipality, the Municipal Systems Act indicates that the Minister responsible for Local Government may authorize a Local Municipality to perform the following functions of a Municipality.

The Mthonjaneni Municipality performs the following:

- Supply of electricity within urban areas (Ward 2 and Ward 3)
- Road Facilities and Infrastructure

POWERS AND FUNCTIONS

No	Legislation	Powers and Function	Mthonjaneni
1.	S84(1)(a)	Integrated Development Planning	√
2.	S84(1)(a)	Potable Water Supply Systems	√
3.	S84(1)(c)	Bulk supply of electricity	X
4.	S84(1)(d)	Domestic wastewater and sewage disposal system	√
5.	S84(1)(e)	Solid waste disposal sites	√
6.	S84(1)(f)	Municipal roads which form an integrated part of a road transport system	√
7.	S84(1)(g)	Regulation of passenger transport services	√
8.	S84(1)(h)	Municipal airport serving the area	X
9.	S84(1)(i)	Municipal health serving the area	X
10.	S84(1)(j)	Fire Fighting services and Disaster Management	√
11.	S84(1)(k)	Fresh produce markets and (Abattoirs) serving the area	√
12.	S84(1)(l)	Cemeteries and Crematoria	√
13.	S84(1)(m)	Promotion of local tourism	√
14.	S84(1)(n)	Municipal public works relating to any of the above function or and other functions assigned	√
15.	S84(1)(o)	the receipt, allocation and if applicable distribution of grants made	√
16.	S84(1)(p)	The implementation and collection of taxes, levies and duties as related to the above functions or may be assigned	√
17.	Sched 4 B	Building Regulations	X
18.	Sched 4 B	Local Tourism	√

19.	Sched 4 B	Air Pollution	√
20.	Sched 5 B	Licensing and control of undertakings that sell food to the public	√
21.		Local sport facilities	√
22.		Street lighting	√
23.		Municipal Parks and recreation	√
24.		Traffic and parking	√
25.	Sched 5 B	Refuse removal, refuse dumps, solid waste disposal and cleaning services	X

HUMAN RESOURCE STRATEGY / PLAN

The Council of Mthonjaneni Municipality approved the Human Resource Strategy in June 2023, the comments from the MEC highlighted areas to be improved and for this reason the HR Strategy will be reviewed to include the clear action plan.

The Human Resource Management and Human Resource Development Strategy and Implementation Plan outline the intentions of the Municipality in relation to how it should manage its human capital.

The Municipality resolved that the strategy will be subject to regular reviews resulting from any changes affecting the contents of the strategy or in 5 years if there are no factors that requires review. It is common that human resources is the most significant and costly resource for every municipality/organization. Accordingly human resources is one of the pivotal instruments in the effective functionality of any organization particularly when it is used at its peak and constantly monitored.

The municipality needs to have the right number of competencies and the most appropriate organisational and functional spread of human resources, as well functioning systems and structures that allow it to be effective and efficient. The need for these resources will change over time as priorities and budget limitations change, and hence we need to update our Human Resource Management and

Human Resource Development Strategy and Implementation Plan every now and then to keep it relevant.

Human Resource Strategy deals with:

- Planning the municipal workforce in totality.
- Developing a capable and skilled workforce that is striving towards service excellence.
- Setting guidelines to strengthen leadership and develop human capital by attracting, retaining scarce, valued, and critically required skills for the Municipality.

In line with the above, the Human Resource Management Strategy and Implementation Plan are aimed at:

- Ensuring that the municipality has the right number and composition of employees with the right competencies, in the right places, to deliver on the municipality's mandate and achieve its strategic goals and objectives.
- Ensuring that the municipality makes optimum use of human resources and anticipates and manages surpluses and shortages of staff.

Ensuring that the municipality's employees are suitably skilled and competent to add value to the municipality in delivering sustainable solutions, advice, and capacity building to the municipality. The purpose of this HRM & HRD Strategy and Implementation Plan is to outline key interventions to be undertaken by the municipality in ensuring that it has the right number of people, with the right composition and with the right competencies, in the right places to enable it to deliver on the mandates and achieve its strategic goals and objectives. HR strategic planning is about determining the demand and supply of employees that are critical to achieving strategic objectives, analysing the gap between the demand and supply, and developing a plan that seeks to close the gap.

To ensure that the municipality makes the best possible use of its resources to attain its commitments and programme objectives set out in the IDP, SDBIPs, The Turn-Around Strategy and Strategic Plan, the municipality needs to have in place

a well-structured HRM & HRD Strategy and Implementation Plan. This strategy informs the decision-makers on the three critical issues:

- current supply of human resources.
- human resources demand, as well as
- Prioritised and strategic HR actions to be taken.

The HR Strategy/Plan will be approved by Council in May 2024 following the review.

ICT POLICY FRAMEWORK

In line with the National Corporate Governance of ICT Policy Framework, the Mthonjaneni Municipality ICT Governance Policy MTHM_FW1 was approved by Council on 06 December 2022.

The purpose of ICT Governance Policy is to provide a strategic direction for the ICT Services supported by the ICT Strategy and the Enterprise Architecture documents, ensuring that ICT goals are aligned with the Municipal objectives as outlined in the IDP, the risks are managed appropriately, and the ICT resources are used responsibly.

In providing strategic direction, ICT Governance Policy enables the ICT team members to focus and contribute effectively towards the attainment of departmental goals which in turn contributes towards the attainment of Municipal goals. The purpose of ICT Governance as per COBIT Governance Framework is to ensure the following:

- ✓ IT is aligned with the business
- ✓ IT enables the business and maximises benefits
- ✓ IT resources are used responsibly
- ✓ IT risks are managed appropriately

In implementing ICT Governance Policy, an ICT Steering Committee was established and is fully functional, constituted by senior management representatives and chaired by the Director Corporate Service. As Council provides an oversight role over the ICT Services, the reports of the ICT Steering Committee also serve at the Corporate Services Portfolio, EXCO and Council. The following documents, among others support and enable the implementation of ICT Governance:

- ❖ Mthonjaneni Municipality has an approved 5-year ICT Strategy document
- ❖ ICT maintains the ICT Risk Register in document number as part of Enterprise Risk Management.
- ❖ ICT organisational structure indicating the roles and responsibilities.
- ❖ The ICT Service performance must be periodically reviewed against targets. Performance reports must be submitted to the ICT Steering Committee, Corporate Services Portfolio, and the Audit Committee.
- ❖ ICT projects are approved by the ICT Steering Committee through a formalised process.
- ❖ All ICT equipment acquisitions, and contractor appointments are conducted in accordance with the approved Supply Chain Management Policy.

COUNCIL APPROVED ORGANISATIONAL STRUCTURE

MUNICIPAL VACANCY RATE AND FILLING OF CRITICAL POSTS

Mthonjaneni municipality has a total number of 179 approved positions in the organogram, 151 of these positions are filled and 28 positions are vacant which results to the vacancy rate of 15,56%. Mthonjaneni Municipality has 113 contractual workers including EPWP.

DEPARTMENT	FILLED POSTS	VACANCY	POSTS IN ORGANOGRAM
Office of the MM	12	4	16
Finance Services	19	7	26
Technical and Planning Services	48	11	59
Corporate Services	19	0	19
Community Services	53	6	59
TOTAL	151	28	179

The status of critical posts is as follows.

POSTS	STATUS
Municipal Manager	Filled
Chief Financial Officer	Filled
Director Corporate Services	Filled
Director Community Services	Filled
Director Technical and Planning Services	Filled

Table 34 - Status of critical posts

POWERS AND FUNCTIONS (INSTITUTIONAL ARRANGEMENTS)

Mthonjaneni Municipality, in its' bid to fulfill legislated functions, has arranged the Council committees and as per delegations, roles and responsibilities as follows:

Governance

In exercising its constitutional powers in terms of Section 161 thereof and as per the Municipal Structures Act, the Council delegates some of its functions to other committees such as the Executive Committee in line with the Sections 79 and 80 Committees.

Council

Currently the Mthonjaneni Municipality comprises of 24 Councillors, initially they were 25 councillors but one Councillor tendered resignation letter with immediate effect on the 04th of March 2024. The Councillors are allocated to different portfolios where they serve in accordance with internal departments and functions. The Council has quarterly meetings as legislated which reflect 100% functionality.

EXCO

Whereas the Executive Committee meetings are held monthly at which meetings reports submitted by the respective portfolio committees are considered before these reports would be presented to Council.

Portfolio Committees

Members of municipal departments hold meetings monthly wherein they table, deliberate on issues, and make recommendations to EXCO and to Council for approval. Essentially Portfolio Committees exercise political oversight on these meetings. The arrangement of the portfolio committees is as follows:

- ❖ Corporate and Community Services Portfolio Committee
- ❖ Finance Portfolio Committee
- ❖ Technical Services Committee.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

The Municipal Public Accounts Committee (MPAC) convenes four times per financial year, in terms of Section 79 of the Municipal Structures Act to consider matters pertaining to the exercising of oversight on financial and governance matters.

MEMBERS OF THE	DESIGNATION	GENDE	AFFILIA
Cllr. S.V. Majola	Chairperson	Male	EFF
Cllr. S.M. Ndlovu	Committee member	Male	IFP
Cllr. S.H. Shange	Committee member	Male	ANC
Cllr. B.T. Mpungose	Committee member	Male	IFP
Cllr I.S. Tembe	Committee member	Male	IFP

Table 35 - MPAC Members

Audit and Performance Committee

The Audit / Performance Committee was appointed to assist Council in strengthening its role. This Committee meets on a quarterly basis as-and-when required to attend to matters at hand. The Audit Committee has a chairperson who is responsible for all regulated matters to be considered by the committee. It is no longer a shared committee with Performance Audit Committee.

NAME OF AC MEMBER	DESIGNATION	GENDER
Mr. I.T. Nzuza	Chairperson	Male
Ms N Mchunu	Deputy Chairperson	Female
Mr U Botshiwe	Committee member	Male
Mr. A Zungu	Committee member	Male
Mr. M.A. Nxumalo	Committee member	Male

Table 36 - Audit Committee Members

MUNICIPAL POWERS AND FUNCTIONS

The Constitution of the Republic of South Africa Act 108 of 1996, precisely Schedule 4, Part B, read together with Section 152 thereof, and containing the objects of local government, vests the powers and functions of the Municipality. Meanwhile, municipal transformation and institutional development relates to a fundamental and significant change relating to the way the municipalities perform their functions, how resources are deployed and the institutional strategies which are implemented with a view to ensuring optimum results in service delivery to the community. It is envisaged that transformation and institutional development shall be seen to take place when the following is addressed as part of the Municipality's strategic planning and direction.

DEPARTMENT	FUNCTIONS
Office of the Municipal Manager	• Communication • Internal Audit & Risk Management • Corporate Governance and Administration • Political Support • IDP and PMS • Public Participation • Town Development
Corporate Services	• Human Resource Management • Administration • Legal Services • ICT Management • Council Support & Auxiliary Services • Property administration • Corporate Identity • Fleet Management Services
Community Services	• Safety & Security • Disaster Management, Fire and Rescue services • Social Services • Local Economic Development • Tourism • Library Services

Finance Services	• Revenue Management • Expenditure Management • Supply Chain Management • Asset Management • Budget and Treasury Office • Financial Reporting
Technical Services	• Project Management • Operations & Maintenance • Human Settlement • Engineering • Municipal Planning • Waste management

COUNCIL ADOPTED PLANS

EMPLOYMENT EQUITY PLAN / REPORT

In terms of Employment Equity Act 55 of 1998 Section 20(1) states “a designated employer must prepare and implement an Employment Equity Plan which will achieve reasonable progress towards employment equity in that employer’s workforce” Mthonjaneni Municipality is deemed to be a designated employer.

The Employment Equity Plan was adopted on the **21 December 2023**

During the development of the Employment Equity Plan An analysis was conducted and there were gaps identified in the Employment Equity Plan of Mthonjaneni Municipality.

- The consultation process was not followed prior to the development of the plan as required by section 16 read with section 17 of the Employment equity Act No.55 of 1998.
- Non-existence of objectives for each year of the plan in ensuring the representation of people from designated groups.
- Non-existence of affirmative action measures.
- The Employment Equity Forum/ Committee is not functioning.
- The Employment Equity Forum was developed.
- And the elected members are expected to ensure the achievement and maintenance of the Employment Equity Plan throughout the Municipality by ensuring the involvement of Councillors to be able to play an oversight role.

Ensure that the plan is communicated to all Municipal forums that includes the Community, Local Labour Forum, Executive Council, and the Management Committee.

- The **Employment equity plan** was re- developed (attached) after the five-year plan expired to meet the requirements of section 20 of the Employment Equity Act. The developed plan will be a three-year plan and will be evaluated on a quarterly basis.

Application of EEP

All officials in Municipality who are appointed in terms of the Municipal Systems Act and who fall within the scope of Local Government Bargaining Council including those that are appointed on the fixed term contract (Section 54 & 56 employees) are subject to the application or implementation of the EEP.

Implementation of EEP

Employment equity plan was adopted by Council. The Municipality conducts the Employment Equity Meetings quarterly however, the municipality has some opportunities before being compliant fully. The opportunities are listed below:

- The Municipality makes a specification on employment adverts to encourage people with disabilities, however there is still lack of applications from people living with living with disabilities. The municipality has compiled the database of people living with disabilities to ensure that they are given maximum preference when there are posts that suits their educational levels. The Municipality does not meet the requirement of 2% of people living with disabilities.
- The Municipality does not comply with the diversity in that the people from the minority group being coloureds and whites do not apply for employment even though they are part of the population in the Municipal Jurisdiction.
- The Municipality is complying in terms employment for previously disadvantaged group.

Workplace Skills Plan (WSP)

In terms of the Skills Development Act No 97. Of 1998 Section 10 (b) one of the functions of the SETA's is approving workplace skills plans and annual training reports.

The Local Government SETA requires all municipalities to submit their workplace skills plan and annual training report by 30 April each year.

The Plan was compiled after the circulation of Skills Audit forms to all staff to ascertain their level of qualifications, positions, and training needs.

- Skills Audit forms have been circulated to all staff for completion before the submission of the WSP. The WSP was tabled before the Local Labour Forum for approval on the 23rd April 2024. It was submitted to LGSETA on the 29th of April 2024
- In the previous financial years there has been hesitation from employees to participate in the Skills Audit due to non- facilitation of desired trainings.

Skills audit for all employees within the municipality in response from the mandate by Department of Cooperative Governance and Traditional Affairs (DCoG) to implement the Skills Audit in response to the pronouncement in the State of the Province Address (February 2020) by the Premier.

- The rationale being that municipal performance and service delivery has not been consistent. Various reasons are documented for poor performance including skills deficit. The implementation of the skills audit therefore aims to determine the current level of skills within municipalities.
- There were phases during the process, the first was commenced in March 2020 to July 2020 whereby the DCoG conducted a refresher training for all Skills Development Facilitators on the portal system (GAPSKILL) training.

Objectives of the Municipal Skills Audit

The objectives of the municipal skills audit were determined as follows:

- a) To identify the current skills and knowledge that exist in Mthonjaneni municipality.
- b) To determine the skills gaps within the municipality allowing appropriate training and development programmes to be identified following the assessments.
- c) To undertake an assessment of the skills that exist at Mthonjanenii Municipality, that may result in the identification of skills gaps.

Methodology

- a) Target population for the municipal skills audit is all municipal officials.
- b) The tool used by municipalities was the GAPSKILL Skills Audit Questionnaire and the data was captured on the GAPSKILL web-based system managed by National COGTA. However, the HR files were also used to extract information.
- c) Mthonjaneni Municipality employed one hundred and seventy nine (179) employees. (By the time the Skills Audit was conducted)
- d) The data analysis and report writing phases commenced after data capturing to identify the trends and patterns of the data and to present these findings in the standard skills audit report specification provided by National COGTA.

Identified Issue	Potential Risk	Recommendation
Level of Experience	With 2% of employees with 1 year and below of experience and 7% above i.e., 1 to 3 years of experience, which it seems as if there is little flight risk for the municipality.	The municipality should also consider necessary support structures, internal mentorship and coaching for these employees to ensure that it creates experienced employees, particularly in strategic and critical occupations. Some of the staff might need to go for further education, training, and development to strengthen the current skills and educational qualifications.
Gender	In terms of Gender equity within the municipality against the municipal demographics, the municipality complied with the municipal and national regulations in terms of representation of	Women should be encouraged to apply for more strategic positions within the various functional units when vacancies do exist. Education training and development interventions aimed at preparing employees for more managerial and technical positions should also identify female employees as potential candidates.

	previously disadvantaged groups. However, in some OFO codes precisely at the strategical level women are not well represented.	
People with Disabilities	The municipality only had 2 employees with disabilities, and this translated into 1.5% which is below the 2% prescribed threshold by the Department of Labor.	The municipality should consider employing more people with disabilities. This is both for compliance and creation of equal opportunities for its residents in line with Chapter 2 of the Constitution i.e., Bill of Rights.
Over-qualification	Lack of motivated staff and underutilization of skills and expertise available within the municipality.	Technician associated professionals and trade workers, Clerical Administrative Worker, who were overqualified for their current positions should have their jobs reviewed. Elementary Workers and a Machine Operator with matric qualifications should be upskilled for them to compete in the labor market and occupy upper-level positions. Job rotation strategy is fundamental, precisely to employees who are subsidized by municipality in terms of Study Assistance Programme for them to acquire a relevant experience against their qualifications obtained.
Competences scored below the benchmark	Poor service delivery, poor municipal resources	The municipality needs to consider retesting the identified competences where employees were found to be below the benchmark and propose appropriate interventions. It is also

	management and lack of strategic direction.	important that, in line with such interventions, the municipality develop specific monitoring and evaluation tools to ensure that the identified gaps are addressed accordingly

- The Capacity Building unit within COGTA-KZN has developed a quarterly reporting tool that has been circulated to municipalities.
- The purpose of the reporting tool is to collect capacity building information to monitor, support and provide reports to relevant structures, in keeping with the mandates of the Department.
- Section 105(2) Notice of the Local Government Municipal Systems Act, 2000: Submission of Information by Municipalities

Recruitment and Selection Policy

The Policy is in place and implemented accordingly. It was developed in 2016 and reviewed and adopted in October 2022. The Policy is attached.

This policy is intended to create a framework for decision-making in respect of employment practice/s in the Municipality. As such it attempts to establish a set of rules for the consistent interpretation and application of collective agreements and legislation governing the acquisition of staff of the Municipality

Human Capital Retention Policy

Mthonjaneni Municipality developed this policy in 2016 and it will be reviewed as a result of the MEC recommendations, and it will be adopted by Council in May 2024. Mthonjaneni Municipality recognizes that the achievement of its service delivery objectives is dependent on its ability to attract and retain quality and committed staff, especially to “key” positions. It has accordingly set the goal of becoming a Municipal “employer of choice”. To achieve this goal, it shall adopt a Human capital retention strategy which shall ensure that all staff are remunerated fairly and are treated consistently throughout the Municipality, whilst at the same time it shall adopt a

proactive approach to attract, retain, and motivate management employees and staff with scarce and critical skills.

The Municipality have the policy in place that was last reviewed in May 2022. In this policy the Municipality aims at retaining staff.

- Scarce skills allowance to certain positions
- Training and development of employees
- Scarce skills paid at a top-notch level
- Tertiary Education Bursaries for employees
- Level 15 and above gets fringe benefits including cell phone and car allowance
- Employee Assistance Programs for Employees
- Implementation of Performance Management System to all Manco members (currently), this increases the opportunity to maximize on performance bonuses.

2023 WSP reflect that the municipality planned on training 34 beneficiaries but only 13 beneficiaries who were trained due to budget constraints.

Municipal Human Resource Policies

The municipality has developed several policies that deal with Human Resource issues. The following are the policies that have been adopted by Mthonjaneni to address its institutional related matters and are currently being implemented:

Recruitment, Selection, Promotion, Demotion, Transfer, and Appointment Policy

The Municipality's policy must comply with the requirements of the Labour Relations Act, No. 66 of 1995, as amended, the Basic Conditions of Employment Act, No. 75 of 1997, and the Employment Equity Act, No. 55 of 1998. All employments in Mthonjaneni are affected in terms of the above policy. This policy set out the

principles which shall be followed in filling any vacancy within the institution. The policy is indeed implemented as and when there are recruitment processes.

Training and Development Policy:

The objectives of this policy document are to create a pool of adequately trained and readily available personnel within the Municipality, thereby enhancing the organisation's ability to adopt and use technology to enhance the organisation's competitive position and improves employee morale.

Study Scheme Policy

The objectives of this policy document is to create a pool of adequately trained and readily available personnel within the Municipality, thereby enhancing the organisation's ability to adopt and use technology to enhance the organisations competitive position and improves employee morale.

- To ensure a uniform procedure to all employees of the Mthonjaneni Local Municipality about further studies.
- To afford employees the opportunity to further their studies.
- To encourage employees to acquire qualifications and skills.
- To develop and empower staff to expand their career prospects within the Mthonjaneni Local Municipality and other public sector institutions.
- To ensure uniformity in granting financial assistance about further studies.

Other Human Resources Strategies (Policies) that have been adopted with the intension of ensuring that institutional matters are addressed in a democratic way and cost-effective manner include the following policies and these policies are also being implemented accordingly i.e.:

- Employment Equity Policy
- Overtime and Stand-by Policy

IMPLEMENTATION OF EEP AND WSP (TRAINING, RECRUITMENT AND STAFF RETENTION)

The implementation of EEP and WSP at Mthonjaneni Municipality is driven by the Employment Equity Committee and the Training Committee that have been established. The terms of reference meant to guide the operation of these committees are in place. The following is a list of the committees' functions:

Develop and ensure implementation of an Employment Equity and Affirmative Action Policy.

- ❖ Review and monitor departmental targets established for Employment Equity purposes and make recommendations should the targets be deemed to be inadequate or over ambitious.
- ❖ Monitor the applicability of the Employment Equity Policy and make amendments should this be deemed essential.
- ❖ Monitor recruitment and placement decisions, both internal and external, and debate these decisions should they be unfair, biased or improperly managed.
- ❖ Undertake a statistical profile analysis of the Municipality.
- ❖ Review/audit all Employment Policies, Practices and Procedures.
- ❖ Monitor the implementation of the Employment Equity Plan.
- ❖ Monitor the training of the Committees in the following areas:
 - Recruitment/Selection
 - Assessment Criteria
 - Personal Development Planning
 - Teamwork
 - Problem Solving
 - Negotiation skills
 - Mentor development

The Committee may suggest additional areas of training should they be required.

Monitor the application of personal development programmes within the Municipality.

- ❖ Monitor the extent and application of the training and development budget and make recommendations in this regard.
- ❖ Monitor the establishment of a mentoring process throughout the Municipality and the implementation of career path and succession planning; and
- ❖ Monitor the implementation of the agreed actions as set out in the Employment Equity Plan.

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT SWOT ANALYSIS

STRENGTHS	WEAKNESSES
• Human Resource & IT policies are in place. • Sound and good administration. • Committed staff and Councillors. • Critical Posts are filled • Adequate training and development of staff • Better audit findings • Good risk management • Stable work force • Engagement of all levels • Administration & political • Better disciplinary strategy	• Minimum funding source • Experienced and general staff retention • Succession plan not in place in all levels • Customer Care/ Complaints Management • Lack of employment equity plan implementation • Poor skills development and staff capacity • Undefined roles and responsibilities between political and administrative leadership • Lack of effective systems and procedures

OPPORTUNITIES	THREATS
• On-going public participation process • Mentoring and Coaching • Cascading of Performance Management to levels lower than s54/56 • LED/Economic growth • Financial sustainability	• Lack of continuity of management skills • Long term sustainability under threat • High Staff Turnover • Non-adherence to Municipal By-Laws

Table 37 - SWOT Analysis: Municipal Transformation and Institutional Development

INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION CHALLENGES

KPA No. 1: INSTITUTIONAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	
KEY DEVELOPMENT CHALLENGE	DESCRIPTION OF THE DEVELOPMENT CHALLENGE
HR Strategy or Plan	• Draft to be adopted by end of June (Similar to last which said June 2022) • HR Strategy was adopted by Council on 2023. • The implementation plan was tabled to Management Committee on 13th of February 2024, and going for adoption to March Council meeting.
Employment Equity Plan	• Non-Compliance to Employment Equity Plan
Human Resources Management	• Municipal HRM & HRD strategic planning

	attempts are constrained by lack of resources (financial and human) • Policies, Procedures and Regulations not adhered to. • Municipal HRM & HRD strategic planning processes not aligned to best practices
Human Resources Development	• Training courses are non-compliant on Legal Liability, Hazard identification and incident investigation (Managers and HOD's)
Labour Relations	• No labour relations policies and procedures to manage labour relations • Lack of Labour Relations Unit (All Positions are vacant) • Their time delays between alleged transgression and actual disciplinary hearings/tribunals are too lengthy and counterproductive to discipline in the workplace • Employees are not sensitized to labour related matters • Absenteeism in general and especially during certain times of the month (following payment of salaries), is reaching worrying proportions and requires in priority intervention.
Occupational Health and safety	• Lack of Human Capital capacity within the OHS Unit (Currently only have 1 personnel at Officer Level) • Implementation of OHS Policies

	• Lack of adequate budget for implementation of OHS programme
Individual Performance Management	• Current PMS Policy does not include IPMS for general employees • PMS not cascaded to lower levels/general employees • PMS not aligned to the new applicable National Outcomes, CoGTA KPAs as well as KPIs • Individual Development Plans not fully implemented/monitored/regularly evaluated • No evidence of the PM five-point rating scale being fully implemented
Delays on location of files and retrieval of required information due to the absence of electrical Records Management System.	• The process of procuring the Electrical Records • Management System is in progress.
Unsatisfactory attraction and employment of people living with disability	• All adverts to encourage people living with disability to apply. • Development of the database of people living with disability in Mthonjaneni.

Table 38 - Challenges: Municipal Transformation and Institutional Development

BASIC SERVICE DELIVERY AND INFRASTRUCTURAL DEVELOPMENT SITUATIONAL ANALYSIS

12. BASIC SERVICE DELIVERY AND INFRASTRUCTURAL DEVELOPMENT SITUATIONAL ANALYSIS

Mthonjaneni Local Municipality is not a Water Service Authority.

King Cetshwayo District Municipality, in terms of the Water Services Act, is the Water Services Authority in respect of its areas of jurisdiction, apart from the City of uMhlatuze which has a WSA status as well. The WSA has a duty to all consumers, or potential consumers, in its area of jurisdiction to progressively ensure efficient, affordable, economical, and sustainable access to water supply and sanitation (collectively referred to as water services). As a WSA, King Cetshwayo District Municipality focuses on water services and on providing at least a basic level of service to consumers in its area of jurisdiction.

Water

King Cetshwayo District Municipality as a WSA has several initiatives underway, notably:

- Water loss management strategy
- Water meter installation
- Water quality improvement interventions

According to the 2022 Community Survey from StatsSA, Mthonjaneni Municipality has 5 037 (32.7%) households with access to piped (tap) water within the dwelling, where 4 358 (28.3%) have access to piped (tap) water within the yard. Additionally, there are 3 088 (20.0%) households with access to piped (tap) water on community stand. It is however alarming that 2 924 (19%) households still have no access to piped water. This means these households depend on streams and rivers as their main source of water supply. This has hazardous impacts on the health of the population and ultimately their economic productivity.

Universal Access Plan (UAP) Phase III

The objective of UAP Phase III is the progressive development of regional bulk supply as recommended in UAP Phase II but to extend this to include secondary bulk infrastructure. This then provides the link between the bulk potable water scheme and the areas to be supplied and covers all 11 municipalities. UAP Phase III assesses the viability and sustainability of the conceptual Water Supply Intervention Areas (WSIA) to ensure that in future it could be seamlessly integrated into either existing bulk schemes or bulk schemes that are currently under construction.

Items that were considered are:

- The availability, reliability and adequacy of the proposed water resources to accommodate the projected demand;
- The accuracy of the water demand projections;
- The compliance and appropriateness of the technical standards for the proposed primary infrastructure components; and
- The linkages that were established to existing bulk scheme supply areas and proposed regional bulk water supply interventions.

The findings of the current and future demographics and water demand from the Umgeni Water

UAP Phase III studies are summarized in Table:

LM	2020 POPULATION	2050 POPULATION	2020 (MI/DAY)	2050 (MI/DAY)
Mthonjaneni	95 635	113 183	17.92	22.00

Table 39 - UAP Phase III

Provincial View - Access to Water

The COGTA KZN Access to Water Study (2020) determined the following:

- The KZN Province houses a total of approximately 2 694 454 households.
- Most of the households (2 123 514 which is 78.8%) have infrastructure access to water. Of these households, the largest share with infrastructure water

access (1 357 915 which is 50.4%) have the highest level of service for water which are yard connections.

- 570 963 (21.2%) households in the province do not have infrastructure access to water. Of these households:
309 449 (11.5%) have no infrastructure water access, but are rather serviced by the WSA's through rudimentary water connections; and
the rest, 261 515 (9.7%) have no water infrastructure in their communities.

Figure 24 shows a summary of the percentage household water access in the province.

Infrastructure Access to Water to Ward Level

LOCAL MUNICIPALITY	PERCENTAGE HOUSE WATER ACCESS				
	Infrastructure Water Access			Rudimentary Water Connections	No Water Access (No Infrastructure)
	Yard Connections	RDP Water Connections	Dysfunctional Infrastructure		
Mthonjaneni LM	Infrastructure Water Access: 62.0 %			No Water Access: 38.0%	
	22%	40%	0%	16%	22%

Table 40 - Percentage of House Water Access

Present State

Umgeni Water has completed the UAP Phase III study in 2020. The major output of the study was proposed interventions which have been captured in the PWMP-KZN Volume 2 and are presented digitally in the PWMP-KZN Qlik App.

UAP phase III identifies the following bulk water treatment, distribution and storage interventions:

1. Water Treatment Works
2. Bulk Pipelines
3. Reservoirs

4. Water Pump Stations

These are then further categorized into one of the following three categories:

1. Primary Bulk
2. Secondary Bulk
3. Tertiary Bulk

A total cost estimate per category above is then presented and summarized in the table below. It is important to note that the table below refers SIA, however these have been allocated to Ward levels in the PWMP-KZN Volume 2.

Table: UAP Phase III Costing Summary

DM/ WSIA Name	Primary	Secondary	Tertiary	Total (incl.10% Contingencies and 15% VAT)
Mthonjaneni LM	R382 091 000	R527 879 000	R112 747 000	R 1 293 737 005

Table 41 - UAP Phase III Costing Summary

Potential Dam sites identified from the KZN PPC study 2020.

Local Municipality	Ward No./Benefitting Wards	Site Name	Description	Capacity (1000 m³)	Annual Demand (1000m³)
Mthonjaneni	13	DAM_UTG014_ALT1	To supply village to the East. Pumping required	5714	318
Mthonjaneni	4	DAM_UTG010_ALT1	To supply disbursed settlements to the West and Kortbergrip. Pumping required	25636	1654
Mthonjaneni	4	DAM_UTG010_ALT2	To supply settlement to the Southeast. Pumping required	898	43
Mthonjaneni	5	DAM_UTG010_ALT3	To supply Goedgeloof; Zimbube; Eyingwenya. Pumping required	14534	693
Mthonjaneni	5	DAM_UTG010_ALT4	To supply KwaMazulu;Mgabhi. Pumping required	612	27
Mthonjaneni	6	DAM_UTG010_ALT5	To supply Ekuthuleni;Edubeni; Nduro; Isibaya; Esikhulu. Pumping required	12331	723
Mthonjaneni	10	DAM_UT010_ALT6	To supply Makhosaneni; Ndundulu; Emahlabathini; Njomelwano;	148448	5106

			Nomponjwana; Mhoyiza; Qomintaba. Pumping required		
Mthonjaneni	9	DAM_UT010_ALT7	To supply Nkwenkwe; Emasangweni; Esicotweni. Pumping required	8362	425
Mthonjaneni	11	DAM_UT010_ALT8	To supply Emfeceni; Ongelweni; Esikadeni; Mabhensa. Pumping required	8672	332
Mthonjaneni	10	DAM_UT010_ALT9	To supply Oqhabiyeni; Dlomodlomo; Qomintaba. Pumping required	2607	51
Mthonjaneni	3	DAM_UT010_ALT10	To supply settlement to the West. Pumping required	36115	1373
Mthonjaneni	12	DAM_UT010_ALT12	To supply Nqekwane; Lumbi; Pumping required Subject to serious sedimentation	8432	366
Mthonjaneni	12	DAM_UT010_ALT13	To supply Debe; KwaMawanda. Pumping required	30511	1141
Mthonjaneni	13	DAM_UT010_ALT14	To supply Emaphikaqala; Gobihlahla;Emkhandlwini.Pumping required	9814	362

Mthonjaneni	12	DAM_UT010_ALT15	To supply Ntabayenkosi; Ezinkawini and surroundings. Pumping required	5565	159

Table 42 - Potential Dam sites: KZN PPC Study 2020

Access to water to ward level data from CoGTA KZN study 2020

Local Municipal/ Ward		PERCENTAGE HOUSEHOLD WATER ACCESS			
	Infrastructure Water Access			Rudimentary Water Connections	No Water Access (No. Infrastructure)
	Yard Connection	RDP Water Connections	Dysfunctional Infrastructure		
Mthonjaneni LM	Infrastructure Water Access: 62.0%			No Water Access: 38.0%	
	22%	40%	0%	16%	22%
Ward 1	0%	62%	0%	19%	19%
Ward 2	100%	0%	0%	0%	0%
Ward 3	0%	100%	0%	0%	0%
Ward 4	0%	34%	0%	16%	51%
Ward 5	0%	32%	0%	21%	47%
Ward 6	87%	0%	0%	1%	11%
Ward 7	78%	0%	0%	4%	18%
Ward 8	50%	50%	0%	0%	0%
Ward 9	0%	42%	0%	29%	29%
Ward 10	0%	41%	0%	40%	20%
Ward 11	0%	55%	0%	45%	0%
Ward 12	0%	49%	0%	1%	50%
Ward 13	0%	34%	0%	25%	41%

Table 43 - Access to water to ward level data

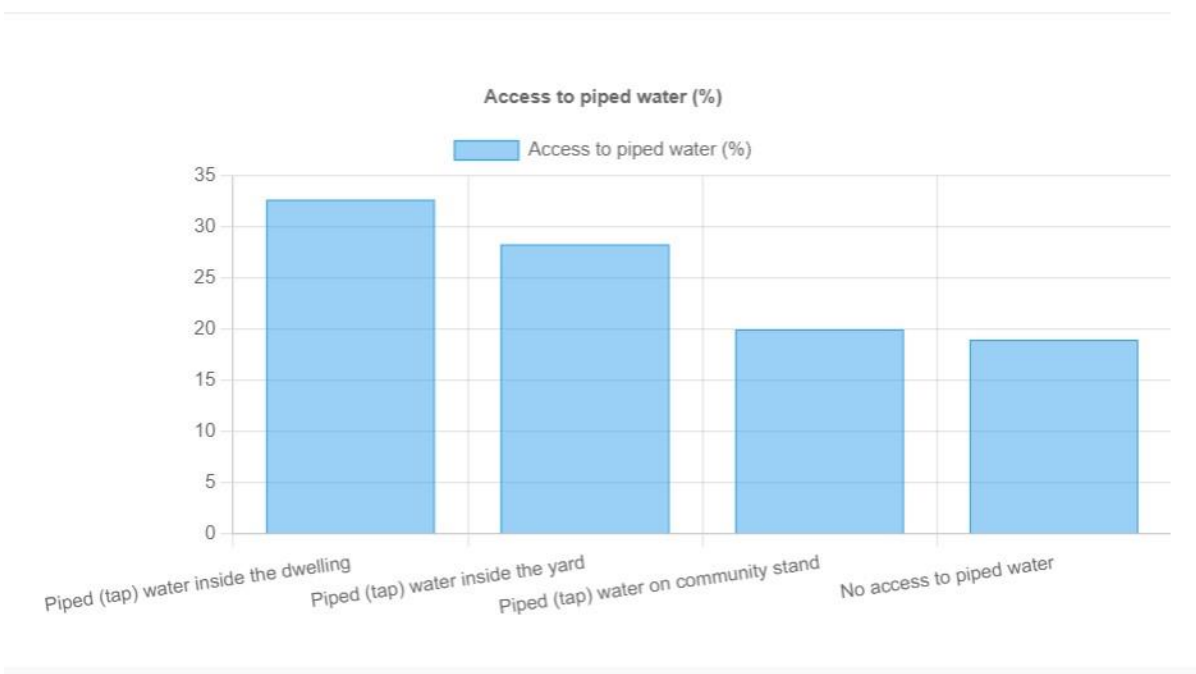


Figure 15 - Access to piped water Census 2020

Access to Sanitation

KCDM has provided basic health hygiene to at least 98.05% of the sanitation backlog population in rural communities in the form of a VIP latrine. Planning for future requirements has been done based on a master planning study that investigated various options based on their economic, technical, environmental, social suitability and cost. According to KCDM Sanitation backlog has been completely eradicated in Mthonjaneni LM.

The table below indicate statistics from the 2022 Community Survey conducted by StatsSA. The below indicates that most of the households within Mthonjaneni LM have access to sanitary facilities with almost 4.4% use other unconventional means.

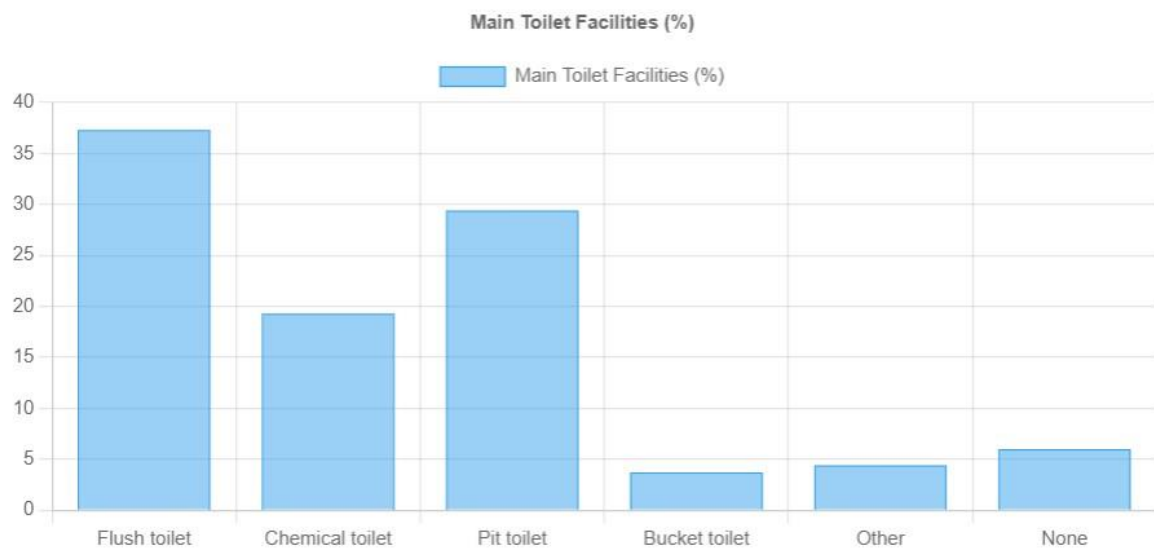


Figure 16 - Sanitation Facilities Census 2020

CAPITAL PROJECTS UNDER IMPEMETATION

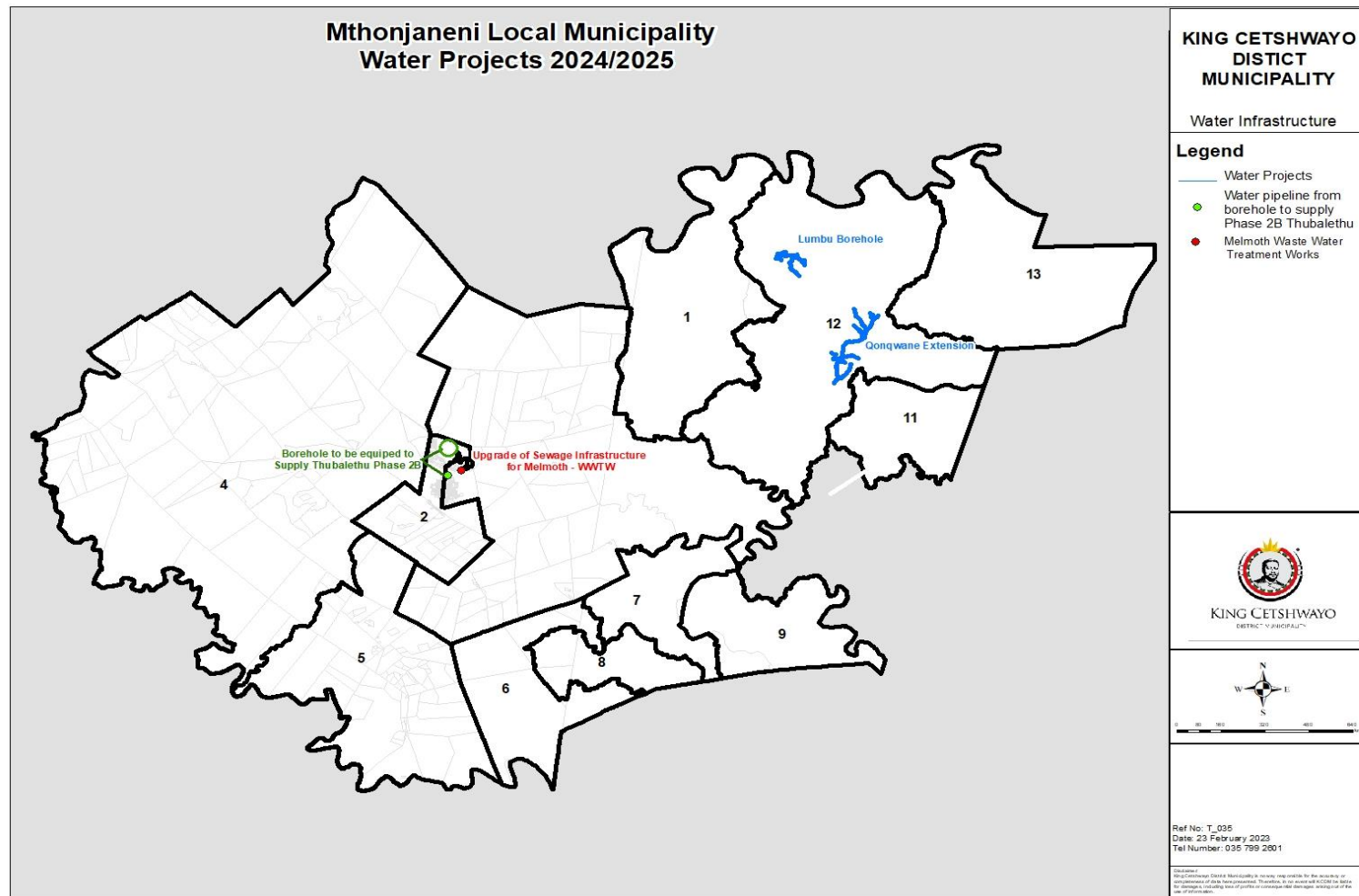
In order to address backlogs in the provision of water and sanitation services, the district municipality is implementing the following projects in the 2023/24 FY.

NO	PROJECT NAME	PROJECT AMOUNT	BRIEF SCOPE	WARDS	VILLAGES	HOUSEHOLDS	PROGRESS %	COMPLETION DATE
1	KCDM/MIG/01/2022: Greater Mthonjaneni SSA 4 2,5ML reservoir	R12 906 676,98	Bulk Water Supply Improvement - Construction of a 2.5 ML Concrete Reservoir.	6	Nogajuka	4792	47%	Contract Terminated due to poor performance by the contractor
2	KCDM/MIG/02/2022: Greater Mthonjaneni SSA 4-Zimela Pump station	R8 461 423,84	Bulk Water Supply Improvement - Upgrading of Pump station 1,2 & 3.	6	Zimela		97%	February 2023
3	KCDM/RBIG/02/2022 - Mthonjaneni SSA 2 Phase 1B2: Construction of Pipelines, 500kl Reservoir and Pumpstation.	R18 155 970,00	Construction of Pipelines, 500kl Reservoir and Pumpstation.	5	Mfanefile	252	34%	Contractor Withdrawn
4	Geza Spring	R3 976 393,99	Development of Geza Spring and Construction of Ogelweni Extension.	11	Geza and Ogelweni	189	100%	November 2023
5	Bhadaza Spring	R2 351 420,36	Development of Bhadaza Spring	3	Bhadaza	61	100%	August 2023
6	Greater Mthonjaneni SSA2 Phase 1B1	R26 356 436,10	Construction of DN315 bulk pipeline and construction of 2 ML concrete reservoir.	5	Mfanefile and KwaMagwaza	275	32%	June 2024
7	KCDM/RBIG/08/2022 - Mthonjaneni SSA 2 Phase 2A: Construction of Pipelines, 2,5ML Reservoir and Pumpstation.	R44 000 000,00	Construction of Pipelines, 2,5ML Reservoir and Pumpstation.	5 & 4	Mfanefile and KwaMaGwaza	384	21%	June 2024

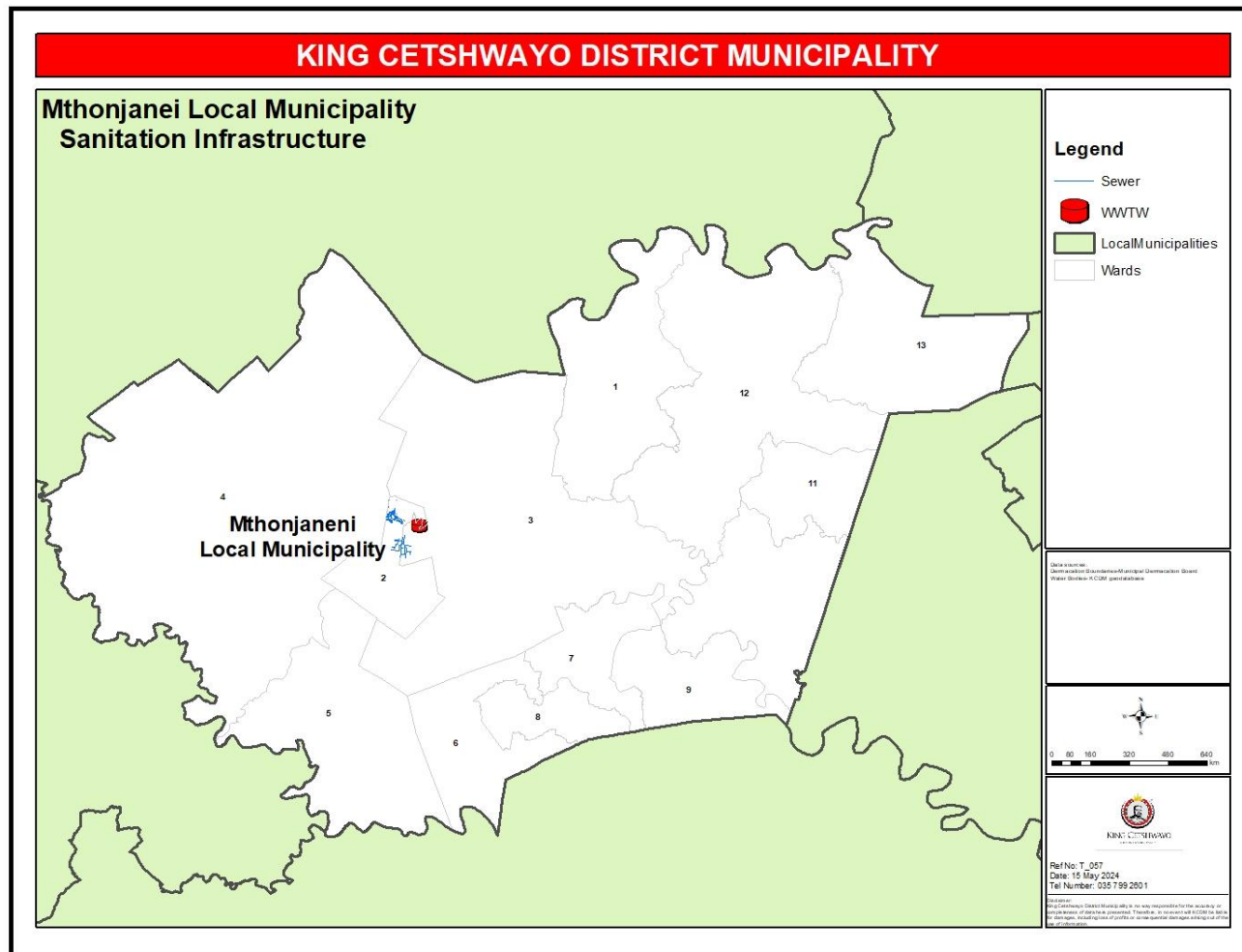
8	Water reticulation extensions at Qomintaba and Khathazo, and rising main at Debe under Mthonjaneni local Municipality	R10 000 000,00	Water reticulation extensions at Qomintaba and Khathazo, and rising main under Mthonjaneni Local Municipality.	4, 10 and 13	Khathaza, Qomintaba and Debe	124	97%	March 2024

PROJECTS UNDER PLANNING FOR IMPLEMENTATION IN THE CURRENT FY 2023/24

No.	Project Name	Estimated Amount	2024/2025 FY Budget	Beneficiaries	Funder	Ward No.	House Holds No.	Status
8.	Melmoth Sewer Infrastructure: Plant Upgrade	R 8 400 000,00	R 8 173 913,00	Melmoth Town and Thubalethu Township	MIG	2 and 3	2500	Designs and Tender Documents ready for BSC.
9.	Thubalethu Stand Alone Water Supply Scheme and Plant Upgrade	R 63 000 000,00	R 63 000 000,00	Melmoth Town and Thubalethu Township	DHS	2	512	90% in Detailed Designs and Tender Documentation.
10.	Equipping of Lumbi borehole and extension of reticulation network at Qongqwane under Umthonjaneni LM	R 10 320 924,41	R10 320 924,41	Lumbi and Qongqwane	WSIG	12	120	BPs SAC Letters have been received still waiting for final approval from DWS National Office. Designs are ready, Contractors's Allocation will be concluded once the Final BP Approval from DWS have been achieved.

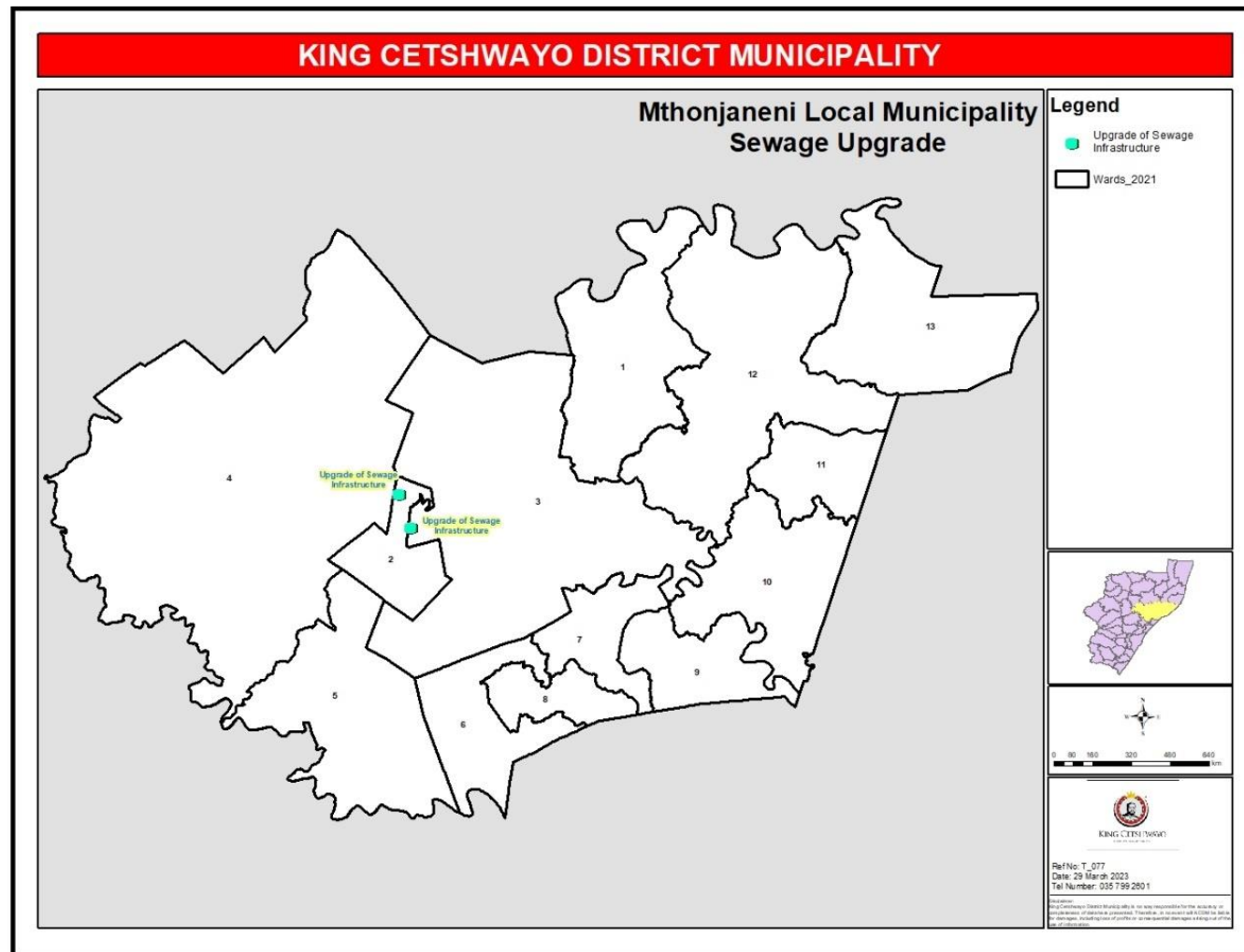


Map 28- Water Projects 2024/2025



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Map 30- Sanitation Infrastructure



Map 31- Sewage Upgrade

C5.2 SOLID WASTE MANAGEMENT

Mthonjaneni Local Municipality is responsible for waste collection within its area of jurisdiction. The National Environmental Management Waste Act: (Act No. 59 of 2008) Chapter 3, section 11 of the Waste Act requires that all government spheres develop Integrated Waste Management Plans (IWMPs). Section 12 of the Waste Act outlines what the contents of integrated waste management plans should be, whilst section 13 stipulates the reporting mechanisms on the implementation of IWMP's.

Status and the Implementation of the Integrated Waste Management Plan

The Municipality is currently using the IWMP that is due for review

The Municipality is in the process to review the current Integrated Waste Management Plan with the assistance from Department of Forestry, Fisheries and the Environment & Department of Economic Development and Environmental Affairs. The process started in May 2024. The Municipality will have the adopted IWMP in May 2025.

The Municipality of Mthonjaneni used to dispose of its waste at the landfill site. However, the landfill site gradually became full due to the lack of space. As a result, the municipality had to construct a transfer station for the temporary storage of waste before it is transported to the King Cetshwayo District Municipality regional landfill site for final disposal. Although the Mthonjaneni Municipality landfill site is being closed, the license allows for the storage of garden waste there. This waste is then processed in a chipper machine to make compost.

After the construction of the transfer station, Mthonjaneni Municipality appointed a service provider to transport the general waste to the King Cetshwayo District Municipality regional landfill site. Currently, approximately 90 cubic meters of waste are transported per week

In terms of section 11 (4) (a) (ii) of the Waste Act, municipalities must incorporate the approved IWMP in their IDP's as called for by chapter 5 of Municipal Systems Act, 2000 (Act 32 of 2000) MSA. Section 36 of the MSA states that, a municipality must give effect to its IDP and conduct its affairs in a manner which is consistent with its IDP. This means that the development and implementation of the IWMP must be aligned with the IDP.

The municipality is currently formulating a IWMP which will be completed June 2025.

C5.2.2 STATUS, BACKLOGS AND PRIORITIES FOR SOLID WASTE REMOVAL

Status for waste removal at Mthonjaneni Municipality

The Mthonjaneni Municipality is managing waste daily within its jurisdiction, which spans across a total of 13 wards. The municipality has implemented a comprehensive waste management strategy, encompassing the collection of general waste from residential and commercial areas.

More specifically, in Melmoth Town and Thubalethu Township, the municipality has established a house-to-house waste collection system and strategically positioned skip bins in key areas to facilitate efficient waste disposal.

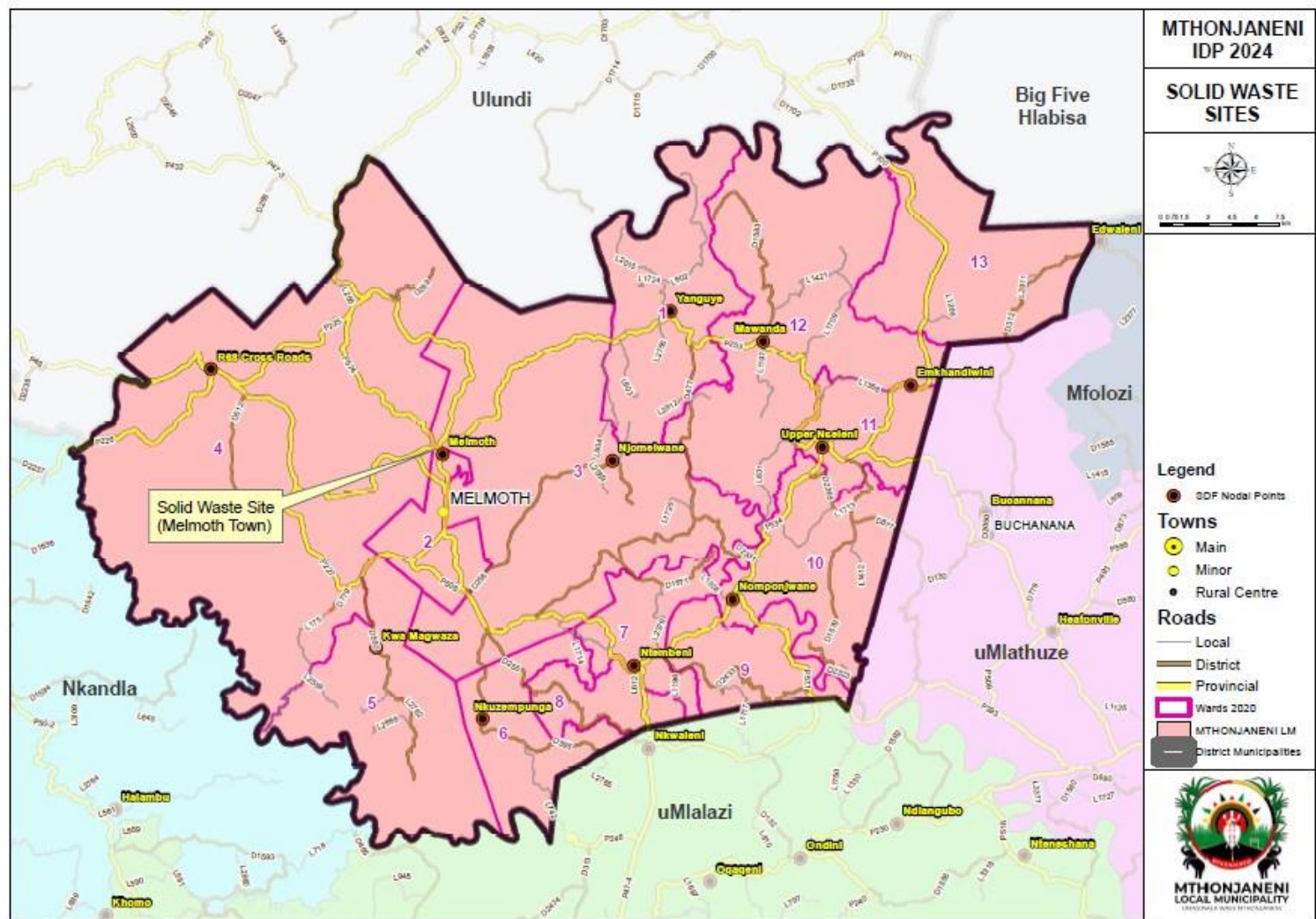
The medical waste from hospitals and clinics is managed through outsourced medical waste collection by KZN Department of Health

To reduce the impact on landfills, the municipality has launched a program to encourage the segregation of recyclable and non-recyclable materials, utilizing distinct green and black bags to facilitate the sorting process.

Recognizing the importance of community involvement, the municipality has actively engaged with residents by distributing refuse bags and promoting the practice of waste separation.

Despite these efforts, the municipality faces financial constraints due to its rural location and heavy reliance on government grants. Additionally, the aging waste collection vehicles pose challenges in terms of operational efficiency and maintenance costs.

The Municipality of Mthonjaneni employs approximately 200 workers on a contractual basis. Some of these employees are part of the Greening and Cleaning Program funded by EDTEA, while others are part of the EPWP program funded by the Department of Public Works. These workers are responsible for picking up litter and sweeping streets, working in shifts to ensure the Melmoth Town remains clean.



Map 32- Solid Waste (Melmoth Town)

In summary, the Mthonjaneni Municipality has demonstrated a commendable commitment to waste management. However, addressing financial constraints and modernizing infrastructure are crucial steps to further enhance their waste management efforts and ensure long-term sustainability

Below is the schedule for the weekly waste collection within the municipality.

WEEKDAY	REFUSE WASTE
Monday	Thubalethu Township
Tuesday	Town (West Side)
Wednesday	Hospital & Businesses
Thursday	Town (East Side)
Friday	Thubalethu Township

The table below reflects on the recent statistics pertaining to solid waste disposal:

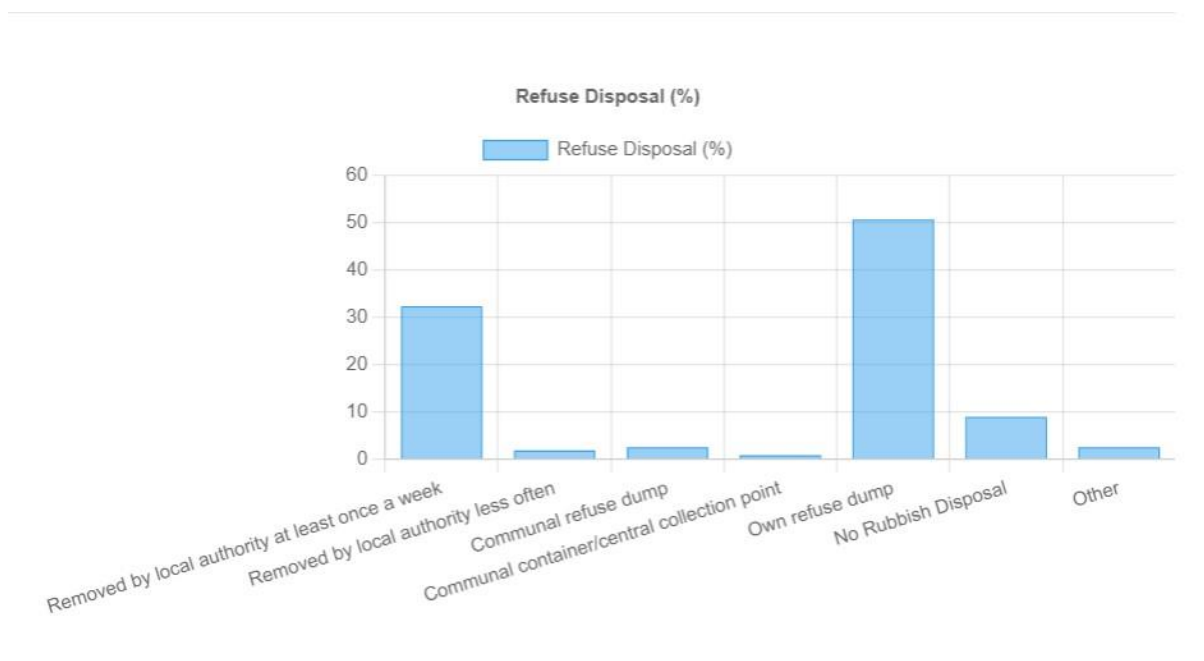


Figure 17- Refuse Disposal

Areas prioritized for waste collection

Refuse removal service is conducted once a week in town households and twice in Thubalethu Township where refuse collected per household and/or at pick up points (skip bins) it is also removed on the curb sides, waste is also collected at rural areas where collection is conducted at certain locations where households are clustered. Access to some areas is a challenge due to unfavourable topographic conditions.

Urban areas are both serviced by municipality staff using waste collection trucks, recyclable materials get sorted before the final disposal for transportation to the transfer station.

Residents are issued black refuse bags for general waste and are encourage separate general waste from recyclable materials such as garden waste.

Business Refuse Collection

Businesses are serviced by refuse skip bins which are placed on their business premises and collection is done in terms of their agreement with the municipality. Separation is mostly done at source from the business premises by local recyclers which include cupboard, plastic cans and bottles.

Rural

84 % of the population in MLM is living in rural areas. MLM has strategically placed skips in some of the rural areas (wards 2; 4 and 6) as an initiative to grant rural areas a waste removal service (Refer to Waste Receptacles).

The municipality has purchased 20 skips which are strategically placed within the boundaries of MLM in the following areas. These skips in the rural areas will be collected every two days and if it is full before the two days the full skips will be collected and the waste will be disposed of.

Ward	Area
8	Ndundulu Market Stalls
4	Magwaza Hospital
2 & 3	Thubalethu Township
8	Business areas within town

Strategically placed skips around MLM

MLM currently own 70 x 70 litre concrete waste bins which are strategically placed around public areas within the urban area in MLM. These bins are placed around urban public recreational areas, i.e. swimming pool, centenary area, pavements, taxi rank etc.

It is the responsibility of waste management section within MLM to collect and remove waste from the concrete bins.



Concrete waste bins in urban areas

The farms and traditional/tribal areas are not receiving any service except for the provision of exposure to cleaning campaigns. In the absence of resources temporary workers are utilized to attend to littering. Waste in the serviced areas is removed in black bags supplied by the MLM.

Rural Areas

Due to capacity the municipality collects waste from some rural wards not all within the Municipality. The wards are ward 1,9,11,12 and 13. Illegal dumping as well as burning of waste is one of the challenges within the Municipality in managing waste. This is a problem that further compounds the effect of contamination, pollution, damage to tourist assets and the environment. There is also no real policing of illegal dumping.

Urban areas

The main urban area of Melmoth and Thubalethu are serviced by the Municipality. The Melmoth waste disposal site is available for the public to use in regard to disposal of their wastes. Garden waste and builders' rubble removal is not formally addressed and is either taken to the waste disposal site or dumped illegally by the general public or collected by Municipality upon request. Municipality collects garden waste and builder's rubble from households and businesses with a trailer. These waste streams are often left on the verges with general household/ business waste for collection.

Mthonjaneni Municipality's Clean-Up Campaign: A Model for Community Collaboration

Mthonjaneni Municipality's clean-up campaign, held twice a year in collaboration with the KZN Provincial Department of Economic Development, Tourism and Environmental Affairs, exemplifies the power of community collaboration in tackling waste management challenges. By uniting Councillors, Municipal officials, EPWP workers, surrounding schools, and the dedicated waste management team under a common goal, the event creates a significant impact on the overall cleanliness of the area while educating the community about the importance of keeping it clean.

The campaign's success lies in its collaborative approach:

DIVERSE PARTICIPATION : Bringing together various stakeholders, including government officials, schools, and residents, fosters a sense of shared responsibility and ownership.

EDUCATIONAL FOCUS : By educating the community about the importance of waste management and recycling, the campaign promotes long-term behavioural change.

DEDICATED TEAM : The involvement of a dedicated waste management team ensures efficient waste collection and sorting, maximizing the impact of the campaign.

The clean-up campaign serves as a reminder that keeping the environment clean is an ongoing responsibility that requires the collective dedication of all stakeholders. By working together, communities can create a cleaner and healthier environment for everyone. The campaign highlights the importance of collaboration between government agencies and local communities. The involvement of schools in the campaign helps to instil environmental awareness in the younger generation.

The campaign's success demonstrates the positive impact that community-driven initiatives can have on environmental issues.

Mthonjaneni Municipality's clean-up campaign provides a valuable model for other communities looking to address waste management challenges through collaborative efforts.

Name	Number of households	% Representation
Removed by local authority at least once a week	4 986	32,4%
Removed by local authority less often	290	1,9%
Communal refuse dump	404	2,6%
Communal container/central collection point	137	0,9%
Own refuse dump	7 807	50,7%
No Rubbish Disposal	1 387	9,0%
Other	397	2,6%

The following assumptions were made where insufficient information was available:

a) Waste Generation

- Domestic Waste Generation – 7 days a week
- Business Waste Generation – 6 days a week

b) Waste Collection:

- Domestic & Business – 5 days a week

c) Where recorded generation rates were not available the following quantities were used:

- Rural Settlements – 0.3 kg per person per day
- Urban – 1.5 kg per person per day

WASTE DISPOSAL

The Municipality of Mthonjaneni used to dispose of its waste at the landfill site. However, the landfill site gradually became full due to the lack of space. As a result, the municipality had to construct a transfer station for the temporary storage of waste before it is transported to the King Cetshwayo District Municipality regional landfill site for final disposal. Although the Mthonjaneni Municipality landfill site is being closed, the license allows for the storage of garden waste there. This waste is then processed in a chipper machine to make compost.

After the construction of the transfer station, Mthonjaneni Municipality appointed a service provider to transport the general waste to the King Cetshwayo District Municipality regional landfill site. Currently, approximately 90 cubic meters of waste is transported per week.

Refuse Removal Backlog

Currently the refuse removal collection is not at 100% due to insufficient funding available to roll out refuse removal service to all rural wards and all rural households. Rural households are encouraged to dispose of their refuse in an acceptable manner to prevent environmental pollution.

The Municipality has the shortage of resources which have been delved into under the needs topic below.

Approximately 10 wards which are largely rural and are not serviced fully.

Needs: Refuse Collection Plant

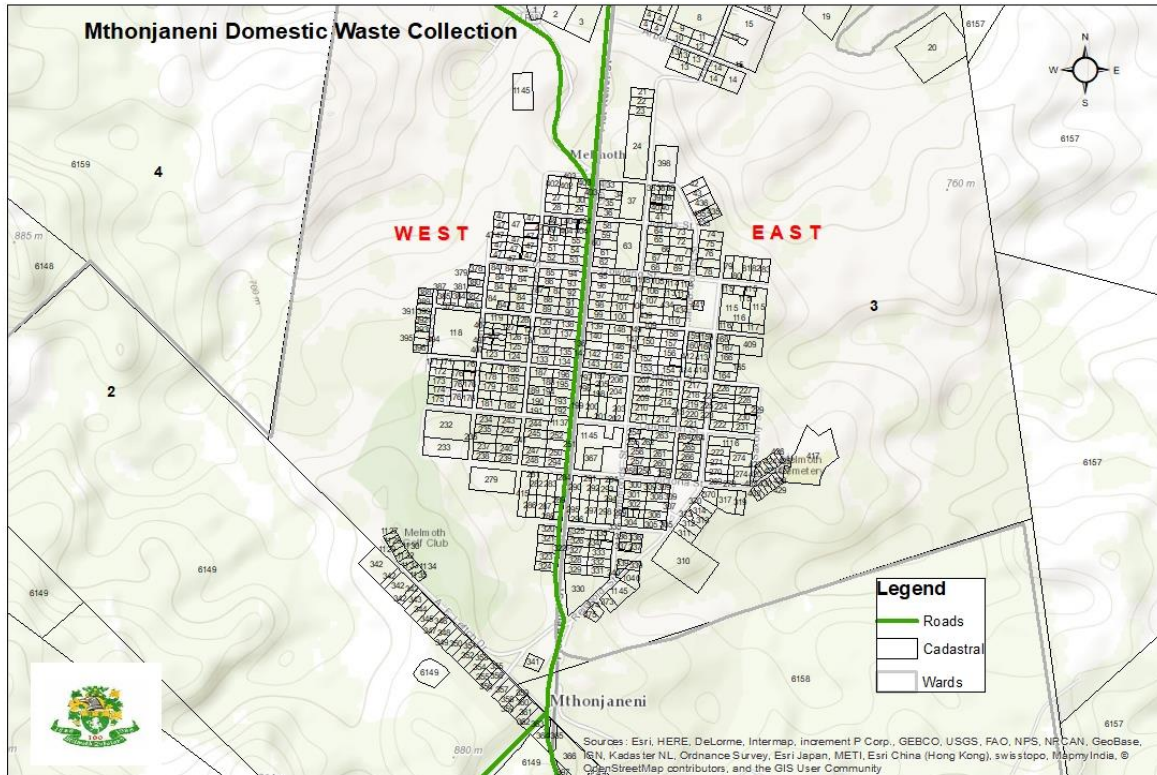
The 2016 General Elections resulted in the expansion of the Municipality after it was amalgamation with Ntambanana Local Municipality. Mthonjaneni LM went from 6 wards to 13 wards, unfortunately this has resulted in the municipality being unable to meet the demand of waste collection throughout these wards.

The current resources allocated for waste management are insufficient and outdated, with the municipal fleet encompassing of Tractors for waste collection. These tractors are not only old and unreliable; needing consistent repairs and mechanical fixing, they are also not up to the standard as they are unable to meet the demand.

The municipality has therefore identified a need to procure waste management plant and related yellow plant to assist in the handling of waste. Based on the current demand the following plant will be required in order to ensure all 13 wards are serviced accordingly;

- X1 Waste Compactor Truck
- X1 Tractor Loader Backhoe (TLB)
- 1 X Water tank truck
- 1 X Motor Grader
- 1 X Vibrating Roller Compactor
- 1 X Low Bed Truck and Trailer

The above plant will ensure that not only is waste collected in time, it is also handled in a manner that is conducive to the environment.



Map 33- Mthonjaneni Domestic Waste Collecton

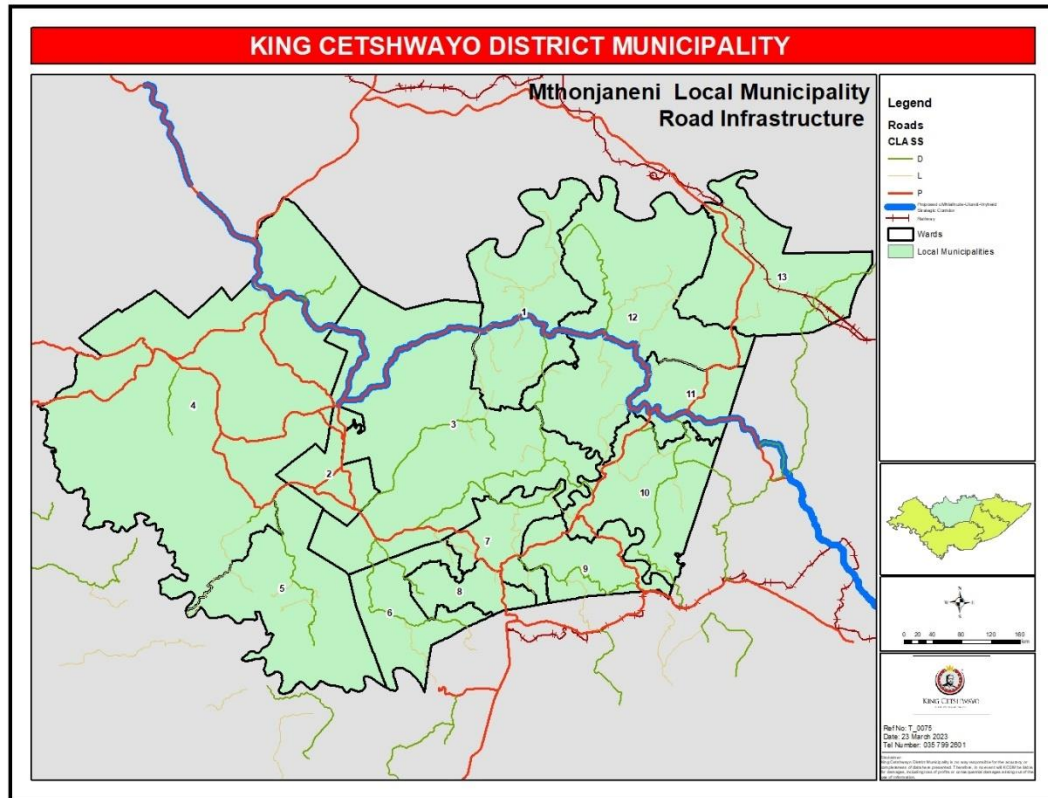
SEPERATION/AVOIDANCE OF WASTE AT THE SOURCE

Mthonjaneni municipality supply two refuse bag per household per week one is green it is used for keeping the recyclable items the other one is black it is used for keeping non-recyclable items.

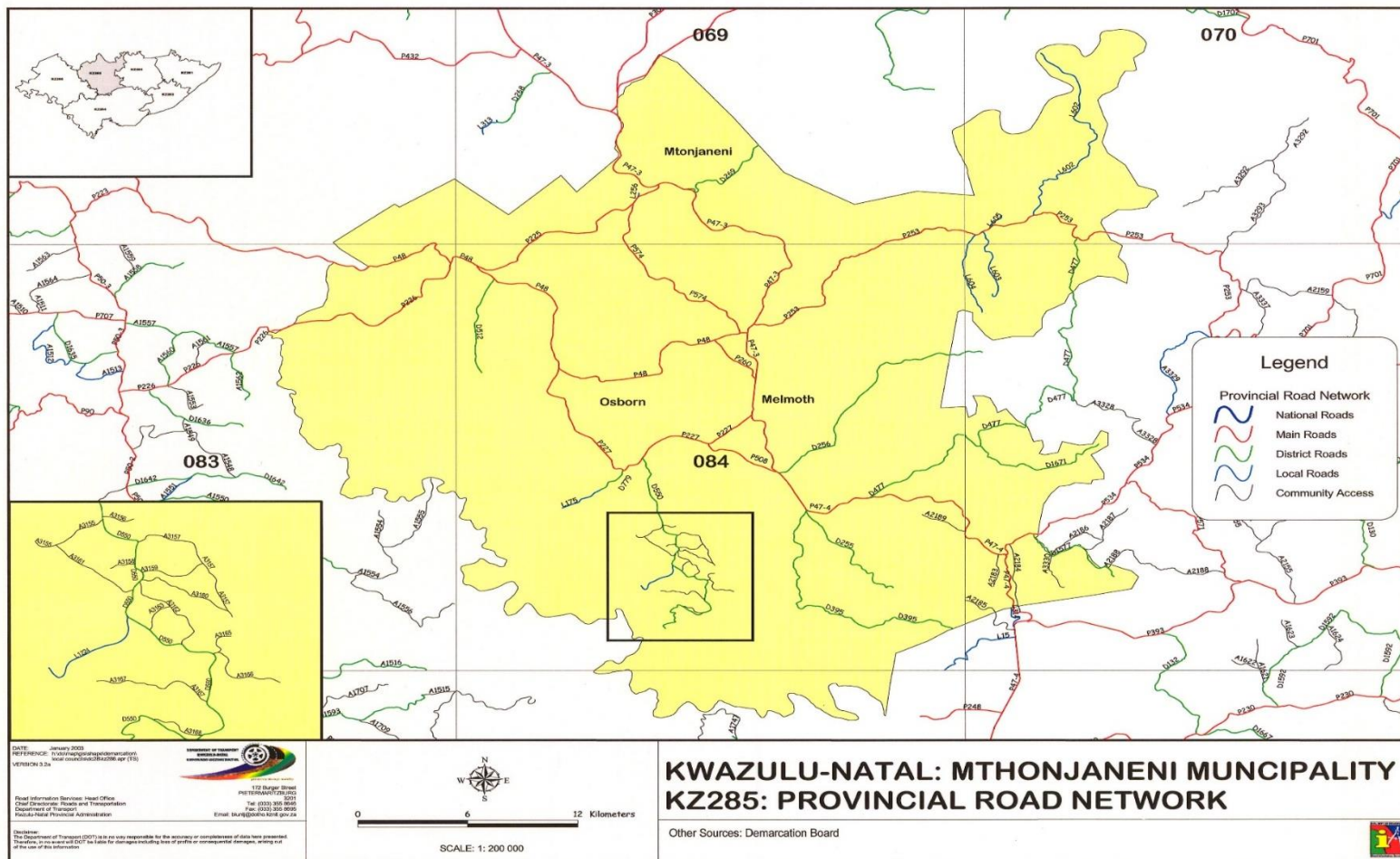
ROAD INFRASTRUCTURE NETWORK

Existing and Future Transport Infrastructure

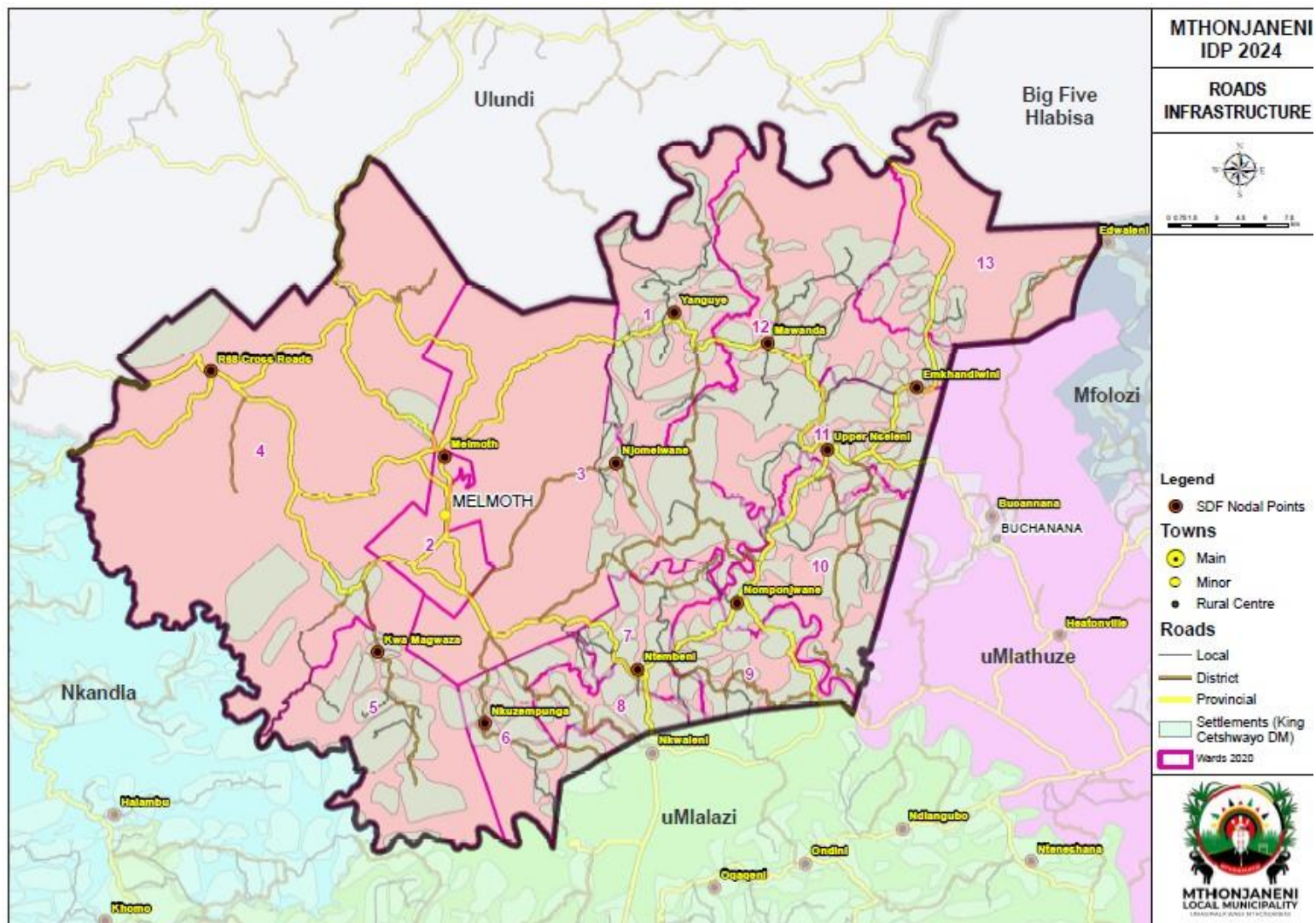
The surrounding towns, national and major district routes are depicted on the map below.



Map 34- Road Infrastructure Network



Map 35- Provincial Road Network



Map 36- Roads Infrastructure

Roads

The roads hierarchy within the municipal area can be divided in two major categories, including Provincial roads: District and local roads. The secondary and tertiary routes are mainly the provincial and district roads that exist within the area. The road networks provide an important social and economic infrastructure crucial for the flow of goods and services and therefore to the general development of the Municipality.

Based on the Road Infrastructure Strategic Framework for South Africa (RISFSA) classification system King Cetshwayo District Municipality has custodianship over a network of roads of approximately **3,963.91 km**.

Local Municipality	AS PER 2019 SURVEY – RISFSA Classification (km)					
Surface Type	Blocks	Earth	Flexible	Gravel	Joint Concrete	Total
Mthonjaneni	0.48	169.63	35.84	139.36	1.73	347.04
Mfolozi	0	288.1	51.78	371.5	4.81	716.19
City of uMhlathuze	0.24	129.36	583.98	396.03	9.74	1119.35
Nkandla	0	313.6	13.19	144.91	0.88	472.58
uMlalazi	0	681.83	116.22	510.71	0	1308.76
Total DC28	0.72	1582.51	801.01	1562.51	17.16	3963.91

Table 44 - RISFSA Classification

According to the table above, of the total 3,9963km of the King Cetshwayo District Municipality Road network, Mthonjaneni Local Municipality contributes 347.04km. Mthonjaneni has more block surface road than any other municipality in the KCDM. This road surface is largely around Thubalethu township. The municipality also has more earth, flexible and joint concrete surface road than Nkandla Local Municipality but less than other municipalities in the district.

The RCAM system also provides classification categories of roads based on their strategic function. These are shown in the Table below.

Categorisation of RCAM Roads based on Strategic Function

CLASSIFICATION CATEGORIES	STRATEGIC FUNCTION
1- Primary Distributor	High mobility, limited access, national importance.
2- Regional Distributor	Relatively high mobility, lower levels of access, regional importance.
3- District Distributor	Moderate mobility, higher levels of access, local importance.
4- District Collector	Low mobility, high levels of access, medium local importance.
5- Access Roads	Very low mobility, high level of access, low local importance.

The RCAM classifications for King Cetshwayo District Municipality are reflected in the table below:

LOCAL MUNICIPALITY	RCAM					GRAND
	1	2	3	4	5	TOTAL
KZN281 (uMfolozi)				42.31	673.88	716.19
KZN282 (uMhlathuze)	0.17	5.53	28.09	147.30	938.26	1,119.35
KZN284 (uMlalazi)			16.65	32.96	1,259.15	1,308.76
KZN285 (Mthonjaneni)			0.71	8.89	337.44	347.04
KZN286 (Nkandla)	0.73		0.72	8.0	463.13	472.58
TOTAL	0.90	5.53	46.18	239.46	3671.84	3963.91

Table 45 -RCAM Classifications

Based on the latest visual assessments conducted by King Cetshwayo District Municipality, Mthonjaneni Local Municipality has the least class 3 roads and least class 5 roads. This is testament to the rural nature of Mthonjaneni Local Municipality.

The map below shows the different types of road surface network in the King Cetshwayo District Municipality.

The Municipality was able to complete the following projects in the 2023/24 Financial Year.

PROJECT NAME	WARD	DISTANCE	BUDGET
Goduka Gravel Road	11	4,1km	R 4 967 001,08

Table 46 - Goduka Gravel Road

The Municipality plans to implement the following roads and stormwater projects in the 2024/2025 Financial Year.

PROJECT NAME	WARD	DISTANCE	BUDGET
Mfolozane Gravel Road	13	6km	R 9 304 289,46
Thubalethu Extension Roads - Phase 1	2	1km	R 10 953 455,39

Table 47 - Stormwater Projects for 2024/2025

Institutional Responsibility for Transport Infrastructure

The institutional responsibility for transport infrastructure is categorized as national, provincial and local on maps.. The Department of Transport provides the Municipality with its 3- year programme for implementation for inclusion in the IDP.

Responsibility of the Provision of New Roads and Related Facilities

Mthonjaneni Municipality has a plan in place for the provision of new roads and related facilities. In addition to the aforesaid plan, the Municipality has an Operational and Maintenance Plan to cater for both existing and new roads as well as public transport to include taxi ranks, bus stops and storm water drainage.

Integrated Transport Plan as Mthonjaneni Municipality's Responsibility

Mthonjaneni Municipality is a category B Municipality as described in Section 155(1) (b) of the Constitution of the Republic of South Africa 1996. Due limited capacity, the Municipality will approach the Department of Transport for funding.

REPAIRS AND MAINTENANCE

The Technical Team, consisting of technicians and experienced general worker , plays a crucial role in maintaining the roads within the Municipality. Their comprehensive inspection process involves regular and thorough examinations of the road infrastructure to identify any issues and determine their root causes. These inspections are carried out diligently, both during the day and at night, to ensure that potential hazards, signs, and markings are identified. Furthermore, the team assesses the drainage system and the performance of road elements under adverse weather conditions, such as heavy rain, to ensure the safety and usability of the roads.

The team's approach to inspections is proactive and meticulous. Any visible problems are immediately documented, and any serious concerns are promptly reported to the relevant authorities. To facilitate this process, a detailed checklist is meticulously maintained. This checklist encompasses all aspects to be inspected, specifies the frequency of inspections, records the date of the previous inspection, and sets the due date for the next inspection. It is important to note that the items to be inspected and the frequency of inspections may vary based on several factors, including the local climate, road conditions, traffic volume, terrain characteristics, and the current season.

In creating the checklist, the team ensures strict adherence to the requirements outlined in the road maintenance plan. This meticulous approach is essential to guaranteeing the safety and optimal functionality of the road network within the Municipality.

ROAD ELEMENTS	FREQUENCY
Road signs	monthly
Road marking	Every six months
Guardrails	Weekly
Structure	Yearly
Flexible road condition	Yearly
Rigid road condition	Yearly
Drainage	Monthly

Following a thorough inspection of the road condition, the technical team will meticulously analyze and document all identified defects, including but not limited to potholes, cracks, and surface irregularities. Subsequently, the team will devise a comprehensive plan outlining the specific steps required to address each defect, taking into account factors such as material requirements, labor resources, and logistical considerations. This plan will serve as the blueprint for the execution of necessary

repairs, ensuring that the road is restored to optimal condition with minimal disruption to the surrounding area

C5.4 ENERGY

C5.4.1 Electricity Energy Provider

Mthonjaneni Local Municipality provides electricity to Melmoth Town and Thubalethu Township (Ward 2 and 3), the rest of the municipal areas are supplied with reticulated electricity from the Eskom power grid, the current Municipal bulk supply has reached constrained levels (full capacity). It is expected therefore that the current situation will restrict further development unless bulk infrastructure is urgently upgraded. The Municipality is currently implementing a bulk supply project, namely Thubalethu Sub-Station which will be phased out over a maximum of 5 years.

On access to electricity, the 2019 community study conducted by the municipality revealed that about three quarters of the Mthonjaneni population has access to pre-paid metre in each household. This percentage is slightly higher than the provincial average.

C5.4.2 Energy Sector Plan

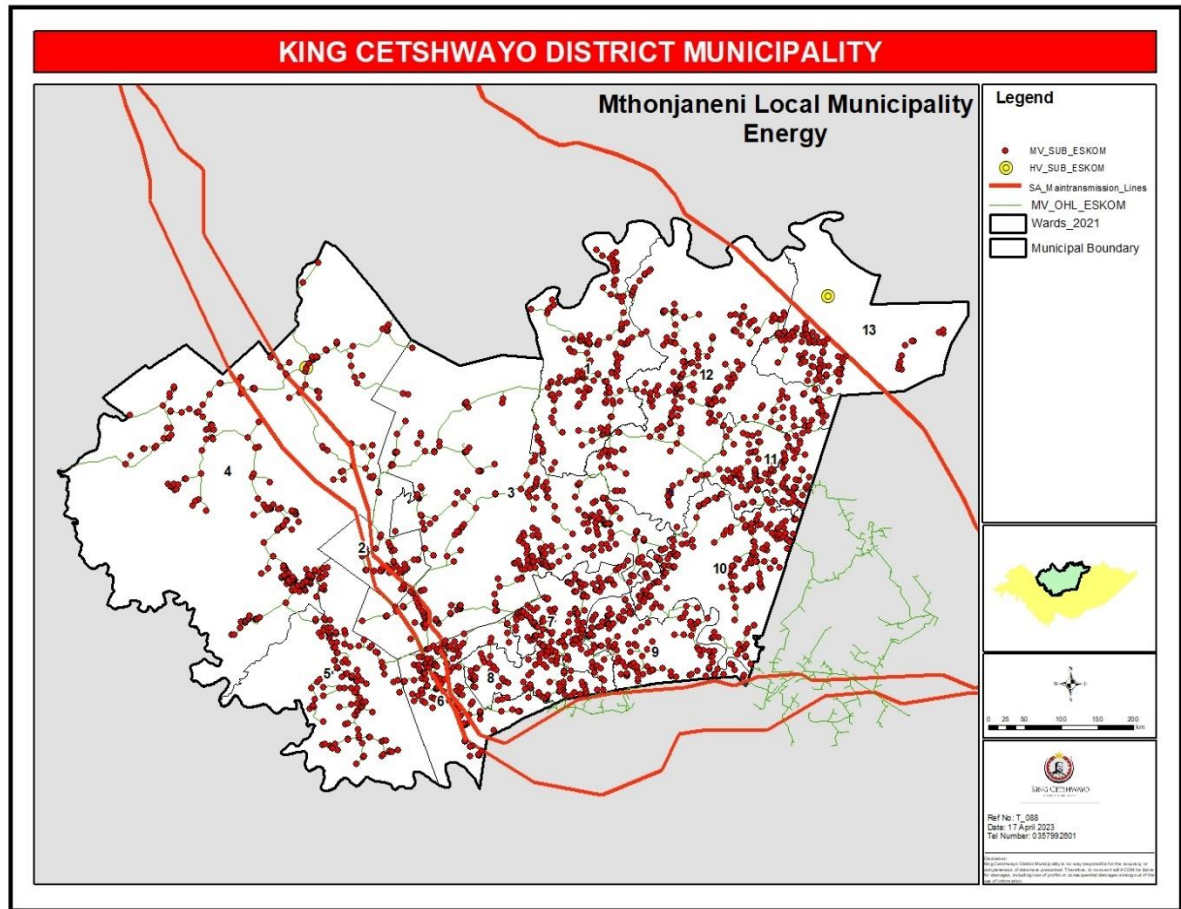
The Energy sector plan will assist the municipality to reduce reliance on traditional energy source, explore and implement alternative energy solutions, promote energy efficiency and conservation measures, and enhance energy security and resilience.

The Municipality has requested the funding from Department of Mineral and Energy to develop the Energy Sector Plan. The Energy Sector Plan will be submitted with the Draft IDP in March 2025.

C5.4.3 Operations and Maintenance Plan for Electricity

The Municipality is responsible for the provision of electricity in the urban area, ward 2 and 3. The municipality also have the Electricity unit that deals with operations and Maintenance in the aforementioned wards.

Operations and Maintenance will be developed as the annexure/ supporting plan to the Energy Sector Plan



Map 37- Energy

Access to Energy

Additionally, the Stats SA community study conducted revealed the following in terms of access to electricity within the Municipality.

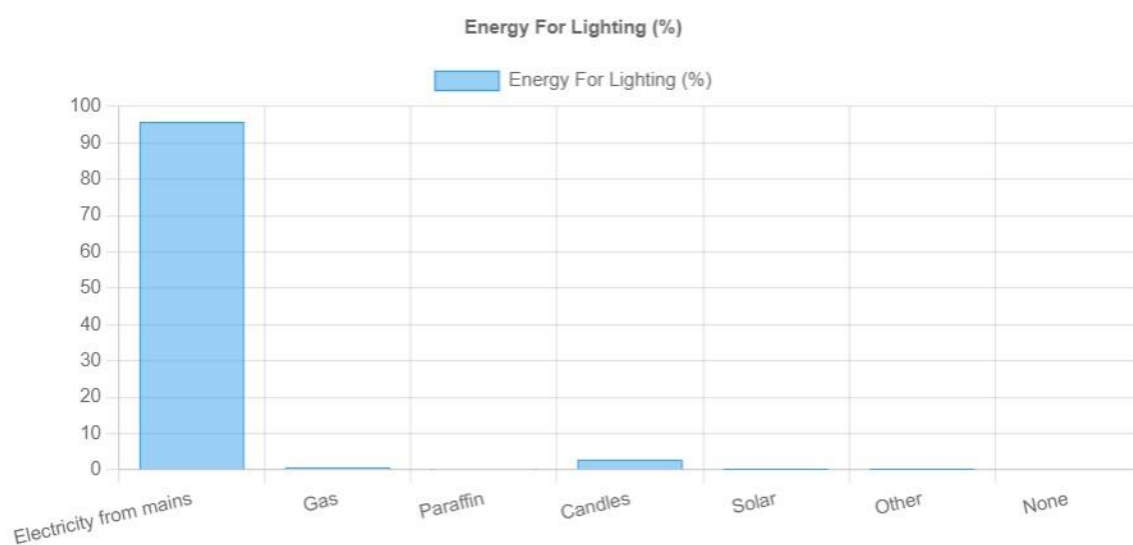


Figure 18 - Access to Electricity for Lighting Census 2020

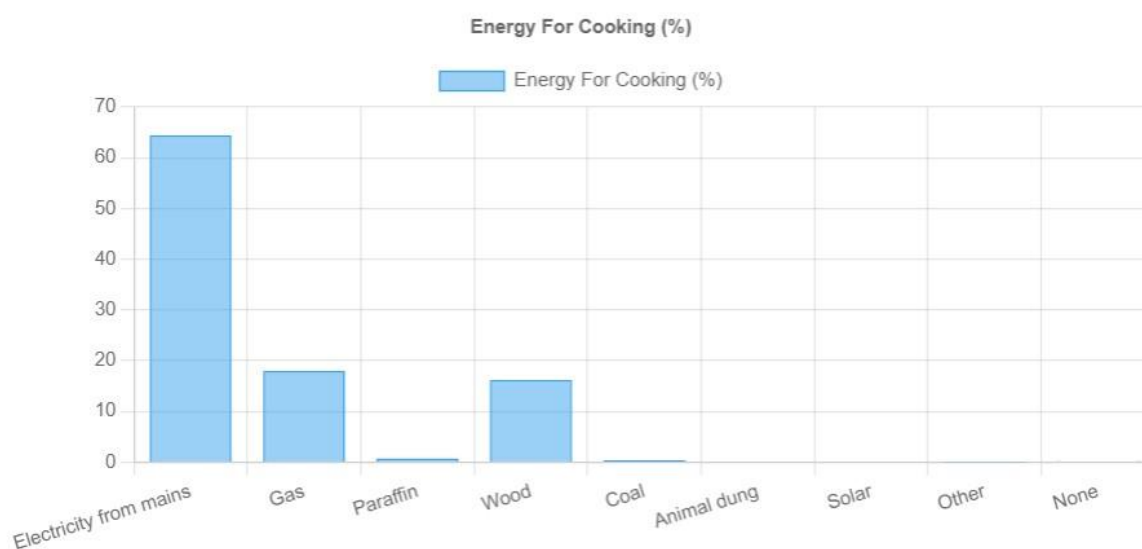


Figure 19 - Energy for Cooking

Schedule 5.B Projects (DMRE Funding)

The municipality through the Integrated National Electrification Programme (INEP) grant funding by the Department of Mineral Resources and Energy (DMRE) implemented 3 projects in 2023/2024

The municipality has gone through grave lengths to achieve universal access with more than 95% of its residents. The outstanding connections refers to new households and that, that came to the area after the municipality have concluded the project

The tables below illustrate the projects under implementation and those planned for by the Municipality as well as Eskom.

CURRENT PROJECTS FOR 2023/24

PROJECT	PROJECT COST	No. OF CONNECTIONS	STATUS
Thubalethu Sub-Station, Ward 2	R 10 000 000.00	N/A	Multi-Year Project, still in progress.
Ekuthuleni Electrification, Ward 6	R 1 000 000.00	70	In-Progress
Hlabathini Electricitfication, Ward 7	R 2 000 000.00	140	In Progress

Table 48 - Current Projects 2023/24

ELECTRICITY PLANNED PROJECTS FOR 2024/2025

The Municipality had shortage of funding for 2023/2024 INEP Projects. The Municipality will apply to use the funding that will be allocated for 2024/2025 financial year to complete the 2023/2024 INEP Projects

PROJECTS PLANNED FOR 2024/25 – ESKOM

Project Name	Project type	Project Value	No. of connections
Ward 5 Mfanefile Infills	Pre - Engineering	R 40,500.00	0
Ward 8 Ndundulu Infills	Households	R 1 834 782.61	76
Ward 1 Yanguye Infills	Households	R 2 525 465.84	0
Ward 5- Mfanefile Infills (link line)	Pre - Engineering	R 40,500.00	0
Ward 8 Ndundulu Infills (link line)	Pre - Engineering	R 40,500.00	0
Ward 1 Yanguye Infills (link line)	Pre-Engineering	R 40,500.00	0

Table 49 - Projects Planned for Electricity 24/25

C5.5 ACCESS TO COMMUNITY FACILITIES

The Status, Backlogs, Needs and Priorities for Community Facilities

C5.5.1 Cemeteries

Expansion of cemeteries in various wards.

Previous studies identified that there is a rise demand of cemeteries, and it was recommended that:

The cemetery in Melmoth be extended by an additional 4 hectares in order to provide 6 400 burial sites. The Imfule Mission cemetery be extended by 5 hectares to provide 8 500 burial sites; and a new cemetery be developed in Ndundulu. The Melmoth cemetery has been partially extended with an additional 2 000 sites and is trying to source funding to address the other identified cemetery needs. The Mthonjaneni municipality has set aside a budget for the extension of the Melmoth cemetery (Budgeting for conducting a feasibility study).

C5.5.3 Status of Establishment of Municipal Pound

The Municipality acknowledges the urgency in the Municipal Pound Matter as requested by the Office of the Premier, however due to the financial position of the Municipality and the resources required in the operation of the Municipal Pound, the Municipality has in the previous Financial Year attempted to enter in a PPP for the development and running of Municipal Pound however that did not

The Municipality has made a provision in the Budget for 2024/2025 for the Municipal Pound. This project will kick off in the 2024/2025 Financial year.

Health considerations form an integral part of spatial transformation and settlement making in Mthonjaneni. Provision of health facilities should consider, among other, public transportation and service thresholds, and be located close to activity areas and regular places of gathering. The location of preventively orientated health facilities, such as clinics, in association with primary and pre-primary schools, offers advantages. Preventive functions, such as inoculation and nutritional programmes are best delivered through schools. Where a multipurpose hall serves several schools, a clinic may be beneficially located within or adjacent to that hall.



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allow. Deep rural settlements should be prioritized for mobile clinic services. Lower standards should be adopted in some areas to improve access to these facilities. There is a shortage of health facilities in the Mthonjaneni municipality. This includes hospitals and clinics

C5.5.2 Community Halls and Early Childhood Development

Both open-air public spaces and enclosed spaces such as community halls are important parts of social infrastructure. Community Halls are in association with public spaces as this will allow for events in one to spill over into the other or provide alternatives in case of weather changes. Community halls will be in nodal points only and will be used as multi-purpose centers.

The Municipality will complete the construction of the following facilities in the 2023/24 Financial Year.

PROJECT NAME	PROJECT AMOUNT	CURRENT PROGRESS as at 30 April 2024
Emkhandlwini Community Hall - Ward 12	R 5 218 563,33	Completed
Othini Community Hall - Ward 5	R 4 752 587,64	75% complete
Nhlube Creche - Ward 10	R 4 305 607,60	Completed

Table 50 - Community Facilities

There municipality intended to construct eMashobeni Community Hall valued at R4,547,107.59, in the 2024/25 Financial Year. however due to budget cuts from National Treasury the project will not be completed in 2024/2025, however the Municipality will only complete designs for the available budget in 2024/2025 FY. This project will only be included in the SDBIP once other MIG Projects have appointed Service Providers, this will enable the Municipality to establish to what level can this project be implemented with the funds remaining.

SPORT FACILITIES

The Department of Sport, Arts and Culture has an annual funding of Sporting Facilities, Mthonjaneni Municipality has in the past benefited from this program. In 2020/2021 the Municipality made an application for the Construction of KweSezulu Sportfield which was subsequently approved and the Sportfield has been completed.

Considering the backlog in the sporting facilities, the municipality is in a process to file another application with DSAC for the funding. The Municipality has the existing structure that is not in a usable form currently but there has an outcry from the community for the facility to be refurbished, it is on these bases that the municipality is applying to Upgrade the Mthonjaneni Multi-Complex Sports Centre, this project is estimated at R18 500 000. This Sport Centre is situated in Melmoth Town, Lynch Drive alongside R66 route, not too far from the Municipal Swimming Pool.

The successful revival of this Sports Centre will benefit the Young Talents from Mthonjaneni area and neighbouring areas which includes Eshowe and uLundi, it will also give opportunity to schools to explore more sporting codes since there is a facility for tennis, swimming, basketball, netball, volleyball, indoor soccer and outdoor gym.

Education Facilities

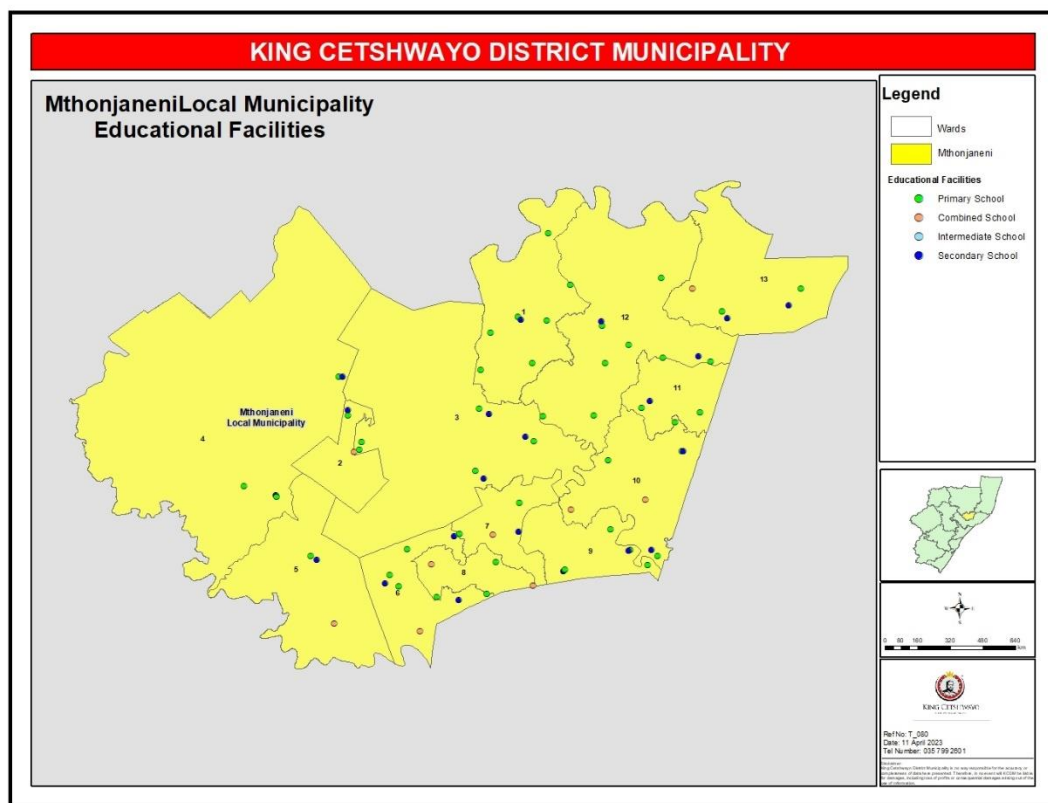
The creation of environments, which promote learning, forms an integral part of the settlement- making process. In this respect, learning experience can be enhanced by integrating educational facilities with the broader settlement structure. This can be achieved by locating schools, crèches and adult education centres close to places of intensive activity. The concept of the specialized self- contained school, accommodated on a spatially discrete site and serving only its pupil population, needs a rethink.

Schools should be seen as resources serving both pupils and the broader community. In this regard schools can accommodate the school population during the day and, where

possible, adult education during the evenings. Similarly, halls and libraries can serve the school population during the day and the broader community during the evening, ensuring 18-hour usage of facilities.

Mthonjaneni Municipality is responsible for constructing Early Childhood Development Facilities. In 2023/2024 Financial Year the Municipality constructed Nhkube Creche in ward 10. There are several ECD Facilities that have been constructed by the Municipality in recent years, this assists the communities by ensuring that children do receive this important phase of education.

The need for informal school play space can be supplemented by public space adjacent to which the school is located. Formal sports fields can serve both the school and the broader community. In terms of their location, schools should be part of an accessible, settlement-wide system of education facilities. Accordingly, they should be located close to continuous public transport routes. This will make schools sustainable over a longer period, since they will draw pupils from a larger area, thus becoming less susceptible to fluctuations in the local population.



Map 39- Educational Facilities

Libraries

The Municipality has 1 library in Melmoth Town. The services provided are free internet access, free basic computer training. There are also services of photocopying, printing, scanning and services for the blind. The Municipality has formed a partnership with UNISA to help distance learners. The municipal libraries open six days a week (from Mondays to Saturdays). The library is situated within the Municipal Offices in 21 Reinhold Street Melmoth.

C5.5.4 DISABILITY ACCESS ON COMMUNITY FACILITIES

Community Halls and Early Community Development (Creches) are constructed in a manner that accommodates disable individuals. Below are the examples from some of the facilities that are constructed by the Municipality. Attached as an **annexure** are the drawings that indicates the disability friendly access.

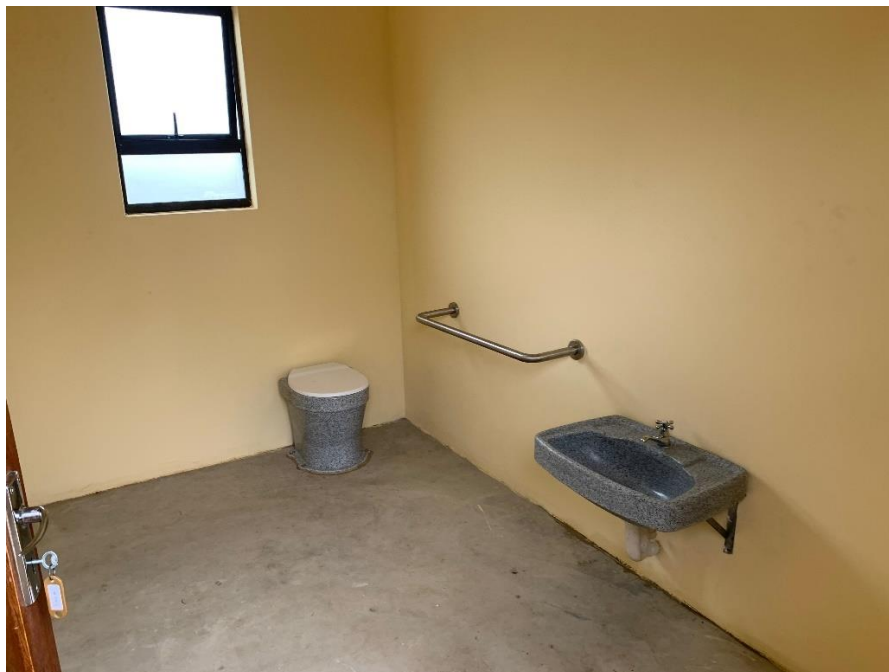


Image 1 - Toilet with friendly disability access



Image 2 - Community Hall with friendly disability friendly access



Image 3 - Community Hall with friendly disability access

EDUCATION PROJECTS UNDER IMPLEMENTATION (2023/2024 FINANCIAL YEAR AND TO BE IMPLEMENTED IN 2024/2025 FINANCIAL YEAR)

KING CETSHWAYO:2024-2025					 education Department: Education PROVINCE OF KWAZULU-NATAL				Coordinates			
EMIS NUMBER	PROJECT NAME	DISTRICT MUNICIPALIT Y	Local Municipalitie s	IMPLEMENTIN G AGENT	PROJECTS STATUS	SUB PROGRAMME	BUDGET PROGRAMME NAME	TYPE OF INFRASTRUCTUR E	LAT.	LON.	TOTAL PROJECT COST	2024/202 5
500129130	EKUTHULENI PRIMARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	PUBLIC WORKS	TENDER	STORM DAMAGE PROGRAMME	RENOVATIONS, REHABILITATION OR REFURBISHMENT S	PRIM/SMALL	-28,69917	31,42618	R 9 768 211	R 1 229 898
500133015	EMKHANDLWINI PRIMARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	DBSA	TENDER	STORM DAMAGE PROGRAMME	RENOVATIONS, REHABILITATION OR REFURBISHMENT S	PRIM/MEDIUM	-28,5204	31,6959	R 5 300 908	R 1 000 000
500138343	ENTEMBENI SECONDARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	DBSA	PRACTICAL COMPLETION (100%)	WATER AND SANITATION	UPGRADES AND ADDITIONS	SEC/MEDIUM	-28,70738	31,41851	R 2 890 971	R 101 000
500151404	GQOKUBUKHOSI HIGH SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	IDT	PRACTICAL COMPLETION (100%)	STORM DAMAGE PROGRAMME	RENOVATIONS, REHABILITATION OR REFURBISHMENT S	SEC/MICRO	-28,72009	31,4844	R 4 000 000	R 110 000
500165353	INQABA PRIMARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	DBSA	PRACTICAL COMPLETION (100%)	WATER AND SANITATION	UPGRADES AND ADDITIONS	PRIM/LARGE	-28,48259	31,53364	R 3 304 757	R 101 000
500326893	MAJAJI PRIMARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	IDT	CONSTRUCTION 76% - 99%	STORM DAMAGE PROGRAMME	RENOVATIONS, REHABILITATION OR REFURBISHMENT S	PRIM/SMALL	-28,69092	31,6431	R 1 217 050	R 872 115
500194435	MAKHASANENI PRIMARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	IDT	CONSTRUCTION 51% - 75%	FLOODS DAMAGED	RENOVATIONS, REHABILITATION OR REFURBISHMENT S	PRIM/MEDIUM	-28,61451	31,49823	R 3 962 000	R 439 166
500198172	MANZIMHLOPHE HIGH SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	DBSA	TENDER	STORM DAMAGE PROGRAMME	RENOVATIONS, REHABILITATION OR REFURBISHMENT S	SEC/MEDIUM	-28,48388	31,70979	R 8 452 039	R 500 000
500200614	MASHOBA PRIMARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	DBSA	TENDER	STORM DAMAGE PROGRAMME	RENOVATIONS, REHABILITATION OR REFURBISHMENT S	PRIM/MEDIUM	-28,56303	31,68664	R 5 170 558	R 500 000

50020838 4	MFANEFILE PRIMARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	PUBLIC WORKS	FEASIBILITY	REPAIRS AND RENOVATIONS	RENOVATIONS, REHABILITATION OR REFURBISHMENT S	PRIM/LARGE	-28,6839	31,35988 3	R 4 444 000	R 320 000
50020838 4	MFANEFILE PRIMARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	DBSA	DESIGN	EARLY CHILDHOOD DEVELOPMENT T (GRADE R)	UPGRADES AND ADDITIONS	PRIM/LARGE	-28,6839	31,35988 3	R 4 960 238	R 1 200 636
50041821 1	MTHONJANENI PRIMARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	IDT	CONSTRUCTION 51% - 75%	STORM DAMAGE PROGRAMME	RENOVATIONS, REHABILITATION OR REFURBISHMENT S	SEC/LARGE	-28,56098	31,3914	R 2 149 429	R 1 209 472
50044129 9	NGQEKWANE PRIMARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	PUBLIC WORKS	CONSTRUCTION 1% - 25%	WATER AND SANITATION	UPGRADES AND ADDITIONS	PRIM/SMALL	28,41251 6	31,55948 5	R 2 406 039	R 240 604
50023276 7	NKOSITHANDILE HIGH SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	DBSA	PRACTICAL COMPLETION (100%)	WATER AND SANITATION	UPGRADES AND ADDITIONS	SEC/LARGE	-28,51631	31,68548	R 4 490 087	R 101 000
50023276 7	NKOSITHANDILE SECONDARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	DBSA	TENDER	STORM DAMAGE PROGRAMME	RENOVATIONS, REHABILITATION OR REFURBISHMENT S	SEC/LARGE	-28,51631	31,68548	R 4 862 970	R 2 068 595
50028741 6	UMGABHI INTERMEDIATE SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	IDT	DESIGN	STORM DAMAGE PROGRAMME	RENOVATIONS, REHABILITATION OR REFURBISHMENT S	COMB/SMALL	-28,74	31,3797	R 2 900 000	R 350 000
50029104 2	VELA PRIMARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	DBSA	PRACTICAL COMPLETION (100%)	STORM DAMAGE PROGRAMME	RENOVATIONS, REHABILITATION OR REFURBISHMENT S	PRIM/SMALL	-28,49646	31,51058	R 6 534 272	R 499 455
50029970 0	ZIBONE PRIMARY SCHOOL	KING CETSHWAYO	Mthonjaneni Local Municipality	DBSA	PRACTICAL COMPLETION (100%)	STORM DAMAGE PROGRAMME	RENOVATIONS, REHABILITATION OR REFURBISHMENT S	PRIM/LARGE	-28,47839	31,70531	R 4 437 261	R 499 455

Table 51 - Education Projects under implementation 24/25

C5.5.5 NEED FOR NEW SCHOOLS and CRECHES(ECD)

The Municipality is not responsible for construction of schools and as a result does not have any requests or places identified to build new schools. During IDP Roadshows, such information is taken if it arises and be channelled to the correct department being Department of Education.

The Creches however are constructed by the Municipality and all the requests are listed in the community wishlist per ward in this document under **the Municipal Goals, Strategic Objectives, Programmes, Projects, and Budget 2024/2025** topic, **Community Needs** sub topic.

C5.5.6 DID THE MUNICIPALITY HAVE APPROVALS FOR TOWNSHIP DEVELOPMENTS DURING THE 2023/24 FINANCIAL YEAR?

The municipality is situated in rural areas and does not have townships, moreover there are no development applications that have been received by the municipality in the 2023/2024 financial year.

C5.6 HUMAN SETTLEMENTS

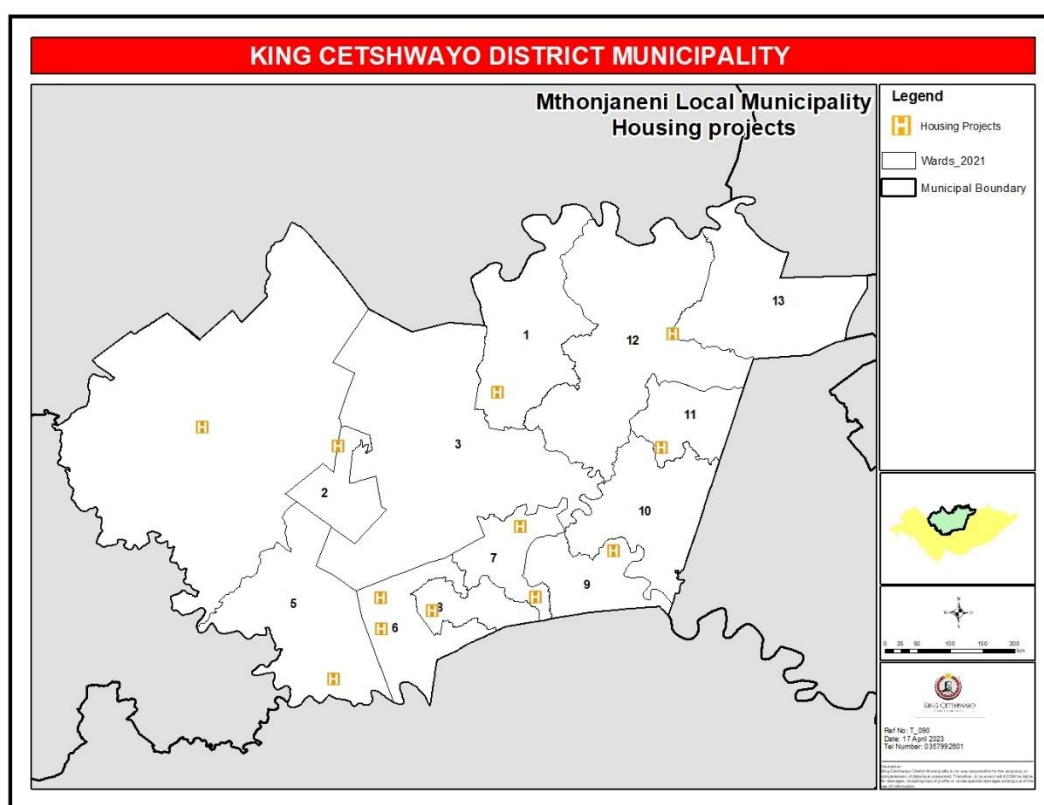
Mthonjaneni Municipality as Housing Developer for Human Settlements

Since the introduction of the Housing Act, (Act No. 107 of 1997), the National government has introduced a comprehensive programme to address a range of housing needs in South Africa. The programme is outlined in the National Housing Code and the recently introduced Comprehensive Plan for the Creation of Sustainable Human Settlements (commonly known as Breaking New Ground). The National Housing Code (March 2000) sets out clearly the National Housing Policy of South Africa. It identifies the primary role of the municipality as taking all reasonable and necessary steps, within the framework of national and provincial legislation and policy, to ensure that the inhabitants within its area of jurisdiction have access to adequate housing on a progressive basis.

This entails the following:

- ✓ Initiating, planning, facilitating, and coordinating housing development. This can be undertaken by the municipality itself or by the appointment of implementing agents.
- ✓ Preparing a housing delivery strategy and setting up housing development goals.
- ✓ Setting aside, planning, and managing land for housing.
- ✓ Creating a financially and socially viable environment for housing delivery.
- ✓ Facilitating the resolution of conflicts arising from housing delivery initiatives.
- ✓ Facilitating the provision of bulk services.
- ✓ Administering national housing programmes.
- ✓ Expropriating land for housing development.

The aim of this plan is to assist the municipality in fulfilling the abovementioned role assigned to it in terms of the National Housing Code.



Map 40 Housing Projects

C5.6.1 Mthonjaneni Municipality as Housing Developer for Human Settlements

The Municipality is the Housing Developer for Human Settlements and there are projects under implementation.

C5.6.2 Housing Sector Plan

The existing Housing Sector only includes 6 wards that Mthonjaneni had before the 2016 Local Government Elections. The Municipality has made an application to Human Settlement in December 2023 and awaiting the outcome.

The Municipality is in the process of developing an updated Housing Sector Plan, the draft document will be completed by June 2025.

C5.6.3 Housing Chapter Highlighting Housing Needs and Planned Projects

A primary consideration in evaluating the impact of regulatory frameworks on land and housing is to assess existing and future housing needs. This will enable projections to be made of the area of land required according to the existing regulatory framework. It will also indicate where changes to planning standards or regulations may be needed to help upgrade existing settlements and improve access to new legal housing.

The determination of housing need was undertaken, using of the following methodologies:

The statistical method using census statistics. The statistics from the 2011 Census were used as a basis in this regard. The information relating to individuals residing in traditional dwellings/hut/structure made of traditional materials, informal dwelling (shack in backyard) and informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm) was used to estimate the demand for housing. The other method calculates a backlog based on the analysis of the housing waiting list compiled by the municipality.

INTEGRATION OF HOUSING DELIVERY

The Mthonjaneni LM has been committed and dedicated in the provision of services and housing delivery. It has been active in the delivery of low-cost housing over the last few years. Housing delivery within Mthonjaneni LM area mainly occurs in the form of state

funded, low-cost housing in which the municipality serves as the developer. The municipality has identified and packaged additional housing projects as a means to addressing the housing backlog and respond to the expressed or felt housing need. Housing projects in Mthonjaneni Municipality are at different stages of development with the majority being either in planning or construction phases. There are currently four housing project at planning stage, one at administration stage and one at construction stage.

ACCESS TO FORMAL HOUSING

The latest community study conducted by Statistics SA depict a clear picture that access to formal housing in Mthonjaneni is at an all time high, this will be further improved by current and planned projects .

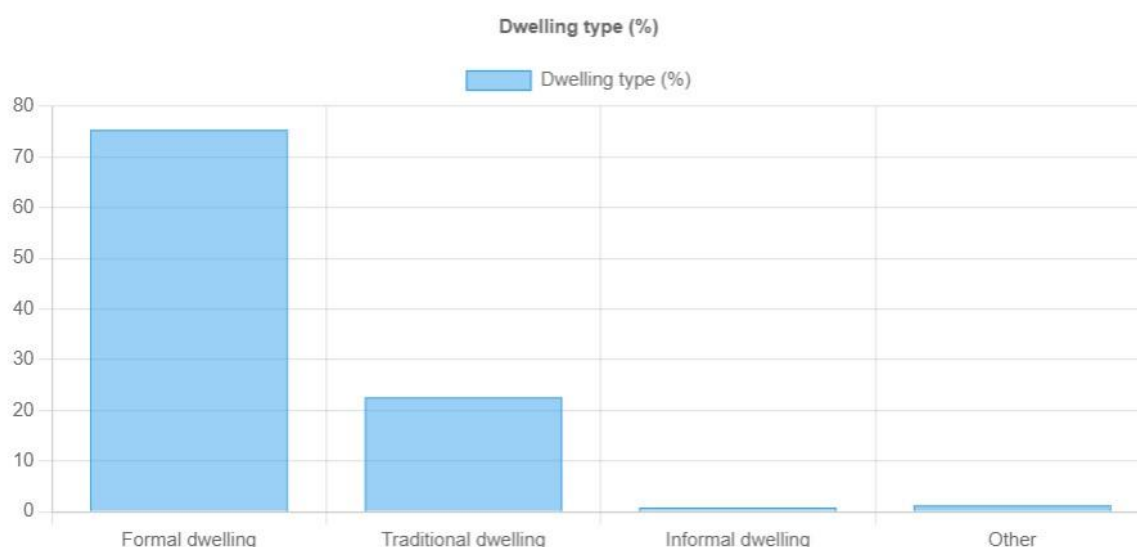


Figure 6 – Dwelling Types (Census 22)

Below is a table with detailed information on current along with planned housing projects. These projects are to be fully funded by the Department of Human Settlements, with all relevant documentation submitted.

		MTHONJANENI LM URBAN & RURAL HOUSING PROJECT UPDATE LIST				
NO.	PROJECT NAME	IMPLEMENTING AGENT	PROJECT STATUS	WARD	NO. OF UNITS	FUNDING
1	Yanguye Rural Project Phase 2	Siqu Consulting	Planning. No Funding from DOHS in current financial year	01	1000	Department Of Human Settlements
2	Thubalethu Extension	Groundwork Projects	Phase 1 (512 units) - Construction 86%. 172 Units have been completed and handed over to beneficiaries.	02	1120	Department Of Human Settlements
3	Njomelwane Rural Project	Stedone Developments	Construction 95% complete Waiting for identification of 5 beneficiaries for completion. Please note that Stedone Developments is not involved with Makhasaneni and Njomelwane Housing Projects at this stage. The Department of Human Settlements proposed that outstanding houses be constructed through Operation Sukuma Sakhe.	03	1000	Department Of Human Settlements
4	KwaMagwaza/ Mfule	Makhayo Construction	Stage 2 - Administration Implementation of 300 units approved. Project currently under implementation, 300 units to be completed in 36 months.	04	300/1000	Department Of Human Settlements

			Project commenced in December 2022 Contract Ending December 2025.			
5	Mgabhi Rural Project	None. IA was terminated due to none compliance.	Planning No Funding from DOHS in current financial year	05	1000	Department Of Human Settlements
6	Esibayeni Rural Project	Terraplan Associates	Construction 100% complete. Closing report from IA submitted	06	986	Department Of Human Settlements
7	Makhasaneni Rural Project	Stedone Developments	Construction 95% complete Waiting for identification of 5 beneficiaries for completion. Please note that Stedone Developments is not involved with Makhasaneni and Njomelwane Housing Projects at this stage. The Department of Human Settlements proposed that outstanding houses be constructed through Operation Sukuma Sakhe.	07	1000	Department Of Human Settlements
8	Dubeni/Mabhungu Rural Project Phase 2	Shakaholdings	Planning completed 360 was approved No Funding from DOHS in current financial year	08	600	Department Of Human Settlements

9	Nomponjwane Rural Project	Dezzo/ Icebo	Construction 95% complete Waiting for identification of 45 beneficiaries for completion.	09	1000	Department Of Human Settlements
10	Njomelwane Rural Project	Stedone Developments	Construction 95% complete Waiting for identification of 5 beneficiaries for completion. The Department of Human Settlements proposed that outstanding houses be constructed through Operation Sukuma Sakhe.	10	1000	Department Of Human Settlements
11	Ogelweni Rural Project	UmpHEME Developments	Planning Funding application submitted October 2023, currently awaiting response from the Department of Human Settlements.	11	1000	Department Of Human Settlements
12	Obuka Rural Project	Dezzo/ Icebo	Construction 95% complete Only 952 units were completed. The outstanding 48 consisted of two (2) groups, of which the first was Group of 20 beneficiaries identified from OSS. The second group of 28 beneficiaries was not located for a number of reasons including being rejected by the Department, some beneficiaries were unable to be located and	12 & 13	1000	Department Of Human Settlements

			assumed to have moved from the area or deceased Project closed and project will be part of the OSS project once funding is available			
13	176 OSS Housing Units	Ubuhlebesu Consultants	Project aims to address housing damages that were caused during previous floods. 176 beneficiaries identified. Beneficiary Administration to be completed in March 2024, thereafter construction of housing units to commence April 2024.	All Wards	176	Department of Human Settlements

Status Quo of Human Settlement

The population of the municipality is distributed per ward as per the table below.

WARD	ESTIMATED POPULATION	COMMENTS
1	7923	This ward has three distinct areas in terms of land use: the sparsely populated northwestern portion which has some commercial agriculture – mainly sugar cane, but is mainly extensive areas of grassland under livestock, with patches of traditional agriculture towards KwaYanguye, where there are farms which are currently under consideration for transfer in terms of land reform policy. This area also has a large area of thickets and bush as the land falls away towards the Mfolozi river valley. The southern portion, which is also very sparsely populated, but has considerably more commercial agriculture under sugar cane and timber with some citrus and other fruit. The eastern portion is the KwaYanguye Tribal Area which is under communal tenure (Ingonyama Trust). There are pockets of settlement ranging from 50 – 600 persons per km ² . Apart from these settlement clusters, which are scattered along the spine road and the flatter areas on top of the watersheds, the remaining area is very sparsely populated, largely due to the steep terrain as the land falls away from the highlands towards the valley bushveld of the Mfolozi river. Most of this is not arable, suitable only for extensive grazing, with the most environmentally sensitive areas on the steeper slopes, not suitable for any type of agricultural practice.
2	6861	This ward comprises part of the Melmoth Town, including Thubalethu, so comprises perhaps the highest densities in the municipality. The town of Melmoth is the central place of almost all the wards at Mthonjaneni and Thubalethu is a township which is a residential area for most of the commuters.
3	6312	The area covers part of the town. It also comprises of privately owned farms which are utilised for commercial farming specialising mainly on forestry and sugar cane cultivation. Part of the ward is characterised by nucleated rural settlement, the pattern being informed by unavailability of land and some areas with a steep terrain

WARD	ESTIMATED POPULATION	COMMENTS
4	5770	This is the largest municipal ward in terms of area, but the most sparsely populated. Apart from an area around KwaMagwaza, essentially the farms KwaMagwaza Mission Station and Spes Bona, and part of the Imfule Mission farm, the ward has a population density of less than 50-100 people per km². The KwaMagwaza node has a population of 601 – 700 / km². The ImfuleMissioN node – just the southern end of the Imfule Mission farm – has a population density of 901 – 1000 /km². Overall, the densities are very low, the existing land use being dominated by forestry (plantations) with grasslands on the steeper slopes. Around the KwaMagwaza area are small patches of commercial agriculture (largely sugar cane), traditional agriculture and thickets and bush. The area South west of the ward consist of partly isolated households due to steep slopes and the vegetation cover is grassland and thornbushes towards the middle course of Mhlathuze river
5	6142	The farms Wilhelmina and Arcadia are the most densely populated in this ward, with densities varying between 100 – 500 people per km². This area, also commonly known as Mfanefile, has a mixed land use of settlement, small scale agriculture, including sugar cane, timber and vegetable patches. The settlement and land use activities extend down the spine road which branches south of the tar road at KwaMagwaza, and winds slowly down the watershed between tributaries of the Mhlathuze, the land falling steeply away on either side. The topography of the ward, the southern part being the steep slopes leading down to the deeply incised Mhlathuze river valley, means that the remainder of the ward area, away from the road, is sparsely populated, the land use being largely grassland, thickets and bush with small patches of traditional agriculture in the river valley. Settlement patterns are mostly nucleated towards the main road.
6	6392	The area is under INgonyama Trust. The area consist of settlements which are sparsely nucleated and which mainly practices subsistence farming. Vast of the area is having steep slopes.

WARD	ESTIMATED POPULATION	COMMENTS
7	7522	This is the northern portion of the Zulu-Entembeni Tribal ward area and is Ingonyama Trust land. Once again, the terrain has led to human settlement and activity being confined to clusters ranging in density from 100 to 800 people per km ² .
8	3573	Together with the Ekuthuleni area, this ward of the municipality is perhaps the most densely settled with the concentration along the R34 primary corridor which passes through the Ndundulu node which has the highest concentration of people of between 700 – 800 people per km ² . This ward all falls under the Ingonyama Trust.
9	7003	This is one of the highly populated areas with clustered homestead towards the main road. The area is semi arid and this limits agricultural practices. There is but however accessibility to towns like Mhlathuze
10	8509	This is a semi arid area with nucleated homesteads. Agricultural practises very limited with large areas of erosion
11	5152	The area is also highly populated and semi arid. It is also characterised by clustered settlements.
12	7846	The area is sparsely isolated settlement and is also semi arid. Agricultural practices are also ineffective.
13	4558	The area is in the close proximity of Umfolozi game reserve. It consists of thornveld bushes. Agricultural production is also at a very low level with only few areas of subsistence farming mainly focusing on livestock
TOTAL	83 563 (2011 StatSa, 2016 Census) The information from 2022 has not been received	

The Community Survey (2007) indicates that the majority of households (53%) are traditional dwellings, while 22% are worker hostels, and 22% are houses on a separate stand.

Provision of sustainable settlements to the people

Current housing needs.

Housing was identified as a key issue in the community participation process of the IDP. As part of the Integrated Development Plan Process and Land Identification Study for Low-cost Housing, a range of population projections were undertaken to provide a base for the determination of present and future housing needs, specifically in the low-cost

group. The total number of households within the municipality was calculated to be 5 461 with the total population estimated to be 47 818 this implies an average household size of approximately 10, 433. (Source Stats SA 2011)

Based on the information compiled from the Statistics SA 2011, the projections indicate that approximately 3, 1 % of households (317) within the municipal area into the homeless, and informal dwelling shack category and be in line with the Provincial targets to clear all slums by the year 2010, while 55, 8% of dwellings (5641) fall into the traditional housing category.

With reference to the above statistics, it is evident that the housing demand is very high in the rural areas which estimated to be at least 70% (3 928) of the total demand in rural areas and it is increasing at a very fast rate. Therefore, it is suggested that the rural housing projects be prioritised in the rural housing programme that seeks to reduce the backlog in basic infrastructure services within the rural areas.

There is a need to address major problems such as land reform related issues in many parts of the municipal area. The majority of these areas are on land that is currently occupied by farmers. Some of these areas which belongs to black farmers are not utilised for commercial farming practices.

Housing Sector Plan

Planned / proposed future housing projects

The Housing Sector Plan was prepared in 2008/09 identified projects that are required by the communities. The housing sector plan was revised for the purposes of updating the current housing status quo and new planned housing projects. The revised Housing sector plan was approved by Council during the 2014/2015 financial year. The Municipality has reviewed its Housing sector plan during the 2017/2018 financial year and the new wards from Ntambanana Municipality have been included.

According to the housing sector plan the following are prioritised proposed housing projects per ward identified by the Housing Steering Committee within Mthonjaneni Municipality:

Focus point one: To compile a detailed and accurate beneficiary waiting list.

WARD	PROJECTS	REMARKS
1	Yanguye(Rural Housing)	1000 houses currently underway
2	Thubalethu (Proposed Low Cost Housing Extension)	Site is situated opposite the existing Thubalethu Township The issue of land ownership and zoning needs to be clarified and the preliminary feasibility study needs to be undertaken. The site is within the urban area and in close proximity of bulk services.
	Melmoth (Proposed Middle Income Residential)	Site is adjacent to Protection Services. The issue of land ownership and zoning needs to be clarified and the preliminary feasibility study needs to be undertaken. The site is within the urban area and in close proximity of bulk services.
4	Ward 4 Rural housing project (Proposed in-situ upgrade project)	The area is very rural and dwellings are very much dispersed. Most of the ward area is covered by private farms which poses a challenge in the implementing project. 1000 units to be constructed in the ward.
5	Mgabhi (Rural Housing)	The area is very rural and dwellings are very much dispersed, the area is also very steep. The issue of land ownership has not yet been resolved and this has poses a challenge in the provision of houses to the ward.
6	Esibayeni Rural Housing Project	The terrain of the area is steep and this becomes the confronting factor in the delivery of material to areas away from main road.
	Ekuthuleni (Mission Property) Rural Housing Project	The area consists of mission property and it is one of the Land Reform projects currently underway. The area is largely rural, semi dispersed, steep and in terms of bulk services: most parts of the area are electrified, and the community uses communal stand pipes as a water source.

7	Makhasaneni (Rural Housing)	The area is very rural, steep and the dwellings are dispersed; in terms of bulk services: most parts of the area are electrified, and the community uses communal standpipes as a water source. The project consists of 1000 houses
	Hawule (Rural Housing)	The area is rural, steep and dwellings are semi dispersed, in terms of bulk services: the area is not entirely electrified, and communities use water tanks as a source of water.
8	Dubeni/Mabhungu Housing Project (Rural Housing)	The area is mountainous. The area does have provision of water and electricity. The project consists of 360 houses
9	Nomponjwane Rural housing Project	The terrain of the area is mostly of gently gradient. There is electricity and water yet some of the areas uses jojo tanks.
10	Nomponjwane Rural housing Project	The terrain of the area is mostly of gently gradient. There is electricity and water yet some of the areas does not have stand pipes and mainly uses jojo tanks.
11	Ogelweni Rural Housing Project	The project consists of 1000 housing units
12	Obuka Rural Housing Project	The project consists of 1000 housing units which is shared with ward 13
13	Obuka Rural Housing Project	The project consists of 1000 housing units which is shared with ward 12

Table 52- Housing Projects

OBJECTIVE	ACTIVITY/DELIVERY STRATEGY	OUTPUT	RESPONSIBLE UNIT
Compilation of a detailed housing demand database	Assign functions to an official to manage the compilation of a housing waiting list	Functions are assigned to an official to manage the housing list	Technical Department / Planning Office
	Develop a housing demand database format to be used in enlisting applicants	List format is developed	Consultant and Technical Services
	The housing database format should categorise applicants in terms of income, disability, pensioners etc.	A standard form will be agreed upon and used	Technical Services and Ward Councillors
	A data base will be established and compilation of a single municipal database categorised into wards	A data base will be established	Technical Services
	Housing Committee to decide on the allocation of subsidies.	Subsidies will be allocated	Housing Steering Committee

Table 53- Housing Strategies Focus

13. SECTOR PLANS

The municipality has the below sector plans in place:

No.	Sector Plan	Completed? (Y/N)	Adopted (Y/N)	Adoption Date (if adopted)	Date of Next Review
1.	Spatial Development Framework (SDF)	Y	N	May 2024	2028
2.	Disaster Management Plan	Y	Y	May 2024	2028
3.	Housing Sector Plan (HSP)	N	N	2025	
4.	Local Economic Development (LED Strategy)	Y	Y	May 2024	2028

				Reviewed to incorporate MEC Comments	
5.	Integrated Waste Management Plan (IWMP)	N	N	DFFE and EDTEA is supporting the Municipality in reviewing the IWMP	
6.	Road Maintenance Plan	Y	Y	2020	2025
7.	Energy Sector Plan	Y	N	The municipality will request the funding from Department of Mineral and Energy to develop the Energy Sector Plan	
8.	Ward Based Plans	Y	Y	2021	2025

Table 54- Service Delivery Sector Plans

KPA 2: BASIC SERVICE DELIVERY CHALLENGES

CHALLENGES	DEFINITION	INTERVENTIONS
Ageing Infrastructure	The infrastructure has reached lifespan period due to no maintenance occurred.	Develop a Comprehensive Infrastructure Plan (CIP) and need additional funding to implement the CIP. (National Treasury/Provincial Treasury/Department of Energy/COGTA/Private Sector
Inadequate funding for infrastructure development	The municipality is based in deep in rural areas and as a result it does not have enough revenue generating initiatives. The merger with Ntambanana Municipality has added more financial load to the municipality while the allocated equitable share has not changed to when the municipality had 6 wards. Sluggish economic growth resulting in failure to attract investors.	Source funding to implement CIP from relevant funding sources/sector departments. Invite the Departments to come assess the costs to delivering services like electricity
Backlog in Road Rehabilitation	Gravel access roads needs to be rehabilitated on regular basis and under different circumstances mainly: - heavy rains. The municipality does not have the Grader (Plant) to meet the demands.	The municipality to purchase Grader (Plant) in 2024/2025 financial year.

HIGH ELECTRICITY DISTRIBUTION LOSSES AND ILLEGAL CONNECTIONS	The municipality is experiencing high volume areas like Thubalethu Town-ship of illegal electrical connections especially.	The municipality will disconnect all illegal electricity connections to all non-compliance residents.
POSSIBILITY OF SERVICE DELIVERY STRIKES	Progress on projects is very slow due to inadequate funding from relevant funders.	The municipality has started an application to source funding other than MIG/INEP

Table 55- Basic Service Delivery Challenges

BASIC SERVICE DELIVERY SWOT ANALYSIS	
STRENGTHS	WEAKNESSES
• Proper spending for Municipal Infrastructure Grant and INEP • Municipal Maintenance Plan in place and functional • Consistent Waste Collection • Creation of job opportunities through EPWP, CWP, LIC and other grants • Green Municipality (Environmental)	• High Service Delivery backlogs • Aging infrastructure • Lack of sufficient budget • Delays on electricity project energising • Non-Alignment of funding and actual project • Usage of tractor for waste removal • High reliance on consultants
OPPORTUNITIES	THREATS
• Strengthen relations with key stakeholders to ensure project alignment • Procuring Municipal Own Plant. • Possibility of more Public-Private Partnership • Effective/acceleration of service delivery through INEP Grant and MIG.	• Business Forum interference hinders progress on projects • High electricity distribution losses and illegal connections • Possibility of service delivery strikes • Bulk electricity supply • Poor Maintenance of roads infrastructure and High Road maintenance costs • Delays in completing Capital Projects due to funding. Social unrests. • Vandalism Municipal infrastructure • Cable theft • Loadshedding

Table 56- BASIC SERVICE DELIVERY AND INFRASTRUCTURE SWOT ANALYSIS

LOCAL ECONOMIC AND SOCIAL DEVELOPMENT SITUATIONAL ANALYSIS

14. LOCAL ECONOMIC AND SOCIAL DEVELOPMENT ANALYSIS

The LED Strategy is under the review process. Mthonjaneni Municipality has developed a Draft Document which will guide the review process. Stakeholders have been informed especially Department of Economic Development who willing to assist the municipality in developing a credible plan. Timelines and milestones will be incorporated to the final document. The following is the executive summary that is extracted from the Draft LED Strategy:

INTRODUCTION

Local Economic Development is one of the Key Performance Areas of municipalities. As a municipality, Mthonjaneni has a Constitutional mandate to promote local economic development. Section 153 of the Constitution states:

A municipality must structure and manage its administration, and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community.

Section 152 of the Constitution sets out the five basic objectives of municipalities:

- ❖ to provide democratic and accountable government for local communities.
- ❖ to promote social and economic development of their communities.
- ❖ to promote a healthy and safe environment.
- ❖ to encourage the involvement of communities and community organizations in the matters of local government by consulting with the community and letting the community participate in the decision-making process; and
- ❖ to provide basic services to communities in a sustainable manner – services such as water and sanitation, electricity, refuse removal, health and fire-fighting services, public transport and roads and parks.

The South African government has prioritized rural development and urban renewal as key strategies to counter the legacy of uneven development in the

country. As a rural municipality, Mthonjaneni Local Municipality must take advantage of this declaration by national government and ensure that its people benefit optimally from rural development efforts. The municipality must be driven by the desire to make the municipal area attractive places to live in, invest in and visit. This is to be achieved by making LED fashionable and important.

Mindful of the fact that local government is not directly responsible for creating jobs, but rather to create an enabling environment for jobs, Mthonjaneni Local Municipality's LED strategy will develop a clear vision and strategic agenda for economic development. The overall goal of the strategy is to unlock economic development opportunities in the municipal area through the involvement and collaboration of all stakeholders

An LED plan or strategy must be based on the prevailing conditions of a municipality so that the municipality can implement it and attain its goal of growing the local economy. A thorough analysis of the local environment, both economic and social will be the primary focus of the chapter. The analysis will enable the municipality and other role players to have a clearer picture of the economic possibilities and obstacles in the municipal area and develop strategies to grow the local economy.

How the LED Strategy Addresses the MEC comments?

The table below provides information on how the LED Strategy addresses each comment

ISSUE RAISED	HOW THE LED STRATEGY ADDRESS THE ISSUE	PAGE WHERE INFORMATION CAN BE FOUND FROM THE STRATEGY
Deliverables when it concerns Ease of Doing Business/Red Tape Reduction	To become realistic on how to address Ease of Doing Business/Red Tape Reduction the LED Strategy provides the following deliverables:	72- 74; 136- 137; 155; 166- 167; 154-189

		➤ The Strategy introduces a Red Tape Reduction Plan (also referred to as a Facilitation Model for Red Tape reduction) ➤ Setting annual targets to the improvement of identified municipal processes affected by Red Tape ➤ Provide preferential treatment for local enterprises to benefit from such as informal trade grants funding and licensing incentives	
Strategic Responses	Programme	Chapter 8 of the Strategy provides specific interventions aimed at addressing the specific challenges faced by the municipality. These interventions have been identified based on an analysis of the	P pg 136; 144-145; 155; 162; 167; 175; 183:

	municipality's economic landscape and the identification of key areas of opportunity. By focusing on these strategic intervention areas and implementing a comprehensive implementation plan, Mthonjaneni can work towards achieving its vision of becoming a prosperous and inclusive local economy	
Aligned involvement of Traditional Leaders	The Strategy stipulates the need of creating social compacts with the Traditional Authorities for them to meaningfully participate in the formulation and implementation of municipal programmes around agriculture, culture, and tourism.	136; 144-145; 155; 162; 167; 175; 183:
Strengthening value chain analysis to identify untapped economic opportunities	The LED Strategy proposes the following deliverables to respond to the weaknesses identified during value chain assessment:	66- 67; 135

	➤ Facilitate market linkages between farmers (small-holders and commercial) and various markets e.g., processors, local supermarkets, and hospitality establishments ➤ Targeted market development support to registered enterprises and helping new businesses during registration process	

Table 57- LED MEC Comments guide in the LED Strategy

MTHONJANENI ECONOMIC PROFILE

LED is intended to maximize the economic potential of municipal jurisdictions throughout the country and, within the context of sustainable development, to spur macro-economic growth through economic growth, employment creation, and development initiatives at the local level. The “local” in local economic development underscores the belief that a local jurisdiction is often the most appropriate arena for economic intervention as local government enjoys legitimacy deriving from its being a democratically elected body accountable to the local community.

Mthonjaneni Municipality is part of the global village. As such, its economy and lives of its community members are affected directly and indirectly by global,

continental, national, provincial, and regional economic phenomena at macro and microeconomic levels. The challenge of LED practice is to understand the nature, depth, and effects of these phenomena on the political, strategic, institutional, economic, and social aspects of the municipality and its people. The analysis of the socio-economic and physical situation of the municipality area indicates that:

The economy is dominated by government, forestry, agriculture, finance, retail, accommodation, and general and personal services. These account for much of formal employment in the public service, banks, retail centers, services, and consulting and household services. There are no firms in manufacturing, mining, construction

In the absence of major productive economic sectors like minerals, manufacturing, construction, the economy is consumption driven as individuals and households spend more than 80% of income on consumer and durable goods like furniture, transport, electronics, food, apparel, services, and public goods.

This consumption economy is indicated by the growth of retail and informal business, which have been the only major economic developments in the past decade in the area. Consumption is driven by unsustainable levels of credit card debt, medium term loans and mortgage debt.

More than half of economically active people are unemployed or under-employed. The rural villages have huge backlogs of basic infrastructure, public services, and employment opportunities.

This economic structure (characterized by consumption rather than production), together with population growth and lack of public/private sector investment, presents a major political challenge to the municipality and its potential partners in the provincial government and the business sector to design innovative LED programs that will achieve economic growth, social progress and create jobs.

The analysis further reveals that the municipality needs to deal with the following structural challenges to grow its economy:

- ❖ Chronic poverty, structural unemployment, and a relatively small market.
- ❖ Poor education and skills development outcomes – which exacerbate poverty and unemployment.

- ❖ Environmental degradation and depletion of soil nutrients.
- ❖ Lack of industrialization programs.
- ❖ Spatial distances between the urban/rural divide and within urban areas, and binding constraints posed by poor physical planning and network infrastructure.
- ❖ Distance from main markets globally and limited market access.
- ❖ Poor implementation and coordination at provincial and municipal levels

THE PURPOSE OF LOCAL ECONOMIC DEVELOPMENT STRATEGY

This strategy seeks to achieve the following:

- promote local economic development
- promote SMME development (entrepreneurship) promote tourism initiatives.
- promote forestry development.
- promote Agrarian Reform.

Mthonjaneni Municipality's Local Economic Development Unit will be a facilitator and conduit for required resources and identified socio-economic community needs with a clear development focus on the creation of a growing local economy. Municipality is committed to promote quality economic development facilitation and coordination services to its communities by:

- Facilitating opportunities for SMME's.
- Supporting poverty alleviation projects.
- Facilitating agriculture, value-adding and market access opportunities.
- Developing an investment attraction and marketing strategy for our area.
- Facilitating finance, funds, and resources from non-governmental, private and donor sectors.

- Monitoring the creation of jobs/business opportunities created by Mthonjaneni Local Municipality.

APPROACH AND METHODOLOGY

Compilation of the strategic plan took place within the context of the Integrated Development Plan of the Municipality, the District's Plans and the Provincial and National Development Plans such as the PGDS and the National LED Policy. Current Strategic Plans and Reports and previous research work that concluded in the past were considered in the formulation of the Plan. It must be pointed out that there is many economic development-related studies and projects that have been undertaken within the municipal boundaries that could be used to substantiate and elaborate on the identified strategies and related programs.

The Strategy review and approach was guided by the Genesis methodology.

Genesis—which means Generating-Strategy-Innovation-Solution for local economic development, is a “robust and innovate methodology to define strategic priorities and launch or accelerate a process of transformation in local economic development.

It is a methodology for identifying strategic interventions in the context of a local economic development initiative.

The table below illustrates the structure of the Genesis exercise model that was utilized

in the development of Mthonjaneni Local Municipality LED Strategy:

Phase 1	LED relations configuration

Phase 2	Build-up and mobilization of Stakeholders
Phase 3	Data mining
Phase 4	Fact finding
Phase 5	Scenarios and prioritization of Projects
Follow up	Recommended studies, plans etc.

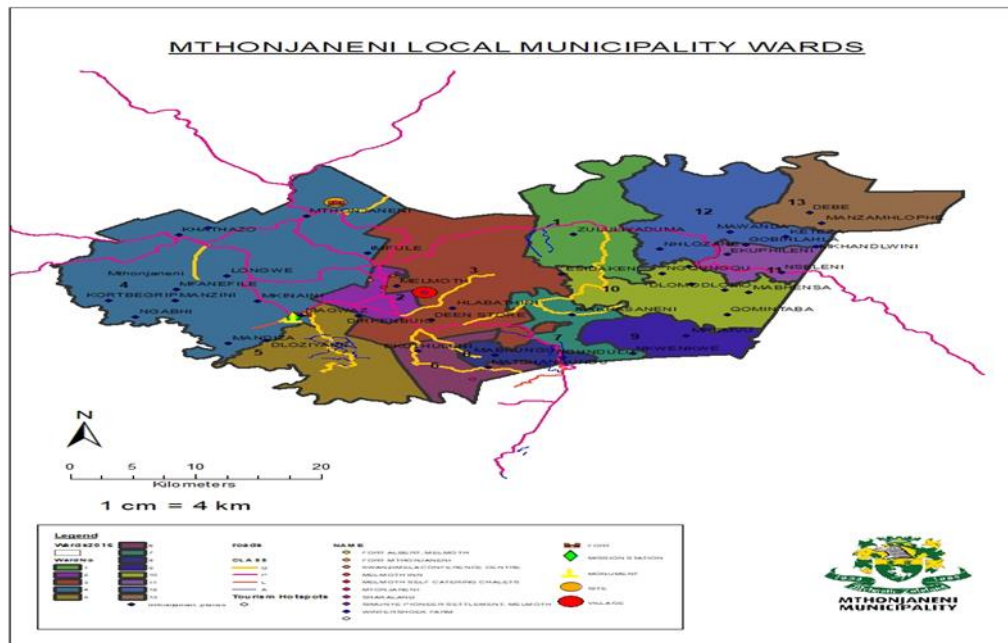
Table 58- Genesis exercise model for Mthonjaneni LED development

GEOGRAPHIC LOCATION OF MTHONJANENI

Mthonjaneni is in the central northeastern part of the province of KZN and is one of the five local municipalities that make up King Cetshwayo District together with Mfolozi (KZ 281), uMhlathuze (KZ 282), uMlalazi (KZ 284) and Nkandla (KZ 286). The Mthonjaneni Municipality consist of 13 wards as per the new demarcations after the 2016 Local Government Elections. It comprises of Melmoth which serves as the Central Place Town for its surrounding rural areas. The larger part of the areas that forms the sphere of influence of Melmoth is deep rural most of the people ranging from low to middle income earners. Most of the area under Mthonjaneni Municipality is own by Ingonyama Trust under the leadership of INkosi Biyela of Obuka, INkosi Zulu of Ntembeni and INkosi Biyela of Yanguye. Part of the area is privately owned with vast areas being owned by white farmers.

Mthonjaneni Municipality experiences warm humid climate with more rainfall being experienced during the summer season. This becomes the favoring factor towards agricultural production. Forests and sugarcane production are the major

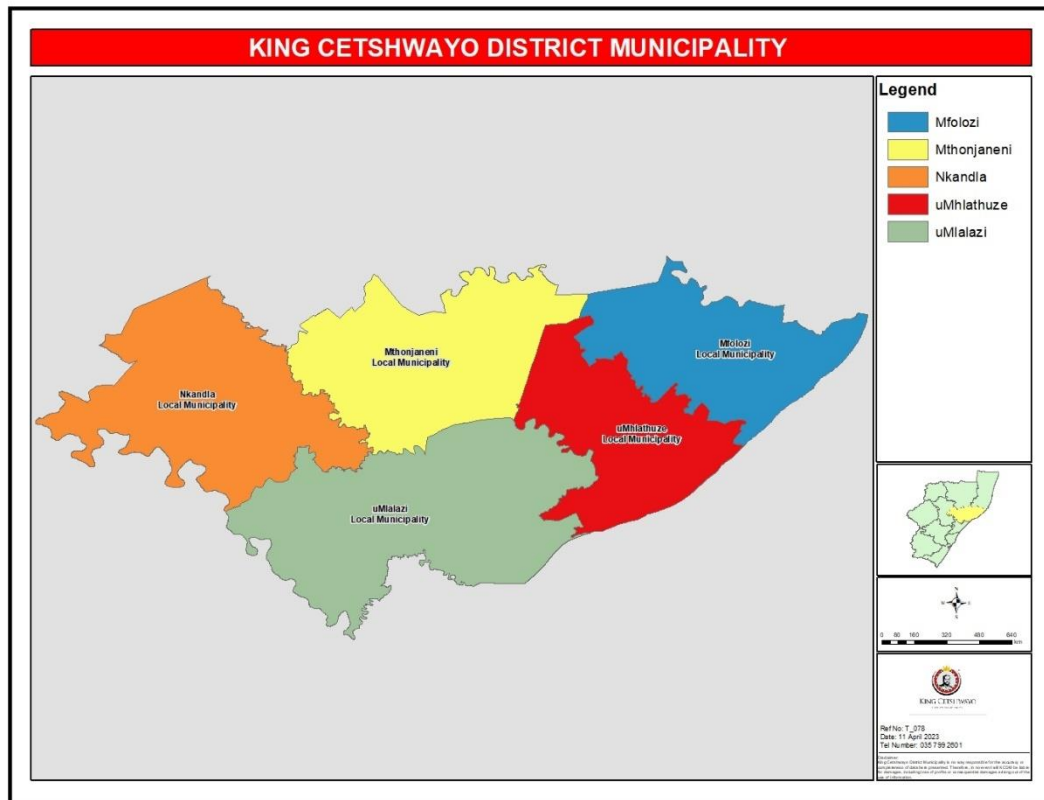
commercial agricultural practices and livestock farming which is mostly subsistence in most surrounding rural areas.



Map 41- Mthonjaneni Municipality

King Cetshwayo is a district municipality situated in the northeastern region of KwaZulu-Natal province on the eastern seaboard of South Africa. King Cetshwayo covers an area of approximately 8213 square kilometres, from the agricultural town of Gingindlovu in the south to the UMfolozi River in the north and inland to the mountainous beauty of rural Nkandla.

Map 42- KCDM Locals



LIMITATIONS OF THE STRATEGY

The municipality is reviewing and developing the LED strategy having observed the following limitations:

- ❖ Absence of housing sector plan by the Municipality.
- ❖ Unavailability of the most crucial agricultural sector plan.
- ❖ Unavailability of the tourism sector plan.
- ❖ Unavailability of investment attraction strategy.
- ❖ Unavailability of the reviewed Spatial Development Strategy and LUMS

Based on the unavailability of most critical sector plans, we will conduct more research to ensure that the information necessary for the LED strategy is obtainable.

SUSTAINABLE DEVELOPMENT GOALS

Sustainable Development Goals are a set of 17 goals agreed to by countries of the world after two years of intensive negotiations to guide and set development targets for 2030. The goals are backed by 169 detailed targets which have a universal application, i.e., they apply to all countries of the world adopted a set of goals to stimulate action for people, planet, prosperity, peace, and partnership as part of a new international sustainable development plan. Meeting the needs of the present generations, without compromising (& perhaps even creating a better platform) the ability of future generations to meet their needs, Balancing the needs for economic growth, social development, and environmental integrity.

Figure 1: Sustainable Development Goals



As a member of the United Nations, South Africa is committed to the attainment of the SDGs and the National Development Plan is aligned to these goals. The responsibility of working towards the SDGs does not only lie on the part of national government, provinces, municipalities, and individuals are challenged to contribute towards the 169 targets.

CONSTITUTION OF SOUTH AFRICA, (ACT 108 OF 1996)

The constitution is the overarching legislation in South Africa and all other policies, legislation and strategies must align to it. It mandates all levels and spheres of government, to promote social and economic development.

Section 152 of the Constitution relates to economic development by stating the following objectives of local government:

- ❖ To promote social and economic development.
- ❖ To promote democratic and accountable government for local communities.
- ❖ To ensure the provision of services to communities in a sustainable manner.
- ❖ To promote a safe and healthy environment; and
- ❖ To encourage the involvement of communities and community organizations in the matters of local government.

The objects of local government compel municipalities such as Mthonjaneni to take responsibility for and lead efforts to develop the local economies. The constitution also put emphasis on the centrality public participation in matters of developmental government. **Section 217** of the constitution also enjoins all organs of state to conduct procurement of goods and services in a fair **fair, equitable, transparent, competitive, and cost-effective** manner. Procurement is central to economic development and as part of government Mthonjaneni Local municipality is required to comply with this requirement in its dealings with SMMEs.

NATIONAL DEVELOPMENT PLAN

The National Development Plan 2030 recognizes that inclusive economic growth in South Africa is critical for addressing inequality. Development at local government should also be based on the NDP as all government planning targets and indicators are contained in the NDP.

i. The six Pillars of the National Development Plan

The objectives of the plan are the elimination of poverty and the reduction of inequality through:

- ❖ Uniting South Africans around a common program to eliminate poverty and reduce inequality
- ❖ Encourage an active citizenry, also in keeping government accountable
- ❖ Raising economic growth, promoting exports, and making the economy more labour absorbing
- ❖ Focusing on key capabilities of both people and the country (Capabilities include skills, infrastructure, social security, strong institutions, and partnerships both within the country and with key international partners)
- ❖ Building a capable and developmental state
- ❖ Strong leadership throughout society that work together to solve our problems

ii. Core Themes of National Development Plan

Through the NDP, South Africa has several targets and indicators, which are aimed at achieving a decent standard of living for all by 2030. The plan aims to develop the lives of all South Africans by focusing on the themes displayed below.

Figure: 2 National Development Plan Themes

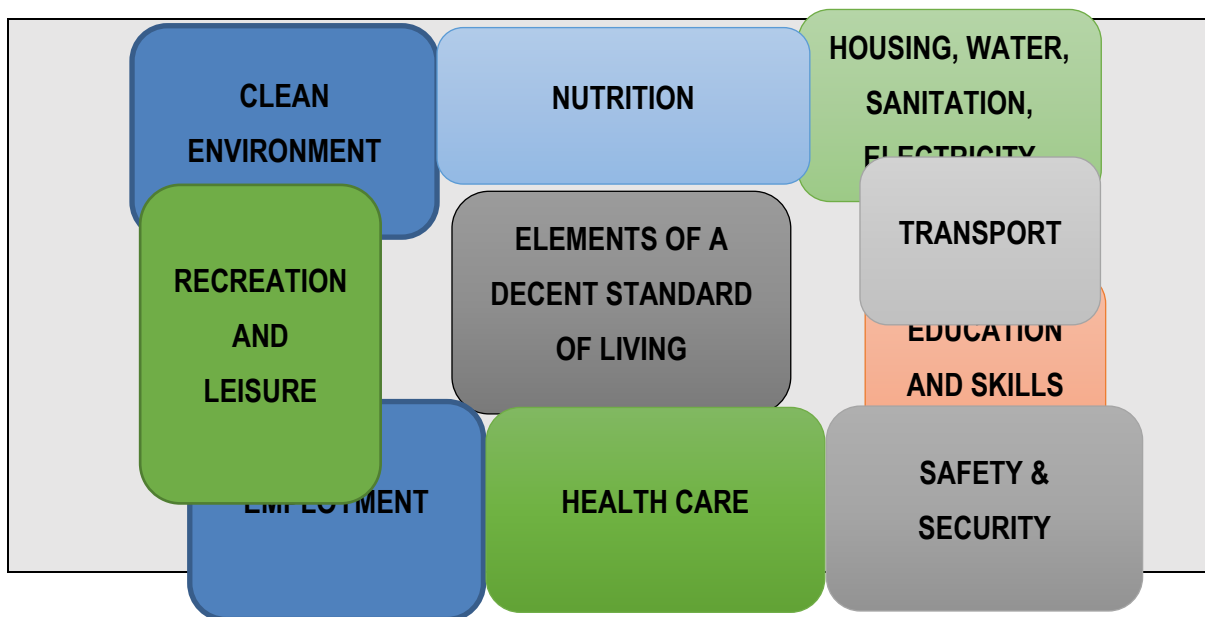


Figure 2 above depicts the elements of a decent standard of live, which the NDP has identified as key to the improvement in the socio-economic wellbeing of all South Africans. Mthonjaneni Local Municipality must also ensure that its LED efforts address some of these standards. This calls for the alignment of the LED Strategy with the pillars of the NDP.

Although all chapters in the NDP are relevant to the growth of the economy of the country, province and local municipality, this section will focus on the three chapters of the NDP, which are concerned with Economic and Employment, Economic Infrastructure, and Inclusive Rural Economy.

According to the NDP, (pg., 110), “the key measures of economic success identified in the plan are that

ECONOMIC AND EMPLOYMENT

South Africa achieves average Gross Domestic Product (GDP) growth of over 5 percent, and that by 2030 GDP per capita is more than twice the present level, export growth has accelerated, income levels have risen above the poverty line for all, inequality has been substantially reduced, and unemployment has been reduced from 25 percent to 6 percent. These targets will result in the growth of the economy and the reduction in the rate of unemployment in the country. A growth in the economy will also lead to the elimination of poverty and inequality among the section of the citizens who are categorized as poor. Actions that will lead to the growth of the economy and reduction of unemployment include:

- ❖ Reduce the cost of living for poor households and costs of doing business through microeconomic reforms.
- ❖ Remove the most pressing constraints on growth, investment, and job creation, including energy generation and distribution, urban planning etc.
- ❖ Offer a tax incentive to employers to reduce the initial cost of hiring young labour market entrants. Facilitate agreement between employers and unions on entry-level wages.
- ❖ Give a subsidy to the placement sector to identify, prepare and place matric graduates into jobs.
- ❖ Business and labour to develop their own proposals to reduce youth unemployment.

ECONOMIC INFRASTRUCTURE

The NDP has identified economic Infrastructure as the basic requirement for the growth of the economy. Although infrastructure does not directly produce goods and services it plays an important role in development by facilitating production in primary, secondary and tertiary economic activities by creating positive external economies. Several actions have been proposed to grow the country’s economy through the improvement of the economic infrastructure, these include:

- ❖ Increasing access to water

- ❖ Resolving maintenance refurbishment backlogs in the water and electricity infrastructure
- ❖ Expanding transport networks and systems
- ❖ Increased access to communications technologies, in particular broadband,

The improvement of the economy of rural areas is one of the goals of the NDP. The main objective about

INCLUSIVE RURAL ECONOMY

the creation of an inclusive rural economy is creating a balance in the development of both the rural and urban areas by maintaining their interdependence and support of each other. According to the NDP, the following actions should enable the government to create an inclusive rural economy:

Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments

Create tenure security for communal farmers, especially women; investigate different forms of financing and vesting of private property rights to land reform beneficiaries that does not hamper beneficiaries with a high debt burden.

KEY ECONOMIC DEVELOPMENT ISSUES FOR LOCAL GOVERNMENT

- ❖ Develop flexible human settlements, responsive to changing locations of work (such as available rental stock, and good and affordable public transport systems).
- ❖ Reduce the cost of living in relation to food, transport, education, health, and other basic services
- ❖ Government procurement should help reduce racial patterns of ownership of wealth and income
- ❖ Lowering the costs of transport and logistics and investing in remedies to address spatial divides
- ❖ Reduce red tape
- ❖ Focus on infrastructure that promotes efficiency in the economy and reduces costs for business and for individuals

This means the economic empowerment of all so-called black people of South Africa namely, the

BROAD-BASED BLACK ECONOMIC EMPOWERMENT ACT (N0. 53 OF 2003)

Africans, Coloureds and the Indians as well as various groups including women, workers, youth, and

people with disabilities and people living in rural areas, through diverse but, integrated socio-economic strategies that include, but not limited to the following:

- ❖ Increasing the number of black people that manage, own and control enterprises and productive assets.
- ❖ Facilitating ownership and management of enterprises and productive assets by communities, workers, cooperatives, and other collective enterprises.
- ❖ Human resource and skills development.
- ❖ Achieving equitable representation in all occupational categories and levels in the workforce.
- ❖ Preferential procurement; and
- ❖ Investment in enterprises that are owned or managed by black people.

The objectives of this Act are to facilitate broad-based black economic empowerment by promoting economic transformation to enable meaningful participation of black people in the economy. There will be the achievement of a substantial change in the racial composition of management structures and in the skilled occupations of existing and new enterprises. This will increase the extent to which communities, workers, co-operatives, and other ownership collective enterprises own and manage existing and new enterprises and increasing their access to economic activities, infrastructure, and skills training.

It is also aimed to increase the extent to which black women own and manage existing and new enterprises, and increasing their access to economic activities, infrastructure, and skills training. This will subsequently promote the investment programs that lead to broad-based and meaningful participation in the economy by black people of Mthonjaneni to achieve sustainable development and general prosperity. Another objective of the Act is to empower rural and local communities by enabling access to economic activities, land, infrastructure, ownership and skills and promoting access to finance for black economic empowerment.

GEAR is aiming to broaden the support from all the previously disadvantaged community members of South Africa. This program also includes the mechanism aimed at aligning spatial choices around government investment and development spending across all spheres of government.

TOURISM

Mthonjaneni has a significant potential for tourism development due to its location (R66/34 Tourism Route and P700 for biodiversity corridor), as it boasts natural attractions ie. Phobane Dam. The municipality's tourism sector is currently focused on business tourism, but there is an opportunity to expand into leisure tourism by promoting the area's cultural heritage and natural beauty. In addition, event tourism is seen as a low-hanging fruit that can increase occupancy and create jobs in the short term. The municipality has identified tourism as one of the key enablers for economic development and job creation and is committed to supporting the sector by developing an end-to-end business support infrastructure, promoting investment, and driving inclusiveness and transformation.

The Municipality has vast unpackaged history that the Municipality will be looking to explore soon. The Municipality has discovered crafters of different craftwork and has began to support these crafters by providing them trainings, they were also provided with machines to increase productivity. There are however notable gaps mostly in the quality of some products that they produce.

The Community Tourism Organization convenes quarterly, this structure is made up of all Local Tourism Site Owners and they discuss interalia the challenges that are faced by the Local Tourism Sector. Notable Challenges that have been raised includes.

- Signage/ Marketability for Tourism Sites
- Road Infrastructure
- Loadshedding
- Non-Visibility of CTO's Office

The map below shows the Activities, Accomodation, Historic and Sceneries. Under activities the Municipality has a Golf Course situated in Ward 3. The Accommodations that the Municipality has are, KwaNzimela Centre in KwaMagwaza, Mfulawozi Wilderness in ward 13, Mthonjaneni Lodge in Ward 4, Golfview 1 and 2 in ward 2, Fairview Lodge in Ward 3, Mari's Cottage in Ward 3, Jenny's BnB in ward 3, Nandi Country Lodge in ward 3 and Mhlanga Lodge in ward 3.

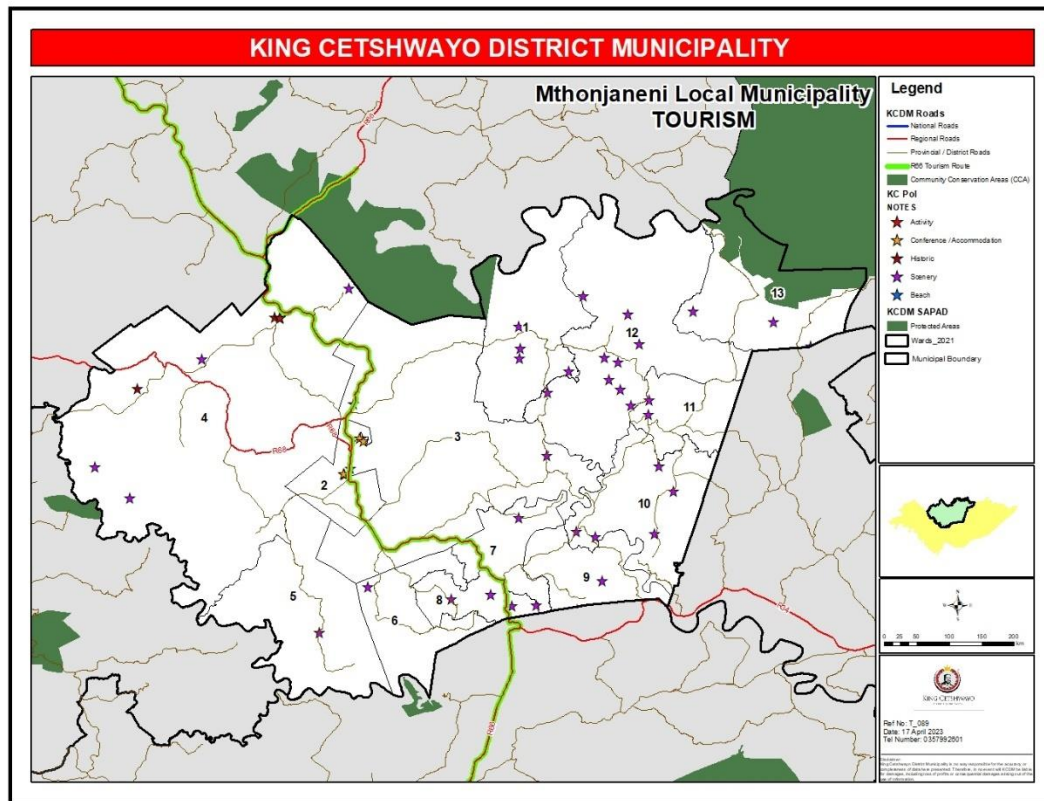


Table 59- Mthonjaneni Tourism

KZN Industrial Development Strategy

Provincial Policy Framework

The Department of Economic Development and Tourism has completed an extensive research and consultation process resulting in the KwaZulu-Natal Industrial Development Strategy. The strategy essentially identifies the strengths, weaknesses, opportunities, and threats to all the economic sectors in the province, and then proposes a program of action to ensure that Mthonjaneni, firstly, stop losing jobs in key employment industries, and secondly, begins to grow jobs in targeted sectors.

The strategy very firmly identifies those areas where government can make the best impact and proposes several priority actions to develop the international competitiveness and the job creation capacity of the targeted sectors. The sectors targeted for intervention and support from government are clothing and textiles, wood products, information and communication technologies, agri-business, tourism and the arts, crafts, and cultural industries.

KZN PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY

This is the Strategy for the provincial government to guide all departments to work together in coordinating service delivery to the community of KwaZulu-Natal and integrate all government sectors. These include Transport, Water Affairs and Forestry, Environmental Affairs and Tourism, Housing, Provincial and Local Government, Mineral and Energy Affairs, Communications, Agriculture, Labour, Education, Welfare/Social Development, Health, Finance. All these Departments believe that a PGDS would assist them to priorities more effectively, especially since it should enable them to better co-ordinate their programs with those of other line-function Departments.

The key objectives of the Provincial Spatial Economic Development Strategy are to:

PROVINCIAL SPATIAL ECONOMIC DEVELOPMENT STRATEGY

Provide a framework within which to discuss the future development of the province's space economy by reflecting the localities of severe deprivation and need, of resource potential, of infrastructure endowment and of current and potential economic activity by describing the key social, economic and natural resource trends and issues shaping the national geography.

Act as a common reference point for national, provincial, and local governments to analyse and debate the comparative development potentials of localities in the country by providing a coarse-grained national mapping of potential.

Identify key areas of tension and/or priority in achieving positive spatial outcomes with government infrastructure investment and development spending.

Provide provincial government's strategic response to the above for a given time frame.

KING CETSHWAYO LED STRATEGY

KCDM LED strategy acknowledged that Mthonjaneni focuses primarily on the agricultural including forestry and tourism sectors. Formulating and integrated agricultural plan, developing local markets as well as generating and enabling environment for agricultural growth are all key features. Tourism related LED programs are diverse, key issues relate to the recognition of local potential, intensive marketing as

well as environmental concerns. Business retention plans are an essential component of Mthonjaneni's LED, centred on infrastructure improvements and retention mechanisms.

The District LED Strategy had then identified the following key gaps in the Mthonjaneni LED:

- ❖ Capacity building, training, mentoring and support services – facilitating training and building systems in the municipality.
- ❖ Developing a tourism sector utilizing existing district tourism infrastructure and building on TKZN's brandings.
- ❖ Focusing on moving beyond subsistence and into the commercial realm, notably developing new crop choices and focusing on animal husbandry.
- ❖ SMME development linked into business retention and expansion strategy.
- ❖ Business retention and expansion strategy, linked to improved physical infrastructure provision for economic activities.
- ❖ Identify capital investment projects, new product development and funding access.
- ❖ Promotion of market research and marketing knowledge and awareness campaigns.
- ❖ Implement BBBEE, PDI, Gender Promotion & HIV/AIDS awareness in LED.
- ❖ LED Approaches

There are two main approaches to the attainment of local economic development. The municipalities can either utilize the Economic Need Approach or the Opportunity-driven Approach. These approaches are briefly discussed hereunder.

The Economic Need Approach is poverty alleviation driven. An LED is viewed as a key component to

ECONOMIC NEED APPROACH

reduce poverty. It is based on the thinking that for an LED to be sensitive to poverty alleviation it must be inclusive of poverty reduction actions. It, therefore, focuses on the equipment of local people with resources such as micro enterprise development, land, capital, labour skills and other local resources that are utilized to achieve local priorities.

This approach confronts the fact that those in greatest need are seldom well-equipped to engage in small business activities. This is so because they lack business and enterprise skills have scarce resources,

they lack access to external support and market opportunities. The Economic Need Approach therefore tries to avail resources, skills, and support to those who are in greatest need.

OPPORTUNITY DRIVEN APPROACH

The Opportunity-driven Approach, on the other hand, looks at a wider range of LED strategies that would attract investment at the same time retain and grow existing businesses. Opportunities are exploited where they are found as opposed to where they needed, and the benefits may or may not reach the most disadvantaged communities.

There are no clear cuts as to which approach ought to be adopted. However, to achieve sustainable local economic development, the key challenge is to ensure the pursuit of both approaches, i.e., promote local wealth creation and at the same time promote poverty alleviation to exhibit the parallel relationship between poverty alleviation and economic growth. This can be done by promoting the development and exploitation of opportunities followed by the assurance that the traditionally left out are active participants and have access to the opportunities resulting from the development, and by recognizing both the formal and informal economies.

In the formal economy, the actions might include targeting business expansion aimed at creating jobs for the poor. Similarly, the formal economy can support the informal economy by strengthening the skills and resources of people engaged in the informal economy. LED is therefore an important process that assists in alleviating poverty and in the development of sustainable local economies. It is also important because it assists in the following manner:

- ❖ It creates jobs and new employment opportunities,
- ❖ It increases income levels thereby enabling people to pay for services,
- ❖ It broadens the tax and revenue base of a local authority,
- ❖ It enables the local authority to provide more and better services and facilities,
- ❖ It concentrates on human resource potential as well as on opportunities for development,
- ❖ It promotes linkages between developed and under-developed areas, and

- ❖ It builds new institutions for sustainable economic development.

MTHONJANENI NODAL AREAS

PRIMARY NODES

MELMOTH TOWN INCLUDING THUBALETHU

Melmoth town is most suited for the primary nodes as it has adequate facilities and meets most requirements in terms of services and facilities for a primary node. The town does not have the hospital (KwaMagwaza is 10 km away) but has a clinic, similarly it does not have high school, but Thubalethu has one. A serious gap in terms of primary node is the availability of the Tertiary Training Facility/ Institution.

The following services and facilities exist in the primary node:

- ❖ Municipal Offices.
- ❖ Clinic.
- ❖ Welfare Offices.
- ❖ Primary - High Schools.
- ❖ Permanent Information Centre.
- ❖ Post Office + Post Boxes.
- ❖ Private Banks.
- ❖ Public Library.
- ❖ Bus and Taxi Terminals.
- ❖ Motor repair services.
- ❖ Petrol service stations.
- ❖ Traffic police centre.
- ❖ Police Station.
- ❖ Magistrates Court.
- ❖ Home Affairs Offices.
- ❖ Hotel and lodges (including B&Bs).

- ❖ Community Hall.
- ❖ Wholesalers/Stores/Shops (mall).
- ❖ Cemetery.
- ❖ Correctional service centre.
- ❖ Wastewater treatment plant.
- ❖ Refuse site.
- ❖ Worship Centres

Melmoth and the adjoining settlement of Thubalethu form the primary node and commercial and administrative hub of the Municipality. Located within this area are the municipal offices, provincial government offices, schools, police station, magistrate's court and various supermarkets and shops. Melmoth has an existing Town Planning Scheme which guides land use and development within the town. The primary corridor (R66/R34) runs through Melmoth and links Melmoth with Thubalethu making them highly accessible and opening up economic opportunities.



Secondary Node

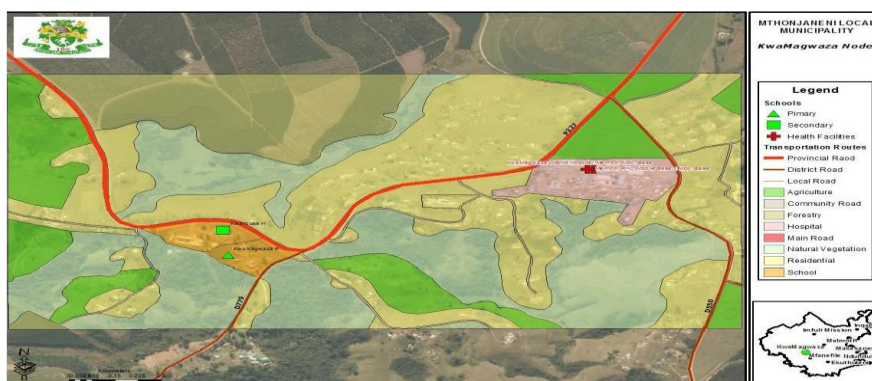
Ndundulu, KwaMagwaza, Yanguye, Uppernseleni and Mkhandlwini are identified as secondary nodes and are linked by the R34, P700, R66 and R68 respectively. These areas play an important role as service centres to the rural communities which are further removed from the primary node.

The KwaMagwaza area is relatively close to the primary node and is also relatively well established with a range of services and facilities. The other four areas identified as secondary nodes (Ndundulu, Yanguye, Upper-nseleni and Mkhandlwini) need further planning and development in order to adequately fulfill their function as service centres. According to the Public Capital Investment and Settlement Growth guideline (Dewar, D and Iyer, N 2009) capital investment should aim to develop support facilities and formalize the current activities. This would involve the establishment of a formal market, taxi rank and the development of a multi-purpose hall as a first step. The development of a library and resource centre is another social facility that would complement the existing facilities at the next level of development. This should be easily accessible to the existing schools.

The following are minimum levels of services and facilities which should be available at a secondary node.

- ❖ Hospital & mobile clinics.
- ❖ Primary & high schools.
- ❖ Regular bus service.
- ❖ Stores & shops.
- ❖ Rural service information centre.

KwaMagwaza Secondary Node

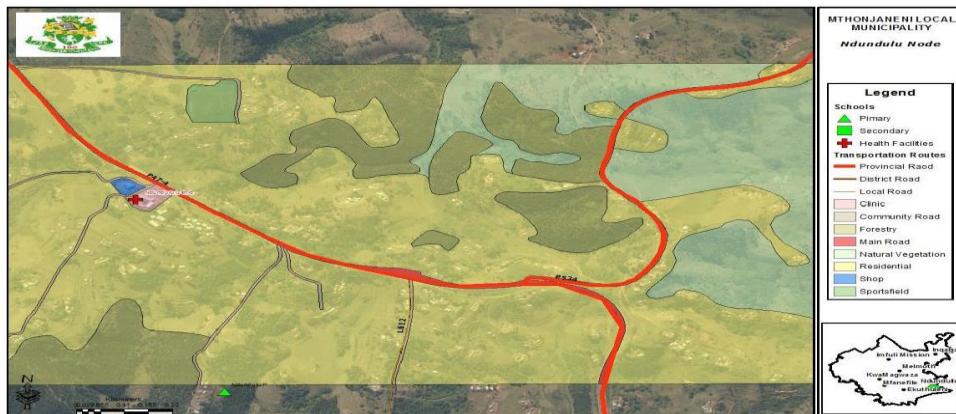


The KwaMagwaza area has the following facilities and receive the following services:

- ❖ Hospital & mobile clinics.

- ❖ Primary & high schools.
- ❖ Regular bus service.
- ❖ Informal taxi rank.
- ❖ Stores & shops.
- ❖ Rural service information centre.
- ❖ However, the following gaps still exists:
- ❖ Unavailability of SAPS satellite station.
- ❖ Shortage of post boxes.

Ndundulu Nodal Area



The area has the following services:

- ❖ Primary & high schools
- ❖ Informal taxi rank
- ❖ Clinic
- ❖ Traditional Council house

The following facilities and services are still outstanding for the node:

- ❖ SAPS Satellite station

- ❖ Rural information centre
- ❖ Regular bus service
- ❖ Stores/ shops
- ❖ Post boxes

Yanguye Nodal Area



The area has the following services:

- ❖ Primary school
- ❖ Informal taxi rank
- ❖ Post boxes
- ❖ Cemetery
- ❖ Clinic
- ❖ Traditional Council house
- ❖ The following facilities and services are still outstanding for the node:

- ❖ SAPS Satellite station
- ❖ High school
- ❖ Rural information centre
- ❖ Regular bus service
- ❖ Stores/ shops

Tertiary Nodes

Upper-Nseleni

Upper Nseleni is situated in ward 11 of the municipality at the intersection of the P253 and P534. This node has the potential to be developed into a tertiary node in the Municipality to provide services to the rural dispersed population of the broader area. The node has good access to the proposed secondary nodes of KwaYanguye and Ntembeni/Ndundulu.

Rural Service Centres

Small Local Points that provide lower order services to surrounding settlements. These points with high growth opportunities but with far less potential for growth and development. The identified rural service centres are situated in areas with limited access and scattered households. The focused development of these nodes will ensure provision of basic socioeconomic services to the large rural population. The following rural service centres has been identified for Mthonjaneni Municipality:

Rural Service Centres	Households
Nkunuzempunga	72
Nomponjwane	89
Emkhandlwini	117
Mawanda	59
Njomelwane	165
R68 Cross Road	8

These nodes are mostly under-developed and provide very limited services to the surrounding rural population within their hinterland

Implications for LED at Mthonjaneni

Based on the preceding sections, it is evident that several pieces of legislation, strategies and policies do exist to address the issue of local economic development. LED involvement requires government intervention in the form of facilitation, support, and funding. In Mthonjaneni, all tiers of government (national, the district and the Local Municipality) have an important role to play in the successful implementation of the local economic development initiatives.

All these spheres have established principles and provide a framework for the formulation of localized economic development strategies. They create a range of opportunities for funding, institutional development and initiatives for economic growth and development in Mthonjaneni. Based on this, it is important that LED within Mthonjaneni focuses on the following areas:

- ❖ Addressing local development needs, crises, and job creation requirements.
- ❖ A partnership between all key stakeholders – the local authority, communities, and the private sector.
- ❖ Local leadership.
- ❖ Initiative and entrepreneurship.
- ❖ The use of local resources and skills.
- ❖ Appropriate external support, advice, and facilitation; and
- ❖ Creating an environment that facilitates economic growth and diversification.

Figure 3: Linkage between Mthonjaneni LED Strategy and Mthonjaneni IDP

MTHONJANENI IDP	MTHONJANENI LED
Is aimed at promoting quality and sustainable delivery of municipal services.	The Mthonjaneni LED would facilitate the process of the provision of quality and sustainable services by the municipality through identifying backlogs that exist as far as the economic services are concerned in the Mthonjaneni Local Municipality.
Vigorous community participation in development programmes	The Mthonjaneni LED would identify the outsourcing opportunities to the local people so as to achieve this goal of the IDP of involving the communities in the development of the area.
Strengthen partnerships with strategic partners in development to ensure speedy and coordinated service delivery.	The Mthonjaneni LED Strategy would assist in identifying areas of strategic investment across all sectors of the economy such as agriculture (including forestry), tourism, manufacturing, government, mining, commerce, construction, informal and tertiary services. The government, the parastatals, the private sector, the CBOs and the NGOs would assist in taking advantage of these potential opportunities either through the provision of funding and other technical assistance.

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Table 60- Linkage between Mthonjaneni LED Strategy and King Cetshwayo LED Strategy

The above figure indicates that there is also a strong relationship between the aims of the Mthonjaneni LED Strategy and that of the King Cetshwayo District LED Strategy, which stresses the commitment of all the spheres of the civil society in development planning.

Stakeholder Analysis

This section of the report discusses the role of all the stakeholders in Local Economic Development within both uThungulu and Mthonjaneni Municipalities and outlines the already existing programs aimed at promoting viable and sustainable local economic behavior. The section commences by looking at the role of the government structure at local, provincial, and national level, then the role of NGOs, CBOs, the Traditional Authorities, the Farmers, the Business Associations, and the Tourism Association/s.

Local, Provincial and National Partnerships

Local government structures within both King Cetshwayo District Municipality and Mthonjaneni Local Municipality have a critical role to play in LED. This includes investment promotion, facilitation and creating an enabling framework for job creation and economic growth. While there is general acceptance of this mandate, the municipality experience a number challenges. These challenges can be summarized as follows:

- ❖ Lack of sufficient and appropriately qualified human capacity.
- ❖ Lack of clarity about the LED role of local government and poor understanding of LED.
- ❖ Poor integration of LED into the service delivery functions of the Municipality.
- ❖ Lack of LED vision and strategy, apart from the King Cetshwayo District Municipality LED and Tourism Strategies.

Poor access to relevant information.

The level of coordination between the Municipalities and sector Departments is generally weak. The participation of government Departments in the preparation of IDPs has generally been poor. In fact, IDPs tend to be seen as municipal documents, with limited relevance to government Departments. As a result, a number of government Departments have not aligned their programs with the IDPs and are implementing some of their programs outside the IDP framework.

The following government Departments are involved in LED-related activities within Mthonjaneni Local Municipality:

- ❖ Department of Agriculture, Environmental Affairs and Rural Development.
- ❖ Department of Economic Development & Tourism (DEDT).
- ❖ Department of Arts and Culture.
- ❖ Department of Human Settlements.
- ❖ Department of Social Development.
- ❖ Department of Transport.
- ❖ Department of Public Works.
- ❖ Department of Rural Development and Land Reform.
- ❖ Department of Co-operative Governance & Traditional Affairs.
- ❖ Department of Health.

The above-mentioned Departments can be divided according to the three spheres of government, namely, local, provincial and national spheres. These spheres are the key drivers for LED. Very importantly, for the effective use of resources and implementation, the government as a whole has to have a synergy. The key performance areas of the National and Provincial spheres of government are:

- ❖ Economic growth.
- ❖ Employment creation.
- ❖ Competitiveness.
- ❖ Broad-based economic empowerment and,
- ❖ Appropriate geographic spread of economic activity.

The key performance areas of the local government sphere include mobilization of local communities in development activities under the framework of the PGDS, PSEDs and the NSDP.

The Role of Non-Governmental Organizations (NGOs)

A Non-Governmental Organization (NGO) is an organization that is not part of a government and was not founded by the State. NGOs are therefore typically independent of governments. Although the definition can technically include profit corporations, the term is generally restricted to social, cultural, legal, and environmental advocacy groups having goals that are primarily non-commercial. NGOs are usually non-profit organizations that gain at least a portion of their funding from private sources.

The Role of Community Based Organizations (CBOs)

The national and provincial governments are promoting the establishment of cooperatives mainly the agricultural and manufacturing. Hence the Provincial Department of Economic Development and Tourism (DEDT) has established a unit specializing in the cooperative

Local Business Associations

There is quite a number of businesses taking place in the Melmoth Town due to it being declared a primary node. These businesses are limited to the commercial stores and transport related businesses. These businesses specialize in servicing the basic needs of the public. The existence of business forum is of prime importance to facilitate all matters pertaining to business development and support. The Department of Economic Development & Tourism (DEDT) has established a special unit called SMME Development to assist local business with technical support, training and fulfil the liaison role for funding purposes.

Tourism Associations

Tourism is one of the key economic sectors in the Mthonjaneni Municipality. **It has developed and remains a generally white dominated industry. (There is an active and effective Tourism Association in Mthonjaneni made of establishment holders and crafters. It is a multi-racial stakeholder.) *The local communities mainly in the rural areas tend to be excluded.* The existence of the Tourism Associations at Mthonjaneni Local Municipality is critical to promote tourism development and give support to local tourism operators.

Farmers' Associations

The provincial farmers' association/ union called KwaZulu-Natal Agricultural Union (Kwanalu) are critical for farmer development and support. However, there is also local farmers association called ZIFPA. The following are the roles and functions of ZIFPA:

Serves as a catalyst to initiate an essential change within agriculture in order to secure a sustainable future for agriculture in KwaZulu-Natal.

Negotiates a positive policy framework on behalf of agriculture in KwaZulu-Natal, by pro-actively ensuring that laws, regulations, ordinances, attitudes and assumptions subjacent to this framework are optimally agricultural friendly.

Ensures that the attitude within agriculture in KwaZulu-Natal is positive and focused on the future and that agriculture in KwaZulu-Natal secures its own future by positive commitment in all walks of life.

Ensures that the umbrella image of agriculture in Mthonjaneni is optimally positive and that the most important contribution made by agriculture to the economy in KwaZulu-Natal, be drawn to the attention of all the inhabitants of KwaZulu-Natal in the most explicit and impacting ways.

Offers to agriculture in Mthonjaneni a focus point through which the collective interest of agriculture in Mthonjaneni is optimally enhanced.

The Role of Traditional Councils

There is a concerted effort on the part of the District Municipality to involve traditional leaders in all aspects of their functioning. Traditional Authorities are directly involved in LED program, they control a significant amount of land within the Mthonjaneni, and are responsible for land tenure, rights and allocation of sites to their subjects.

Traditional Authorities make land available for LED purposes and sign lease agreements on behalf of their communities. It is therefore important to introduce traditional leaders to LED and build their capacity to facilitate job creation, poverty alleviation and economic growth.

There are three Traditional Councils/ Authorities within the Mthonjaneni Municipality. All Traditional Councils/ Authorities area are solely owned by Ingonyama Trust. The Yanguye Traditional Council is located to the north-west of the municipality and incorporates the Kwa Yanguye area and surrounding settlements. Obuka Traditional Council is located to the far north-east of the municipality incorporates

all KwesakwaBiyela area and Entembeni Traditional Council is located to the south-east of the municipality.

It should be noted that the Ingonyama Trust Board (ITB) is the custodian of all lands that fall under the Traditional Councils in the KwaZulu-Natal province. It is for this reason that prior using any land for business, Permission to Occupy (PTO) needs to be sought with ITB. This process had been run smooth by the Traditional Councils and ITB officials based in Ulundi (Satellite Office) and Pietermaritzburg (Head Office). The Traditional Councils reports to the KZN Department of Cooperative Governance and Traditional Affairs (COGTA) administratively. **The municipality in the 2023/2024 Financial Years intends to procure three (03) tractors to support agricultural projects in Traditional Authorities. These tractors will be co-supervised by the Mthonjaneni LED and the Traditional Authorities.**

Synopsis of the Stakeholders

The table below provides the summary of the roles and implications of all the stakeholders both at a district and local municipal level.

Figure 4: Synopsis of the Stakeholders and Implication

Categories	Implications	Stakeholders
Local Government	Investment promotion, jobs creation and economic growth promotion.	Mthonjaneni Local Municipality. King Cetshwayo District Municipality.
Provincial & National Government Departments	Co-ordination & planning at provincial level including: investment promotion, jobs creation, sustainable livelihood, health and welfare and economic growth promotion.	Department of Agriculture, Environmental Affairs and Rural Development. Department of Economic Development and Tourism. Department of Arts and Culture. Department of Human Settlements. Department of Social Development. Department of Transport. Department of Public Works.

		Department of Co-operative Governance & Traditional Affairs. Department of Health. Department of Transport.
National Government	Co-ordination & planning at national level including: investment promotion, jobs creation, sustainable livelihood, health and welfare and economic growth promotion.	Department of Human Settlements. Department of Rural Development and Land Reform. Department of Agriculture, Forestry and Fisheries. Department of Social Development. Department of Trade and Industry. Department of Transport. Department of Water Affairs. Department of Health
Non-Governmental Organizations (NGOs)	Sponsoring LED-related activities	Ubumbano Community Care Centre – Ward 3 (Ekuthuleni area)

Community Based Organizations (CBOs)	Facilitating LED activities and HIV/ AIDS projects	Philasande Development Organization Ward 1 Ukuphila Kwethu – Ward 5 Siyakha Women's Development (All wards) dealing with sustainable development
Traditional Councils (Ingonyama Trust Board)	Indirectly Involved in LED decisions. Responsible for the allocation of land/sites, protection of & decisions on security of tenure issues. Sign lease agreement on behalf of their communities/Ingonyama Trust Board. Make/facilitate land availability for LED purposes and businesses.	3 Traditional Councils namely: Biyela-Kwa Yanguye Traditional Council Zulu/Entembeni Traditional Council Biyela-Obuka Traditional Council
Farmers Associations	o Provide technical know-how and support and identify finance for agricultural development to emerging/small scale Farmers.	Whether formal or informal, the following structures exist within the farming community of Mthonjaneni: Melmoth Farmers' Association, Melmoth Agricultural Society and Citrus Farmers' Co-operative.

Tourism Associations	There is a need for the existence of Tourism Association at Mthonjaneni whose purpose is to co-ordinate tourism-related support & impart knowledge on tourism issues.	Mthonjaneni Tourism Association

Strategic Partners

The following strategic partners have been identified:

Name	Core Business	Role to Bring Change	Possible Actions to Address Stakeholder Interest
Department of Agriculture, Environmental Affairs and Rural Development	To promote sound agricultural and environmental practices through sustainable development. To harness the massive potential for agricultural growth and development within the Province.	Agricultural extension services Agricultural engineering services Agricultural technology development Veterinary services Agricultural training	Mobilize and participate in the process. Provide support in sourcing funding. List projects within the IDP.
		Agricultural economics and marketing Farmer support program	

Mthonjaneni 5th Generation IDP

King Cetshwayo District Municipality	To undertake District level planning, provide bulk services and support to Local Municipalities.	Source funding to assist in setting up projects. Ensure that bulk infrastructure needs are taken into account.	Mobilize and participate in the process. Provide support in sourcing funding. List projects within the IDP.
Department of Economic Development and Tourism	To formulate and implement effective economic development strategies that create sustainable jobs in KwaZulu-Natal	Facilitate local economic development. Promote economic development through the championing of public-private partnerships. Promote and facilitate economic empowerment programs. Promote SMME development. Assist with access to finance for SMMEs. Assist with the registration of various legal entities including the Cooperatives,	Mobilize and participate in the process. Provide support in sourcing funding.
SEDA: King Cetshwayo	To support and provide small enterprises and prospective entrepreneurs with information with a view encourage them to start and build sustainable businesses.	Provide business Support services including training and capacity building especially on business plan development.	Mobilize and participate in the process. Provide support in sourcing funding.

Mthonjaneni 5th Generation IDP

Tourism KwaZulu-Natal (TKZN)	To initiate, facilitate co-ordinate and implement strategic tourism marketing and product development programs that provide an enabling framework within	Support and coordinate the branding/marketing of designated product regions. The promotion of tourism awareness in localized areas.	Mobilize and participate in the process. Provide support in sourcing funding.
	which regional, provincial and private sector stakeholders can achieve their goals to the benefit of the Province.	The provision of tourism infrastructure in localized areas. Facilitate private sector involvement in the marketing and development effort. Local product development effort Local product development Tourism information and publicity.	

Strategic Partners

The following strategic partners have been identified:

Name	Core Business	Role to Bring Change	Possible Actions to Address Stakeholder Interest
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Mthonjaneni 5th Generation IDP

		Agricultural economics and marketing Farmer support Program	
King Cetshwayo District Municipality	To undertake District level planning, provide bulk services and support to Local Municipalities.	Source funding to assist in setting up projects. Ensure that bulk infrastructure needs are taken into account.	Mobilize and participate in the process. Provide support in sourcing funding. List projects within the IDP.
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Tourism KwaZulu-Natal (TKZN)	To initiate, facilitate co-ordinate and implement strategic tourism marketing and product development programs that provide an enabling framework within	Support and coordinate the branding/marketing of designated product regions. The promotion of tourism awareness in localized areas.	Mobilize and participate in the process. Provide support in sourcing funding.
	which regional, provincial and private sector stakeholders can achieve their goals to the benefit of the Province.	The provision of tourism infrastructure in localized areas. Facilitate private sector involvement in the marketing and development effort. Local product development effort Local product development Tourism information and publicity.	

Following the above discussion, it is noted that different sector Departments, Associations and Organizations play a meaningful role in Local Economic Development of Mthonjaneni and King Cetshwayo District Municipality. The organogram that follows below indicates the conceptualized idea of the LED stakeholders and their roles in Local Economic Development of both Mthonjaneni and King Cetshwayo Municipality, respectively.



Demographic Profile of Mthonjaneni Municipality

Demographics in general refer to the characteristics of the population residing and working within a specific area. Demographic indicators within Mthonjaneni Local Municipality include the total population; gender structure; population growth and the impact of HIV/ADS; age structure; household size; poverty levels and educational levels.

Demographic Indicators

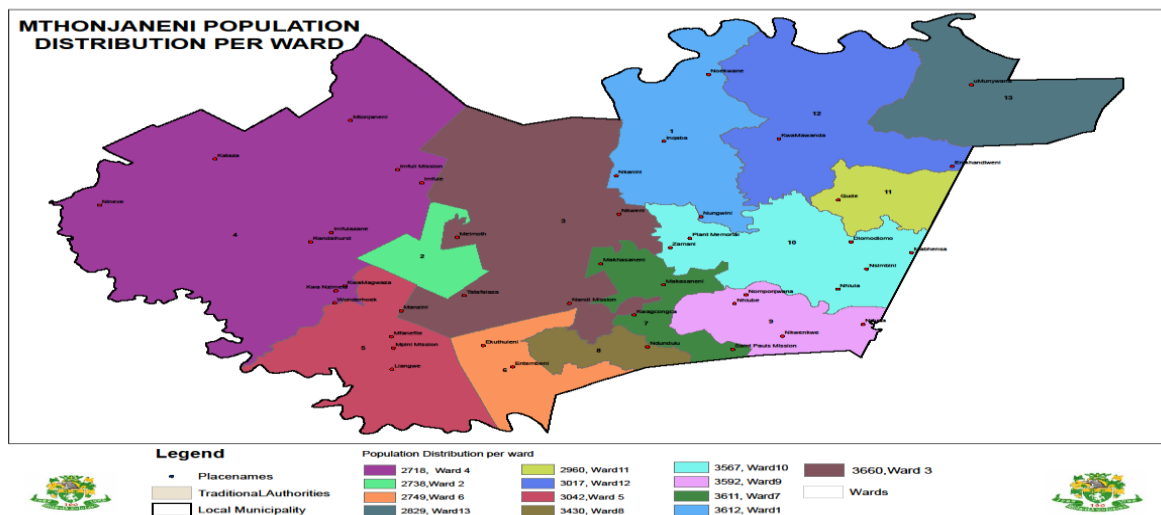
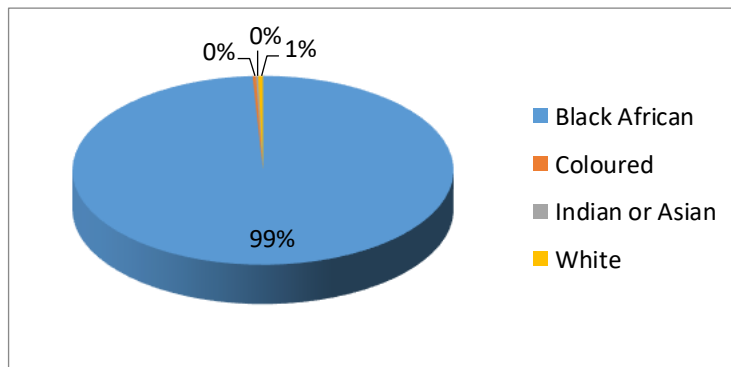
Population and Household Numbers

Mthonjaneni Municipality is located in King Cetshwayo District. The population increase in King Cetshwayo District, broken down per municipality is indicated in the table and explanatory figure herewith.

Key Findings

The 2016 Census population of Mthonjaneni municipality is estimated at 83 563

Mthonjaneni 5th Generation IDP



Map 43- Population Distribution

Gender Statistics

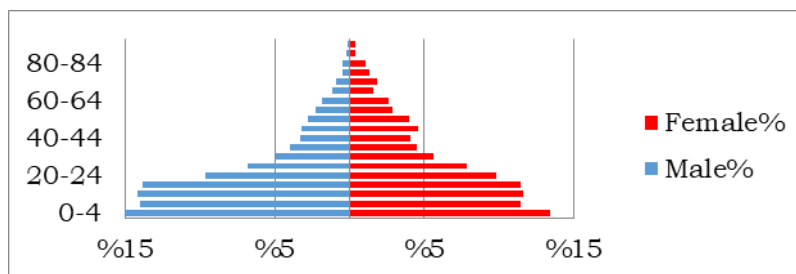
The 2016 figures indicate that there are 45.8% men in the municipality and 54.2% females. This indicates that there may be high levels of migratory labour from the municipality to other centres around the province and country.

Mthonjaneni 5th Generation IDP

Gender	Male	45472
	Female	53816
TOTAL		99289

Age and Gender Profile

Knowledge about the age-sex distribution of a population is valuable information on demographics and social economic concerns.



Age and Gender Population Pyramid

Figure above presents the distribution of the municipality population by age and sex. The figure shows a fairly large proportion of females than males in all age groups, except for teen ages, where a proportion of males is higher than females. Overall, there are more females than males within the municipality. At an elderly stage 70+ more females seem to be surviving than males.

Led Strategies and Economic Opportunities

LED pursues an inclusive pattern of economic growth that does ultimately contribute to reducing poverty consciously and systematically. Whereas previous LED strategies may not have had the desired scale of impact, this section aims provide direction as to economic stakeholders will cooperate to realize an improved economic future of Mthonjaneni Municipality. The swot analysis of the municipality will be looked and also identify possible economic opportunities with the Mthonjaneni Municipality.

Mthonjaneni LED Strategic Drivers

Mthonjaneni Municipality has cited inconsistency in their capacity building development policy approaches which should promotes innovation, skills development entrepreneurship, and social cohesion as key drivers of growth and essential goals of economic development strategies. Mthonjaneni Municipality has identified 12 Strategic Drivers for economic development.



LED Strategies

Strategy One: Capacity Building Strategy (Municipal and SMMEs)

- ❖ To vibrantly improve the impact of government initiatives on the local economic development of Mthonjaneni Local Municipality.
- ❖ To fully engage the local organizations in the process of economic development of Mthonjaneni Local Municipality.
- ❖ To enhance Public/Private Partnerships in the development of the local economy.

Strategy Two: Agricultural Development Strategy

- ❖ To link the existing Mthonjaneni local producers to markets and other opportunities. To increase agricultural productivity in the area by rendering effective technical assistance.
- ❖ To diversify and increase agricultural opportunities for farmers while promoting sustainable agriculture and sound environmental management.
- ❖ Development of comprehensive agricultural development strategy including timber production.

Strategy Three: Tourism Development Strategy

- ❖ To ensure awareness of the tourism opportunities available at Mthonjaneni Local Municipality.
- ❖ To encourage both formal and informal investment in the tourism sector.
- ❖ To exploit the existing tourism potential so as to attract tourists into Mthonjaneni Local Municipality.

Strategy Four: SMME and Business Development Strategy

- ❖ To facilitate the process of business establishment, maintenance, and management at Mthonjaneni Local Municipality.
- ❖ To create and promote the existing local market outlets.
- ❖ Promotion the establishment of manufacturing cooperatives and capacitate the existing cooperatives on all aspect of business.

Strategy Five: Economic Integration Strategy

- ❖ To increase efficiency and accessibility.
- ❖ To unlock communication channels.
- ❖ To increase investment into Mthonjaneni Local Municipality.

- ❖ To retain income within the local economy.

Strategy Six: BBBEE/SMME Strategy

- ❖ To ensure the engagement of BBBEE/SMME businesses in the local economic development process.
- ❖ To facilitate information sharing between the BBBEE/SMME businesses and the established businesses.
- ❖ To fast-track the development of small businesses (e.g. the banking sector).

Strategy Seven: Information Availability Strategy

- ❖ To monitor economic trends of Mthonjaneni Local Municipality and produce up-to-date socio-economic information suitable for management and policy decisions for Mthonjaneni Local Municipality.
- ❖ To assess information needs and set the priorities.

Strategy Eight: Poverty Alleviation & HIV/ AIDS Strategy

- ❖ To identify projects that are HIV/Aids and poverty related.
- ❖ To ensure the implementation of Mthonjaneni Local Municipality's poverty alleviation projects that would indirectly impact positively on HIV/Aids infection.
- ❖ To access funding for the implementation of the HIV/Aids and poverty.

Strategy Nine: Strengthen Institutional Arrangements

- ❖ To improve business service provision. Objective 9.2: To monitor business service and standards.
- ❖ To improve accountability of the Municipality.
- ❖ To encourage and foster Private Public Partnerships.
- ❖ To source sufficient funds for business establishment and operation.
- ❖ To review the position of LED in the municipality organogram.
- ❖ To capacitate the LED section with resources and budget.
- ❖ Alignment of LED activities with District like Maritime Strategy.

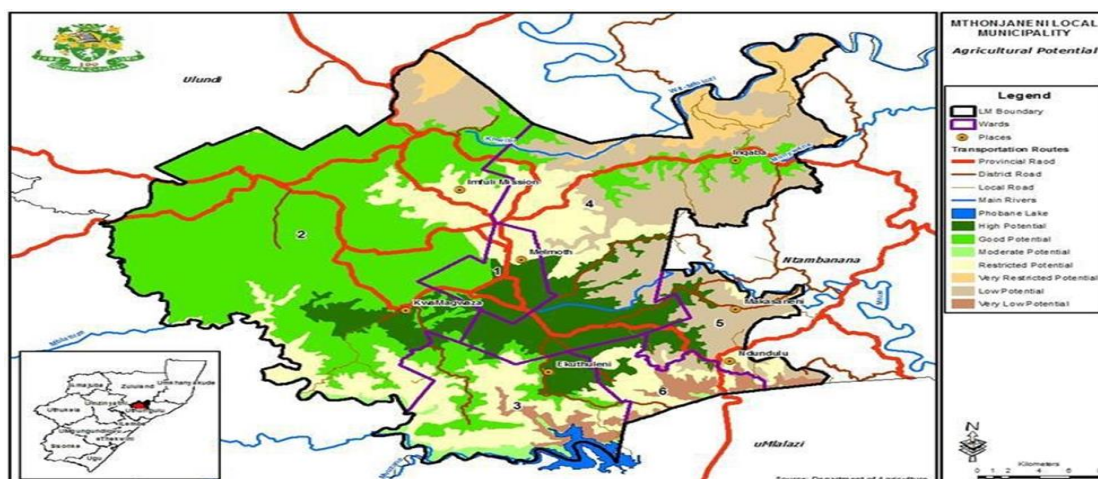
Agricultural Support & Development

Agriculture is the backbone of the economy of Mthonjaneni Municipality. As a result of the importance of agriculture in the Municipality, there is a diversity of agricultural activities and therefore a diversity of agricultural issues and opportunities. Most of the land in the municipality is arable, hence suitable for agriculture and the main climatic constraints include low temperature and frost. Given that agriculture is the backbone of the economy of the Municipality, a plan to develop a sustained agricultural industry for the Municipality is necessary.

Council has adopted an Agricultural Support plan. The plan aims to prioritize agriculture as a main sector to contribute to enterprise development, agriculture, and agro-processing. Agriculture has been identified as our main Mthonjaneni economic contributing sector with the greatest job-creating/ labour absorption potential. Forestry, wood, and wood products provide a far more sustainable presence since this industry operates with a renewable commodity with Mondi being the biggest player and its subsidiaries. The sugar industry was one of the first commercial undertakings in the area. Most of the farms that were productive in our locality are under land restitution and some are underutilized. To address this issue the department of Agriculture, Land Reforms has been requested by Council to audit production outputs for all the farms that are under land restitution program.

Agricultural Potential

The following map depicts the agricultural potential of the area, areas with high fertility being greener in colour than less potential areas.



Map 44- Agricultural Potential

Commercial Agriculture

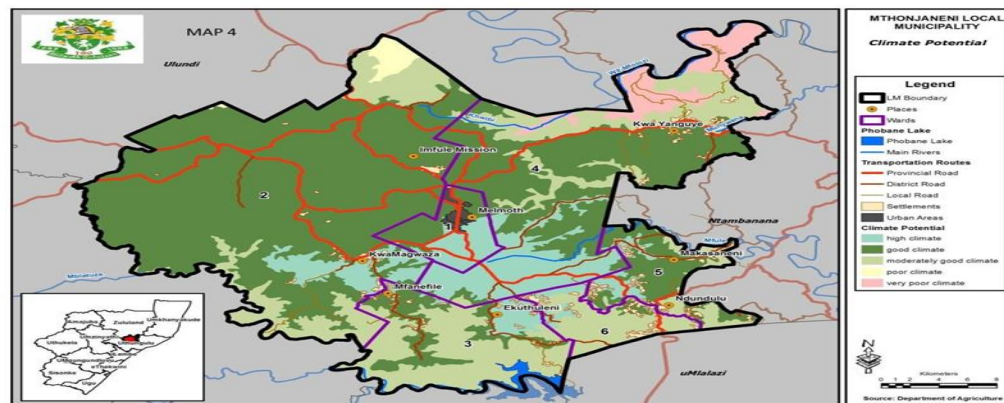
The predominant commercial farming activity is sugarcane and this together with commercial forestry forms the base of the region's economy. Other farming includes citrus, vegetables, beef and dairy and small clusters of tropical fruit farmers. Sugarcane is able to be grown even in areas of restricted agricultural potential. (Mthonjaneni SEA 2007).

Traditional Agriculture

A large portion of the community is engaged in subsistence agriculture which includes peasant farming and small-scale livestock husbandry. Subsistence agriculture is the most significant land use practice and functions as a survival mechanism in the traditional authority areas and other rural areas. (Mthonjaneni SEA 2007). The overriding factor is that there are some light industries in the municipal area providing jobs for the local people. Nonetheless, the most critical factor is that the town depends on agriculture for survival, primarily sugar cane, timber, and cattle. To some extent the avocados and citrus fruits are also produced for local foreign markets. The area produces about 300 000 tons of sugar cane and 470 000 tons of timber per year, as well as delicate cut flowers for export. The municipality incorporates large tracts of commercial farming land with most communities practicing small-scale farming for domestic purposes. Agriculture employs about 75% of the labour force. The expansion of the local economy focuses on increasing timber and sugar cane production, expanding the cut flower industry, the production of essential oils and establishment of apiaries.

Climate

A significant section of the Municipality running from the western boundary of the Municipality to the eastern boundary has a good climate. This includes Melmoth, Imfule Mission, Kwa Yanguye, Makasaneni and the KwaMagwaza area. There is a relatively large area of high climate running from east to west to the south of the good climate mentioned above. This encompasses the Ekuthuleni area. The southern and northern boundaries are characterized by a moderately good climate, although the northern section also has a small portion of poor and very poor climate. Overall, the climate is favorable throughout the Municipality.



Arable
Land
Soil

types:

Soils in the region are formed from the weathering of quartzite, tillite and granite rocks and vary in texture and composition from stony and sandy loams to clay loams. The Mthonjaneni region is predominantly sandy, clay loams. (Mthonjaneni SEA 2007).

Soil depth and productivity:

Soils are shallow on hard or weathered rock. Deep, rich soils are not found on steep slopes and therefore most of the areas with a higher gradient have shallow soils. Deep soil deposits are found along rivers and streams on level to moderate slopes. Soil depth in the region varies from 450 mm to 750 mm. Soils in Mthonjaneni generally have high agricultural potential but are highly sensitive to erosion and degradation. (Mthonjaneni SEA 2007).

Water Resources

Mthonjaneni Municipal area has limited water resources as a result there are no large-scale irrigation schemes for commercial cropping.

Overall Agricultural Potential

Generally, the Mthonjaneni Municipal area has good soils and climate suitable for most of the crops and livestock production.

Crop Production

a) *Fruit Production*

Citrus – oranges, naartjies, and grapefruit are prominent and grows very well in the area.

Deciduous fruit – litchi, pears, and pineapple also thrive well in the Mthonjaneni area.

Avocados of good quality is grown in some areas which is ultimately sold in the market stalls.

Mango of good quality could be grown in hotter areas towards the Ulundi area.

First harvest is only after 4 years and thereafter every year Challenges include:

finding appropriate cultivars.

soil preparation.

planting and early care.

irrigation.

protection against animals.

b) Sugarcane

The area produces about 300 000 tons of sugar cane. Some of the sugar cane farms have been acquired through various government land reform programs. Farmers are receiving valuable technical support from the South African Sugar Association (SASA) and Department of agriculture extension Officers. The market for sugar cane is Felixton and Amatikulu Sugar mills, depending on the farmer supply agreements. The sugar cane farm owners of the Mthonjaneni area have developed necessary skills to management the sugar cane farms. The farms are created substantial number of jobs to the local people.

c) Vegetable Production

The soils and climate of the Mthonjaneni area are generally suitable for most vegetables. Common vegetables that can be grown in the area are:

- ❖ cabbages.
- ❖ spinach.
- ❖ carrots.
- ❖ onions.
- ❖ beetroots.

Livestock/ Animal Production

a) Poultry Farming

- ❖ Has huge potential and profitable.
- ❖ Challenges include technical information on rearing and housing.
- ❖ Market access is also posing some difficulties although huge companies like Rainbow chickens can offer some reprieve.

- ❖ Alternative will be an abattoir to facilitate supply of chickens to major retail houses.

Egg production offers another opportunity.

b) *Cattle and Small Livestock*

- ❖ Opportunities with beef and hides.
- ❖ Has huge potential and is profitable.
- ❖ Challenges include technical information on rearing and housing.
- ❖ Market access will be another challenge.
- ❖ Essential Oils
- ❖ Mainly for export market – UK, Europe and America.
- ❖ Pays \$90 per kg and \$140 per kg for inorganic and organic plants respectively
- ❖ Oil needs certification whether inorganic or organic before being sold.
- ❖ Current project structure very poor.

Agro Processing

Located in the southern tip of the African continent between two oceans (one cold and the other one warm), South Africa is blessed with unique climatic and environmental diversity. This has allowed it to produce a wide variety of agricultural and food products. The subtropical coastline of KwaZulu Natal produces sugar cane and subtropical fruits.

Across South Africa, African subsistence farmers, funded by government's Land Bank and/or Ithala and supported by its BBBEE policy, are beginning to move into the mainstream of agriculture. This policy is focusing on critical areas like training, equitable access to and participation in the mainstream agriculture, land reform, profitability and sustainable resource management.

The following are some of significant milestones in this industry:

The food industry sells 20m tons of food worth R174bn annually. This includes exports as well as fruit and vegetables, and products used for food processing.

SA produces a wide variety of crops and has substantial secondary food processing industries. In the manufacturing sector grain milling is the largest food sub-sector, while fresh fruit and vegetables are the top sectors in food consumption, followed by grains, bakery and proteins.

The food processing industry has 11 downstream sub-sectors:

- ❖ Meat processing.
- ❖ Dairy products.
- ❖ Preservation of food and vegetables.
- ❖ Canning and preserving of fish.
- ❖ Fruit canning and jams, vegetable and animal oils and fats.
- ❖ Grain mill products.
- ❖ Sugar mills and refineries.
- ❖ Chocolate and sugar confectionery.
- ❖ Prepare animal food.
- ❖ Bakery.
- ❖ Starch and starch products.

Key Agricultural Challenges

The following are the key agricultural issues for economic development in the Municipality:

Lack of infrastructure and services

Infrastructure and services such as roads, telephone, and electricity are necessary requirement for agricultural development. These services within Mthonjaneni Municipality are inadequate, especially in rural areas where emerging Farmers operate. Lack of these services has been a consistent issue among emerging farmers. Developing emerging Farmers into commercial Farmers would require addressing the deficiencies in infrastructure and services. Of particular concern currently is the poor road condition. Most roads are reported to be unusable by vehicles during the rainy season.

Poor Access to Credit and Inadequate Funding

Commercial agriculture like many other business sectors is capital-intensive. Access to credit or dependable funding is fundamental to the development of commercial agriculture. Emerging Farmers have historically been denied access to finance and the opportunity to develop their financial base. A strategy to address financial hardships experienced by emerging Farmers is a prerequisite for developing emerging Farmers into commercial Farmers.

Land

Land plays a primary role in agriculture, particularly in crop production. Emerging Farmers in the Mthonjaneni Municipality have farms ranging from under 3 ha to a maximum of 20 ha, whereas commercial Farmers have farms ranging in size from 250 ha to 2,500 ha.

Small farms are often just producing enough for the needs of the household with perhaps some surplus cash crops. This small-scale production does not allow them to benefit from economies of scale. Larger commercial farms, however, can produce on a much larger scale and will often be able to benefit from economies of scale. Economies of scale occur when the average cost of producing a larger quantity is lower than the average cost of a smaller quantity. In order to develop emerging Farmers into commercial Farmers, land issues need to be vigorously addressed. Some of the key land issues are:

Ineffective land policies (willing seller willing policy is not addressing agricultural land requirements), current land restitution program still marginalizes agricultural production in the sense that land made available through this process is too limited to allow viable commercial agriculture.

Traditional Authority influences in land allocation are sometimes counterproductive to commercial agricultural objectives. Promotion of commercial agriculture should involve tribal authorities so that they appreciate the need for larger pieces of land to be allocated in order to make commercial agriculture viable.

Skills development

Commercial agriculture requires skills and adequate education. Emerging Farmers have historically been denied adequate education and more especially development of skills in commercial agriculture. If commercial agriculture is to be encouraged among emerging Farmers, skills development and appropriate education need to be strategically addressed.

Markets

Marketing of agricultural produce involves organized markets and infrastructure. Commercial Farmers currently have adequate resources to market farm produce at market-related prices. For example, they have ready access to local and regional market outlets and have facilities to control marketing of their produce (they can store produce and sell when the price is right, can control costs by buying inputs in bulk, have transport to take their produce to the market). Emerging Farmers, on the other hand, are severely disadvantaged in various ways such as:

They are often situated in rural areas where the road network is poorly maintained and therefore transport of farm inputs and produce is hampered.

Hired transport if it exists is often too expensive to justify taking the small volumes of produce to the market.

They have limited capability to store produce and sell it when the price is right and thus, they are often compelled to sell their produce at a low price or at a loss;

- ❖ They cannot sustain marketing contracts because of a limited cash flow situation.

❖ Timber Sector Development

- ❖ Timber is produced by larger companies like Sappi and Mondi and some few private Farmers. Timber production involves the growing of eucalyptus (gum trees), pine and wattle species. Eucalyptus species are the most famous timber species grown in the area. Timber operations involve the following operations:

- ❖ silviculture,
- ❖ harvesting,
- ❖ protection,
- ❖ roads and open area management.

A limited number of emerging Farmers are engaged in timber production through SAPPI and Mondi or government- supported grower's schemes.

- ❖ Gum trees take 8 – 9 years to harvest.
- ❖ Wattle trees take 8 – 10 years to harvest.
- ❖ Pine trees take 8 years to harvest.
- ❖ Profitable nosiness over longer periods.
- ❖ Biggest challenge for large commercial farmers is to get planting.
- ❖ Permits from DWAF in order to grow their businesses.
- ❖ The government has made available 800 – 8000 hectares to Black farmers.

Key Timber Development Challenges

- ❖ Lack of Infrastructure.
- ❖ Access to Funding.

- ❖ Land Availability.
- ❖ Lack of Skills.
- ❖ Markets.
- ❖ Steep Slopes.
- ❖ Dominance of Private Sector.

Local Economic Development Programs and Projects of Mthonjaneni Municipality

This particular section of the report, the strategic actions and objectives are translated into implementable programs and projects. There have been a number of programs and projects that have been identified that their implementation would assist in achieving the 2030 Vision of Mthonjaneni Local Municipality discussed in the earlier sections. The following table outline these programs and projects.

The projects that are identified are further prioritized according to their importance in developing and addressing economic challenges at Mthonjaneni Local Municipality. The priority list comprises of 9 activities that their implementation would result in unlocking economic opportunities that exist in the area. The priority activities are mainly: capacity building including LED section, grooming of SMME/BBBEE firms and the further development and attractions of the big businesses into the area.

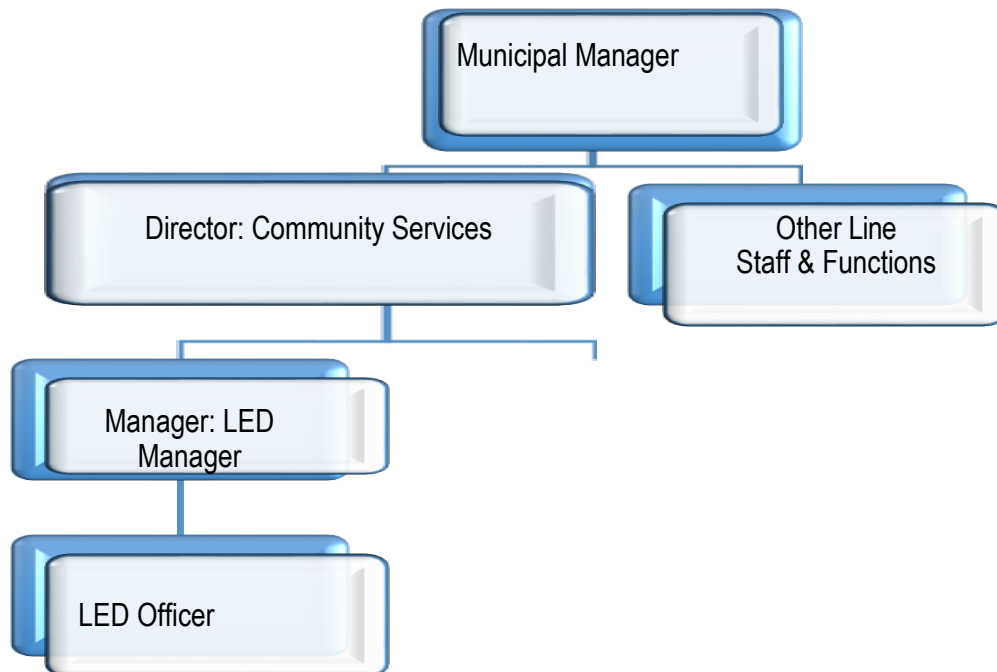
Capacity for LED Implementation

One of the most serious constraints experienced by the Municipality is the necessary capacity to implement LED projects and programs. The central function of the LED Unit in the Municipality is to facilitate economic opportunities by bringing private sector and public sector role players together. Mthonjaneni experiences a serious lack of infrastructure and entrepreneurs. The LED Officer should identify economic opportunities, identify potential entrepreneurs that can realize the opportunities and then ensure that the necessary public sector infrastructure and services are available to support the businesses in their endeavors.

In order to fulfill its task successfully, the Municipality requires the following:

- ❖ An adequate number of suitable qualified and experience personnel at strategic level;
- ❖ The Municipality has to ensure that the available LED personnel get appropriate LED training in order to be able to drive the facilitation task, it is also important for the Municipality to employ the LED Manager who will work and assist at a strategic level; and

- ❖ The communication mechanism and resources that will enable the personnel to fulfill their tasks.
- ❖ A proper alignment between departments is important, for instance there should be an alignment between IDP Plan and LED Plan as well as other sector plans like Housing.
- ❖ The proposed and recommended organization structure that the Municipality should strive to implement with respect to LED is illustrated in the organogram below.



The Municipality has employed Manager LED who directly reports Director Community Services and both LED Officer and Tourism Officer reports to the Manager LED. above diagram reflects that LED Officer reports directly to the Manager: Social Services. The LED Personnel should be capacitated in conducting their duties mainly in the business planning and fund-raising proposals writing. Nonetheless, the LED Section should have a sizeable budget to implement projects that are job creating and to participate in the relevant stakeholders' Forums. This necessitates that transport be allocated to the LED Section to perform the critical role as alluded in this report.

Key LED Projects and Programs for Mthonjaneni Municipality

The table below explains the key projects to be implemented within the municipality in order to turn around LED and to fulfil the Municipality LED mandate as per legislation.

Project No 1 Program Type: Capacity Building (SMME)	
Brief Project Description	
Facilitate training of Entrepreneurs by SETA internships with government Departments and Municipalities	
Expected Results:	Target Group (s)
Improved service for Entrepreneurs.	The youth.
Promotion of small business sector represents a growth in the local economy of Mthonjaneni.	Existing entrepreneurs.
Capacity building of Entrepreneurs.	Unemployed persons.
Possible Stakeholders:	Possible Contribution to the Project:
SETA.	Facilitate SETA engagement in the municipal area.
Municipality.	Beneficiaries.
Existing Entrepreneurs.	Funding and accreditation.
Existing Businesses.	Receivers of funding and take up of the unemployed.
Pre-requisites:	Risk Factors:
Establishment of a well-equipped and credible business information centre.	Accessing of SETA discretionary funds.
	SETAs response to the initiative may not yield the expected results.

Identification of existing Entrepreneurs for development.	
Estimated Costs: No financial implications.	
Time of Implementation: 2024/2025 Financial Year	Time to Impact: Medium to long term
Outputs: Training programs and workshops. Better skilled people.	

Project No 2 Program Type: Capacity Building (LED)	
Brief Project Description Facilitate LED capacity building to Municipal Officials and Councilors	
Expected Results: Improved LED concept understanding. Better choice of LED projects. Improved support of LED program.	Target Group (s) LED Officials. Municipality Management. Councilors. Ward Committees.
Possible Stakeholders: King Cetshwayo District Municipality. Mthonjaneni Municipality. Private Sector (Consultants).	Possible Contribution to the Project: In-principle support the projects. Facilitation of the application process.

Dept. of Economic Development & Tourism (LED). Dept. Cooperative Governance and Traditional Affairs (LED).	Packaging of the application to source funding (for and on behalf of the Municipality).
Pre-requisites: Drawing up of Business Plans for various projects. Preparation of funding proposals.	Risk Factors: Possibility of some applications not being successful/projects not being implementation due to funding/resource restriction. Reluctance on the part of Consultants to be involved due to costs to be incurred & risks associated with unsuccessful applications.
Estimated Costs: No financial implications. The capacity building will be conducted inhouse.	
Time of Implementation: 2024/2025 Financial Year	Time to Impact: Short to Medium term
Outputs: Approved LED projects and commencement of implementation. Employment opportunities generated.	

Project No 4

Program Type: Agricultural Development - Strategy

Brief Project Description

Facilitate the development of comprehensive and all-inclusive agricultural development strategy

Expected Results: Strategy developed with clear objectives and targets for the area. Better coordinated agricultural development services in the municipal area.	Target Group (s) Existing farmers Emerging Black Farmers
Possible Stakeholders: Department of Agriculture, Environmental Affairs and Rural Development (DAEARD). Dept. of Economic Development (Agri-Business Section). Private Sector (Consultants/Service Providers). Farmers Associations. Mthonjaneni Municipality.	Possible Contribution to the Project: Technical support. Technical support and funding. Specialist advise and facilitation. Participation in workshops & interviews. Funding and support.
Pre-requisites: Appointment of suitable qualified and experienced service provider. Budget allocation for the project.	Risk Factors: Poor participation and support by local farmers. Funding availability.
Estimated Costs: o R 190 000.00 to conduct research and develop a comprehensive agricultural development strategy supported by all stakeholders.	
Time of Implementation: 2024/2025 Financial Year	Time to Impact: Short to Medium term

Outputs: An implementable agricultural development strategy. Projects identified that are income generating and job creating in nature. Better coordinated agricultural development services.	

Project No 5		Program Type: Tourism Development - Strategy	
Brief Project Description			
Facilitate the development of comprehensive and all-inclusive tourism development strategy			
Expected Results:		Target Group (s)	
Strategy developed with clear objectives and targets for the area.		o Existing Tourism Operators	
Better coordinated agricultural development services in the municipal area.			
Possible Stakeholders:		Possible Contribution to the Project:	
Dept. of Economic Development & Tourism (DEDT).		Technical support and funding.	
Private Sector (Consultants/Service Providers).		Specialist advise and facilitation.	
Tourism Associations.		Participation in workshops & interviews.	
Mthonjaneni Municipality.		Funding and support.	
Pre-requisites:		Risk Factors:	
Appointment of suitable qualified and experienced service provider.		Poor participation and support by local Tourism Operators.	
Budget allocation for the project.		Funding availability.	

Estimated Costs:	
o R 190 000.00 to conduct research and develop a credible tourism development strategy supported by all relevant stakeholders.	
Time of Implementation: 2024/2025 Financial Year	Time to Impact Medium to long term
Outputs: An implementable tourism development strategy. Projects identified that are income generating and job creating in nature. Better coordinated tourism development services.	

Project No 6		Program Type: Tourism Development Opportunities	
Brief Project Description			
Promote local tourism by upgrading the local infrastructure (road, electricity, water and safety)			
Expected Results:		Target Group (s)	
Increase in the number of businesses moving into the area.		Residents of Mthonjaneni.	
Employment opportunities for local people.		Business people.	
Attraction of Tourists into the area.			

Possible Stakeholders: King Cetshwayo District Municipality. Dept. of Economic Development & Tourism (EDT). Government departments. Mthonjaneni Municipality.	Possible Contribution to the Project: In-principle support and funding. Specialist advise, facilitation and possible funding. Project implementation. Funding and support.
Pre-requisites: Technical Services Directorate priorities must support the project. Funding must be committed and available.	Risk Factors: Lack of project support stakeholders. Funding availability.
Estimated Costs: o To be determined in conjunction with the Technical Services Directorate.	
Time of Implementation: 2024/2025 Financial Year	Time to Impact: Medium to long term
Outputs: o Increased business investments and tourism opportunities.	

Project No 7 Program Type: SMME Development

Brief Project Description

Identification of outsourcing opportunities for the local SMME Firms

Expected Results:

Developed and registered BBBEE/SMME businesses.

Target Group (s)

Existing BBBEE/SMME businesses.

The Youth.

Link between SMME businesses with larger established businesses.	
Possible Stakeholders: Mthonjaneni Municipality. Small Enterprise Development Agency (SEDA). Department of Economic Development & Tourism (SMME Section). National Youth Development Agency (NYDA).	Possible Contribution to the Project: Facilitation of the project. Provision of support for emerging businesses. Provision of technical support to SMME firms to access finance. Provision of training/skills development program.
Pre-requisites: Preparation of Business Plans. Compilation of a Database for SMME businesses. Business Support Centre establishment.	Risk Factors: Lack of business support at a local level. Poor support and commitment by local SMMEs.
Estimated Costs: R 50 000 to run workshops for the SMMEs and to assist in engaging with industries, identification of outsourcing opportunities and liaising with local SMMEs. R 140 000.00 for development of SMME Strategy.	
Time of Implementation: 2024/2025 Financial Year	Time to Impact: Short - Medium term

Outputs: Updated Database of BBBEE/SMME businesses Registered and reasonably well-developed businesses.	

Project No 8 Program Type: Economic Integration Strategy

Brief Project Description

Development of a Youth Development Centre including business support and capacity building

Expected Results:

Target Group (s)

Facilities where youth can benefit and enhance their skills would be established.

o The Youth of Mthonjaneni Local Municipality.

Entrepreneurship in the local youth would be fostered.

There would be increased chances of youth employment due to readily available information and skills to be developed at the centre.

Possible Stakeholders:

Possible Contribution to the Project:

Department of Economic Development & Tourism (DEDT) (Youth Section) and the Department of Agriculture, Environmental Affairs and Rural Development (DAEARD).

Umsobomvu Youth Fund.

Provision of funding and technical support to the project.

Private Investors (e.g. FNB, Ithala).	Provision of funding and technical support to the project. Provision of funding to the project.
Pre-requisites:	Risk Factors:
Identification of a suitable and centrally situated area/land for the development of the Centre	Possibility of the Centre unable to generate sufficient income to sustain itself overtime.
Initial funding for the Centre including operating costs.	Limited access to funding.
Lease secured/ Development and Business plans/designs to be available for implementation.	
Estimated Costs:	
R 140 000, 00 for the undertaking of a Feasibility Study (through the involvement of the private/public sector).	
Implementation and project costs will be informed by the outcome of the Feasibility Study.	
Time of Implementation:	Time to Impact:
2024/2025 Financial Year	Short - Medium term
Outputs:	
The local Youth equipped with necessary skills that are in demand.	
Attraction of investment and economic growth into the area.	

Project No 9 Program Type: Availability of Information

Brief Project Description

Development of a Business Resource and Service Centre at Melmoth node

Expected Results:

Economic trends of Mthonjaneni Local Municipality would be monitored.

Availability of reliable and up-to-date information would be ensured.

A facility where business Entrepreneurs can learn and enhance their skills would be established.

Entrepreneurship in the community of Mthonjaneni would be fostered.

Target Group (s)

- o Existing and emerging businesses.

Possible Stakeholders:

Mthonjaneni Local Municipality.

SEDA

Dept. of Economic Development & Tourism (DEDT).

Private Sector (Consultants/Service Providers)

Possible Contribution to the Project:

Facilitation and funding of the project.

Provision of technical support and assistance with access to funding.

Provision of funding and technical support to the project.

Feasibility assessment, Business plans, Development/ Construction plans and Designs.

Pre-requisites:

Identification of a suitable and centrally situated area/land for the development of the Centre.

Initial funding for the Centre including operating costs.

Lease secured/ Development and Business plans/designs to be available for implementation.

Risk Factors:

Possibility of the Centre unable to generate sufficient income to sustain itself overtime.

Limited access to funding.

Estimated Costs: R 140 000, 00 for the undertaking of a Feasibility Study (through the involvement of the private/public sector) Implementation and project costs will be informed by the outcome of Feasibility Study.	
Time of Implementation: 2024/2025 Financial Year	Time to Impact: Short - Medium term
Outputs: People of Mthonjaneni will be equipped with information & requisite skills for ensuring economic growth in the area. There would be increased attraction of investment and economic growth into the area.	

Project No 10 Program Type: HIV/AIDS & Poverty	
Brief Project Description Registration, recognition and training of HIV/AIDS organizations within Mthonjaneni	
Expected Results: Access to funding for the implementation of HIV/AIDS alleviation projects. Training for the home- based Care givers.	Target Group (s) Women Youth Co-operatives active in the health sector All HIV/AIDS infected & affected people

Possible Stakeholders: Department of Social Development Department of Health. King Cetshwayo District Municipality. Mthonjaneni Local Municipality. Service Providers (Accredited Trainers). SETAs.	Possible Contribution to the Project: Project funding and facilitation. Provision of training/technical support to the project, funding for training/development and for purchase of medical supplies and equipment. Provision of funding for training and for purchase of medical supplies and equipment. Facilitation and support for training programs. Provision of training. Funding and accreditation.
Pre-requisites: Workshops to facilitate registration & the setting of clear criteria for the project. Compilation of a Database of all organizations active in the field of HIV/Aids. Training and skills development program for project sustainability.	Risk Factors: Stakeholders' response to the initiative may not yield the expected results. Lack of co-operation and co-ordination between individual businesses to build and improve on the existing initiatives.

Estimated Costs:	
o R70 000, 00 municipal funding to facilitate engagement with the relevant stakeholders & funders.	
Time of Implementation: 2024/2025 Financial Year	Time to Impact: Short - Medium term
Outputs: Development of profile of organizations active in the field of HIV/Aids & engagement with them on the proposed project. Implementation of Mthonjaneni Local Municipality's HIV/AIDS and Poverty alleviation projects. Availability of properly coordinated support on HIV/Aids issues. Better enhanced support for home- based Care-givers.	

Project No 11	Program Type: Institutional Arrangements (Chamber of Commerce)
Brief Project Description	
Strengthen the existence and functioning of Mthonjaneni/ Melmoth Chamber of Commerce & Business Forum with the assistance from King Cetshwayo District Municipality (KCDM)	
Expected Results: Access to information on managing and maintaining businesses. Support for emerging businesses.	Target Group (s) o Local business people.

Possible Stakeholders: K C Chamber of Commerce. Businesses in Mthonjaneni. Mthonjaneni Local Municipality. Business organizations such as NAFCOC/SACOB.	Possible Contribution to the Project: Provision of technical support and assistance with sourcing of funding. Active participation and enlivening of the project to create more linkages and networking opportunities. Provision of project technical support/ secretarial services and initial funding. Provision of project technical support, capacity building/training and funding.
Pre-requisites: Compilation of a Database of Existing businesses. Expressed interest in the establishment of the Chamber.	Risk Factors: Lack of support by businesses and other stakeholders. Availability of funding.
Estimated Costs: R 72 000 per year for provision of facilitation and secretarial services for the first three years. R 50 000 for project packaging and application for funding.	
Time of Implementation: 2024/2025 Financial Year	Time to Impact: Short term

Outputs:	
Development of responsible & accountable business enterprises.	
Improved business service provision.	
Improved and properly coordinated sharing of business ideas & challenges.	

Project No 12	Program Type: Institutional Arrangements (LED Unit)
Brief Project Description	
Facilitate LED Unit restructuring, funding and capacity building to LED Officials on fundraising	
Expected Results:	Target Group (s)
LED Unit restructured as per COGTA recommendations.	Municipality Management.
Better and coordinated LED activities.	LED Unit Officials.
LED projects funded and implemented effectively.	LED Portfolio Committee.
	LED Forum.
Possible Stakeholders:	Possible Contribution to the Project:
King Cetshwayo District Municipality.	Project support and possible funding.
Dept. of Economic Development & Tourism (LED).	Project technical support, advise and possible funding.
Department of Cooperative Governance and Traditional Affairs (COGTA) (LED).	Project technical support, advise and possible funding.
Private Sector (Consultants/Service Providers)	

	Project implementation.
Pre-requisites:	Risk Factors:
Approval of LED Unit organogram/ structure by Municipality. Buy-in of key stakeholders.	Lack of support by key stakeholders. Availability of funding.
Estimated Costs:	
o R 50 000 for project facilitation, meetings and to run workshops on LED and economic development.	
Time of Implementation:	Time to Impact:
2024/2025 Financial Year	Short term
Outputs:	
Creation of new LED structure including appointment of LED Manager.	
LED projects identified and funding proposals completed.	
LED projects implemented benefiting local communities.	
Well-coordinated and alignment with key LED stakeholders.	

CHALLENGES FOR LOCAL ECONOMIC DEVELOPMENT

CHALLENGES	DEFINITION	INTERVENTIONS
High rate of unemployment which leads to poverty and low economic growth.	A low unemployment rate represents a strong economy while a high unemployment rate represents a weak economy.	Implementation of skills development programs Educational support to youth at tertiary level
Sluggish economic growth resulting in failure to attract investors	Failure to raise standard of living due to low economy. The location of the municipality as it in rural areas we fail to attract potential investors.	Investor attraction and improve revenue collection
Lack of funding	The municipality is based in deep in rural areas and as a result it does not have enough revenue generating initiatives, its highly dependency on grants.	Request funding from Related sector departments

Table 61- LED Challenges

SWOT ANALYSIS FOR LOCAL ECONOMIC DEVELOPMENT

STRENGTHS	WEAKNESSES
• Our Location factor, we are located on the two tourism routes R66 and P700 which is a biodiversity Cluster	• Lack of an investment, promotion, and attraction strategy. • We do not have sector plans that support our main economic drivers. • Lack of hard and soft infrastructure to our local businesses.
OPPORTUNITIES	THREATS
• To forge partnerships with other stakeholders with interest in LED e.g., EDTEA, SEDA, Mondi, Sappi, to develop strategies to improve our economic landscape	• Lack of Declining sectors research documentation e.g., Agriculture as our main economic drive this will have direct impact on our provincial GDP and our Regional Economic contributor. • Lack of skills to support LED.

Table 62- LED SWOT Analysis

15. SOCIAL DEVELOPMENT

Safety & Security, National Building & Social Cohesion Situational Analysis

National government envisages the rural development to be done through agrarian transformation, which implies the rapid and fundamental change in the relations (systems and patterns of ownership and control) of land, livestock, cropping and the communities. The strategic objective of this approach is “Social Cohesion and Development”. Accordingly, Mthonjaneni Municipality has committed itself to play its own role to work in line with the requirement.

Mthonjaneni Municipal area of jurisdiction has one police station in Mthonjaneni CBD/Town. The Municipality has established a Fire and Rescue Unit with trained personnel. The Unit is equipped with Fire Engine, response bakkie, small fire tools and jaws of life.

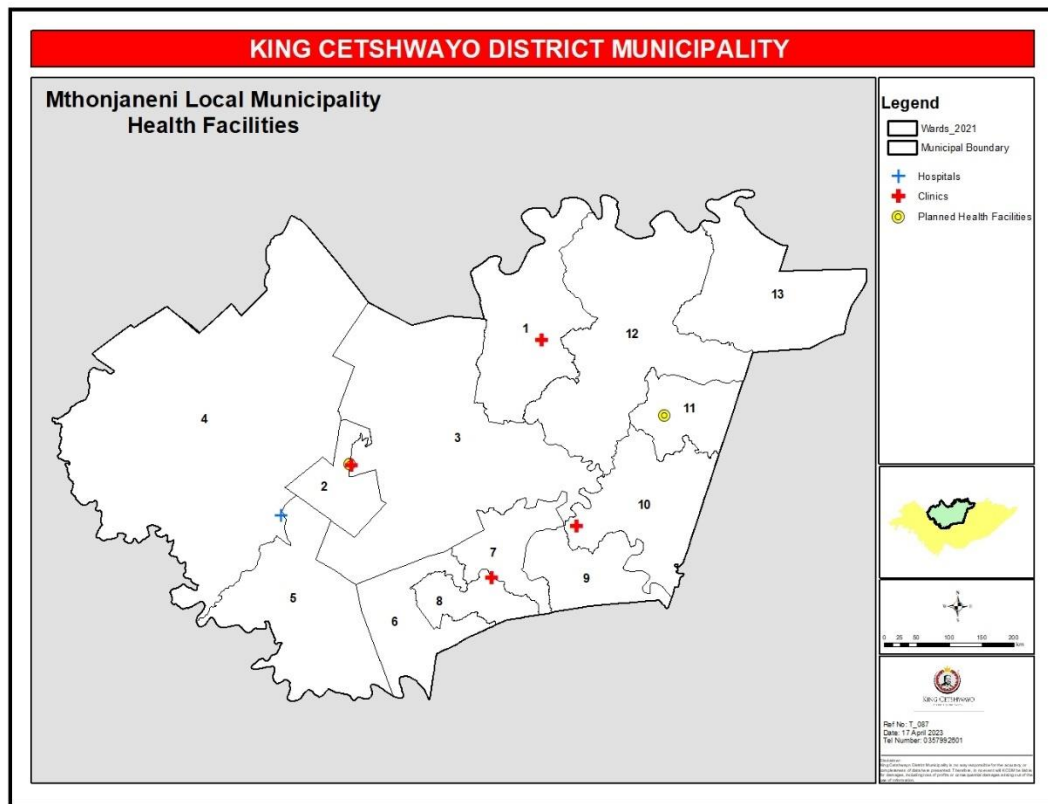
The Municipality participates in the community safety forums and Community Police Forums. Otherwise, Disaster Management Plan is in place, which enhances the community safety plan although it triggers into action once a disaster occurs. That is, it reacts to an event rather than operates proactively.

This function is currently the preserve of King Cetshwayo District Municipality.

MUNICIPAL HEALTH SERVICES

Health considerations form an integral part of spatial transformation and settlement making in Mthonjaneni. Provision of health facilities should consider, among other, public transportation and service thresholds, and be located close to activity areas and regular places of gathering. The location of preventively orientated health facilities, such as clinics, in association with primary and pre-primary schools, offers advantages. Preventive functions, such as inoculation and nutritional programmes are best delivered through schools. Where a

multipurpose hall serves several schools, a clinic may be beneficially located within or adjacent to that hall



Map 45- Health facilities

SOCIAL SERVICES COORDINATE THE FOLLOWING ACTIVITIES:

VULNERABLE GROUPS SITUATIONAL ANALYSIS

- Youth activities
- Sport activities
- Cultural activities e.g., Maidens programme which support HIV&AIDS and Zulu Dance.
- Special programmes activities
- Library activities:
 - Coordinate all Operation Sukuma Sakhe activities from the war room levels, local and district levels.
 - Coordinate all HIV & AIDS, TB, and other chronic diseases, give support through the Department of Health (DOH).

- Establish and seat at the organized forums e.g., Senior Citizens Forum, Gender Forum (Mans and Women), Religious Forum, Disability Forum, Early Childhood Development Forum, and Civil Society Forum.
- Work with all Departments through OSS Local task team service delivery.
- Support and monitor Care Givers, Community Development Workers, and other Community Volunteers.
- Work with Tribal Authorities on service delivery.
- Collect data for the above forums set up year programmes.

SPORT AND RECREATION

A human activity involving physical exertion and skills as the primary focus of the activity, youth elements of competition or social participation where rules and patterns of behaviour governing the activity exist formally through organisation and its generally recognised as sport.

The below programmes will be executed with an aim of promoting healthy living style and participation in sport fraternity.

Various Recreational events and programmes are hosted by Sport and Recreation Section as follows:

- Indigenous Games
- Golden Games
- Disability Games

Sports Development programs are annually hosted by the Municipality as mentioned below:

- Ward Elimination Games
- Mayoral Sports Day
- SALGA Games
- Capacity building workshops for Sport Administrators and Technical Officials
- Support the Local Teams with Sport kits.
- Big Walk
- Formulation of Ward Base Soccer Leagues (Under 18)

- Fun Day
- Boxing Sport Day

Sports facilities are continually being upgraded in all wards and provision of sport facilities to be upgraded is included in the municipal budget.

Youth Activities

The municipality set aside budget for youth that focuses more on education and skills development. The Mayoral Driver's License was initiated to assist the youth from disadvantaged background hence almost all job advertisement or opportunities has a standard requirement of a driver's license. More than 390 youth have benefited from these programmes since 2017 and some have received job opportunities through this intervention or program.

The municipality in 2023 adopted Youth Development Policy and its Programme of Action. This will assist the municipality driving issues of youth development being championed in consultation with the youth of Mthonjaneni.

- ❖ Youth entrepreneurship awareness workshop.
- ❖ To develop entrepreneurial skills among young people in business and enhance their business management ability.
- ❖ NSFAS & CAO online application.
The aim of this programme is to assist young people who do not have access to internet and those who do have skill on how to apply.
- ❖ Business Management Training.
- ❖ Job preparedness for Graduates.
- ❖ Mayoral Bursary Grant.
The Mayoral Bursary Scheme which has assisted more than 550 youth which has seen a massive impact to the youth by giving them access to higher education.
- ❖ Local Music Festival.
- ❖ Miss & Mr Mthonjaneni
- ❖ Youth Summit.

SPECIAL PROGRAMMES

The mandate of the Special Programmes Unit is to promote, facilitate, coordinate, and monitor the realization of the rights of Youth, Children, Senior Citizens (Older Persons), People Living with Disabilities, People with HIV/ AIDS, Women and Men.

There is a strategy in place for special programmes.

HIV/AIDS strategy has been formulated and approved by committees and council.

OPERATION SUKUMA SAKHE

Operation Sukuma Sakhe is a call for the people of KwaZulu-Natal to be determined to overcome the issues that have destroyed the communities such as poverty, unemployment, crime, substance abuse, HIV/AIDS, and TB. Operation Sukuma Sakhe has a “whole of Government approach” as its philosophical basis. It spells out every initiative and how it links to initiatives being implemented by the different sector departments and the spheres of government. Therefore, delivery of services is required through partnership with the community, stakeholders, and government.

OSS Structures

The following structures starting from Districts to Wards have different responsibilities to discharge in relation to Operation Sukuma Sakhe and they have been established and functional.

- King Cetshwayo District Task Team
- King Cetshwayo AIDS Council
- Mthonjaneni Local Task Team (LTT)
- Mthonjaneni Local AIDS Council
- War Rooms
- Ward AIDS Council

OSS - Mthonjaneni Local Task Team (LTT)

For Operation Sukuma Sakhe to operate it needs the existence of the following core group of stakeholders and Mthonjaneni LTT comprises of the following stakeholders:

- Business Sector
- Traditional Leadership Sector
- NGO Sector
- Religious Sector

- Sporting Fraternity
- Women
- Children
- Youth
- People living with disability.
- Senior Citizens

Some of the critical success factors to ensure the effective functioning of OSS in the Mthonjaneni Municipality are noted hereunder:

- inclusion of community structures that include civil society, business and development partners and other key stakeholders.
- Institutional arrangement linkages and integrated development planning.
- Integrating Operational Plans with Governmental Department plans.
- Establishing of a permanent “War Room.”
- Allocating community worker to conduct Household Profiling to identify needs.
- Ensuring that different Departments sit in the LTT.
- Constantly building capacity of Managers through presentations on OSS reporting.
- To create a platform where people living with disability can sit and share their experiences with an intention to develop the program and structure that will deal with their issues.
- Managers assisting war rooms in building capacity.

Benefits of OSS to Civil Society

- Networking and partnerships with Government Departments
- “One stop shop” approach at ward level.
- Pooling of resources to maximize outputs.
- Shared information gauge performance.
- Joint reporting to the communities.
- Coordinated approach for identifying and resolving issues.
- Employment and Skills development opportunities through participation in task teams.

Health HIV/AIDS

Prevalence of HIV/ AIDS is still very high in KwaZulu-Natal. Mthonjaneni Municipality has a big number of orphans and children made vulnerable by HIV/AIDS. The Municipality has been able to establish Local AIDS Council, but emphasis is needed for ward-based establishments. The main purpose for the establishment of this structure is to assist the Municipality to establish, understand and accommodate the needs HIV/AIDS infected as well as the affected people and ensure that they benefit from development initiatives.

ARTS AND CULTURE

Reed Dance

The reed dance ceremony its annually event organized by the Department of Arts and Culture through Districts and Local Municipalities. The reed dance is a cultural experience that promotes abstinence, moral values and self-esteem. Mthonjaneni Municipality is one of the five municipalities under King Cetshwayo District participating on the Reed dance ceremony yearly.

Community Services department has successfully organized that the municipality participate in Reed Dance ceremony that normally takes place yearly at the Enyokeni Royal Palace at KwaNongoma. 420 maidens were transported by seven (7) buses to attend the Reed Dance ceremony. The Mayor of Mthonjaneni Municipality, His Worship the Mayor M.N. Biyela encouraged the maidens to be proud of their culture and to abstain from sexual activities till they are old enough to engage on them.

Library Activities

Melmoth Public Library is the only library that is serving the whole community of Mthonjaneni. This library is considered fundamental to the development and upliftment of this community it is also the heart of Mthonjaneni community. The access to this library creates and sustains a reading culture. The value of our library in terms of support of literacy, education and the principle of lifelong learning forms an integral part of our democracy. To ensure the provision of these services, our library is committed to develop and sustain a culture of reading and provision of access to information for all the people of Mthonjaneni.

The library has been used to its full capacity especial in the afternoons and on weekends by school learners and adult learners. Sometimes you find that some learners don't even have the chairs to sit on and they sit on the floor or between the shelves.

SERVICES OFFERED BY LIBRARY

- Books, music, audio books, DVDs, posters, games that is chess and monopoly, newspapers, and magazines.
- Free public internet access
- Cybercides (library computer assistant) to develop ICT skills in computer users and to manage the internet facilities in the library.
- Community awareness campaigns
- Schools' visits (Literacy Day, outreach programs)
- Mother Tongue
- Library Week Programme.

MUNICIPAL FINANCIAL VIABILITY

16. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

A financial plan has been prepared to give a picture of funding allocated to both operations and capital projects and projections for the next two years is also included as summary of the Final Annual Budget 2024/25 below.

The municipality has remained open to offer basic and essential services to the community under the current difficult conditions. The South African economy needs to respond to amongst others, the high percentage of unemployment and slow economic growth and the negative economic conditions have been made worse due to the ongoing loadshedding where implementation of loadshedding at higher stages impact the day-to-day operation of delivering quality services to our communities and negatively affect our local businesses which may negatively affect revenue collection.

Local government has a vital role to play in turning around the economy. The municipal finances are still under pressure. This is because of the rising cost of delivering basic services to our community with limited resources. The Municipality has grown in terms of number of wards, directorates and functional areas, staff complement has increased accordingly. Nevertheless, our revenue sources are still not growing accordingly, as a result the preparation of the budget has been challenging.

According to MFMA budget 2024/25 circulars 126 The National Treasury forecasts real GDP growth of 0.8 per cent in 2023, compared with 0.9 per cent projected in the 2023 Budget Review. Growth is projected to average 1.4 per cent from 2024 to 2026. Relative to the 2023 Budget, the weaker projection for 2023 mainly reflects lower household consumption expenditure due to higher inflation and interest rates, and lower net exports. Power cuts are expected to continue for the remainder of this year and to gradually ease in 2024. Faster, determined implementation of energy and logistics reforms remains critical to boosting economic growth

Employment growth continues to lag South Africa's post-COVID-19 economic recovery, with 74 000 fewer people in employment in the second quarter of 2023 than in the fourth quarter of 2019. Improving employment growth sustainably over the long term requires faster GDP growth and improved education and skills development

Headline inflation is expected to decelerate as the energy and food price shocks associated with global supply chain disruptions and the war in Ukraine dissipate. Headline consumer prices are expected to fall from an expected 6 per cent in 2023 to 4.9 per cent in 2024. Fuel prices have fallen since June 2023, largely reflecting base effects. Food price inflation, which peaked at 14.4 per cent in March 2023,

slowed to 8.2 per cent by August 2023. However, the pace of deceleration has been slow relative to global food prices. This can be attributed to a weaker rand exchange rate and elevated production costs. Core inflation has remained near 5 per cent for most of 2023 due mainly to higher insurance and vehicle price inflation. Headline inflation is projected to return towards the mid-point of the 3 to 6 per cent target range in 2025.

Household consumption expenditure is expected to slow from 2.5 per cent in 2022 to 0.8 per cent in 2023 due to the cumulative effect of interest rate increases, elevated inflation and falling real disposable income, and generally weak consumer confidence. Growth in credit extended to households continues to decelerate for both secured and unsecured credit. National Credit Regulator data shows that in the first quarter of 2023, banks rejected 70 per cent of credit applications – the highest rate on record – reflecting concerns over households' ability to repay loans. Household consumption expenditure is expected to average 1.6 per cent from 2024 to 2026

The Municipality is still implementing the Municipal Financial Recovery Plan 2019/20 and Municipal Cost Containment Regulations, 2019 that were adopted by the Municipal Council with effect from 01 July 2019 together with a revised Municipal Cost Containment Policy. The municipality proposed a range of expenditure reductions measures and established a revenue committee composed of municipal senior management to monitor revenue and expenditure projections regularly and to restore the Mthonjaneni Municipality's finances to a sustainable position, some of these measures are likely to be painful however request the support from the leadership and all municipal staff. We owe it to future generations to ensure that we are good stewards of our municipal's resources and that they do not have to pay for faults in our decision-making.

Over the next three years, municipalities will have to adjust to significant changes in expenditure plans while improving accountability. The 2024 Budget includes funding for initiatives to improve municipal revenue collection and support financially distressed municipalities. The Municipality's core business is to enhance service delivery for our communities. Despite the limited resources at the disposal of the municipality this budget seeks to better service delivery to our community. We are aware of the challenges being faced by our people.

As we all know, the Municipality's infrastructure is aging, therefore, it becomes more critical that council can balance its finances in such a way that we are able to maintain the infrastructure and assets that we have. To this end the municipality is continuously seeking alternative sources of funding to renew this archaic infrastructure. Majority of our people lack necessities. It is therefore imperative that this Council puts the foot on the pedal for seeking partnership with other private sector and in pursuit of improving the lives of our people as it

is evident from the budget that we cannot do everything on our own with the limited financial resources we have.

We have managed in the past to spend accordingly and in full all the infrastructure grant monies allocated to us. Consequently, National Government decided in the last five years to give us a little bit more top up on Municipal Infrastructure grant from what was initially allocated to us. This was done because we respect and utilize taxpayer's money accordingly. This is clear evidence that the leadership of this municipality is working tirelessly to improve the lives of the people of Mthonjaneni and is not condoning corruption and maladministration.

The local government equitable share and related allocations increased at an annual average rate of 61 per cent and municipal conditional grants increased by 3.8 per cent over the 2023/24 MTEF period.

SUMMARY OF CAPITAL FINANCIAL PLAN

<u>2022/2023</u>		<u>2023/2024</u>		<u>2024/2025</u>	
REVENUE					
SOURCE	AMOUNT	SOURC E	AMOUNT	SOURC E	AMOUNT
MIG	30 039 000	MIG	19 370 000	MIG	20 490 000
INEP	8 280 000	INEP	10 000 000	INEP	5 848 000
OWN FUNDS	5 471 000	OWN FUNDS	2 812 000	OWN FUNDS	9 190 000
TOTAL	46 663 000	TOTAL	32 182 000	TOTAL	35 528 000
CAPTAL EXPENDITURE					
<u>2022/2023</u>		<u>2023/2024</u>		<u>2024/2025</u>	
SOURCE	AMOUNT	SOURC E	AMOUNT	SOURC E	AMOUNT
MIG	30 039 000	MIG	19 370 000	MIG	20 490 000
INEP	8 280 000	INEP	10 000 000	INEP	5 848 000

OWN FUNDS	5 471 000	OWN FUNDS	2 812 000	OWN FUNDS	9 190 000
TOTAL	46 663 000	TOTAL	32 182 000	TOTAL	35 528 000
UNSPENT	0.00		0.00		0.00
VARIANCE	0.00		0.00		0.00

The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the 2023/24 MTEF period. It also includes allocations for the operational and maintenance costs associated with the provision of free basic services..

Social and Economic Redress via Indigent Management

Indigent Policy

The Municipality has the indigent register where all individuals not affording to pay for basic services has gone through the application process and those who were found to earn little/ dependent on government grants has their applications successful. The Indigent register and Indigent Policy were reviewed and adopted during the 2018/2022 financial year strategic planning. The Municipality will update the indigent register in the 2024/2025 Financial Year, however during the Auditor General Audit there were discrepancies that were picked up which forced the Municipality to do a desktop review of the indigent review where dead beneficiaries, people in the service of the state and people with invalid Identity Documents were removed.

The municipality has an indigent policy that is used as a guide in terms of the indigent support to our needy community. The policy pronounces the other tools such as the indigent register where all the indigent households are registered. All the households with a joint gross income of R 3800 are regarded as indigent and are listed in the register for support from the municipality as per the policy. There are a number of households listed on the municipal indigent register updated yearly. There has not been a sizable increase in the households listed in the register since 2016. Currently there are 3 219 registered indigents on the indigent register.

The municipality allocated an amount of R 1 080 000 payable to Eskom for free basic electricity in 2023/24 and projected R1 144 800 (2023/24) and R1 213 488 (2024/25). There has been a steady increase in indigent support of an average of 5 % per annum over the last three years.

The services offered to the indigent including the rebates are as follows:

- Refuse Removal - exempted
- Electricity – Free basic service of 50Kw per month
- Rates - exempted

The indigent policy is also accommodating pauper burial which will provide the grocery voucher, the coffin and transport. A burial pit will also be provided for the rate payers and Thubalethu residents who are in the indigent register.

Going forward it will be our priority to reduce the number of households on the indigent register through job creation and programs such as EPWP, ensuring that those that are hired are equipped with certain skills by the end of the program, for future employment.

Copy of the Indigent Policy is attached to the IDP as an annexures

REVENUE MANAGEMENT

The Mthonjaneni Municipality adopted its revenue enhancement strategy in June 2015. The Revenue strategy has been revised in March 2023 and was tabled for council approval. The main objective of the strategy is to improve the current payment levels and to recover arrear debt. One of the revenue enhancement strategies that a municipality has introduced is to link the rates account with electricity accounts. This assisted in revenue collection as the people who have not paid their rates could not buy the electricity unless 50% of the debt has been paid. The enhancement strategy includes or is based on the following aspects amongst others:

- Registration of Indigents:
- Meter Reading and Billing System:
- Debt Collection Strategy & Customer Care:
- Consumer Database Management:
- Minimise loss in distribution of electricity
- Improvement of Revenue Generation:
- Staff Training and Mentoring:
- Revision of credit control policies

The municipality has developed a revenue enhancement strategy to address the issue of low collection rate, implementation of policies and improvement in debt management.

The Municipality has prioritized top 50 customers based on their debts with the Municipality and there has not been much of success but it's been recently implemented, more details will be provided on the 2023/2024 Annual Report

Resource capability to implement the strategy:

1. The Municipality has the human resources to implement the strategy with the Manager Revenue recently appointed.
2. The Municipality appointed the debt collector at the beginning of the financial year 2023/2024 even though the appointment have not yet yielded positive results.

An analysis of how the strategy is working either benefitting the Municipality or not realizing monetary gain:

3. The Municipality is has not received the desirable monetary gain from the Revenue Strategy, and as a result the strategy will be reviewed in the 2024/2025 Financial Year

Ways to improve strategy:

4. The Municipality is considering terminating services within 30 days after failing to pay, this will assist by ensuring that the customers prioritize the payment of Municipal Services.
5. The Municipality recently discovered that the Municipality is selling electricity at a loss, NERSA has been engaged by the Municipality in trying to align the rates with Eskom rates. Should this be a success it will improve on collection for electricity and thus reduce the loss.

Methodology employed to improve the strategy:

1. The Municipality has employed full-time Manager Revenue who resumed the duties on the 1st of May 2024, this will assist in ensuring that the responsibility has a warm body to implement and account.

Consultation processes to employ a best practice strategy from another municipality with similarities

- The Municipality will benchmark with the closest Municipality's during the Review during 2024/2025 Financial Year.

Sources of revenue;

- Property rates
- Electricity
- Refuse Removal
- Traffic Fines

Billed revenue as per audited AFS;

- R49 376 967.00

Collected revenue as per AFS;

- **R46 225 933.00**

Collection rate:**Collections on current debtors;**

- Annual Collection/Annual Billing
=40 795 554.10/43 987 177.17
= 93 %

Collections on current and aged debtors (total debt).

- (Gross debtors opening balance +Billed revenue- Gross debtors closing balance- Bad debts written off) / Billed Revenue x100.
=(36 757 994.29+43 987 177.17-38 232 549.16-0) / 43 987 177.17
=97%

3 Year Collection Rate:

Municipality has in the past 3years collected;

<u>2022/2023</u>	<u>2023/2024</u>	<u>2024/2025</u>

SPENDING OF CAPITAL GRANTS

The capital budget is committed largely on new infrastructure projects and the renewal of existing capital assets. The Council have adopted an adjusted capital budget of R32.1 million in 2023/24 and projected capital budget of R32.1 million in 2024/25 and R32.8 million in 2025/26 and. The municipality had spent all capital grants funding (100% spent) in 2021/22 and in 2022/23. Consequently, National Government decided in the last five years to give us a little bit more top up on Municipal Infrastructure grant from what was initially allocated to us. This was done because we respect and utilize taxpayer's money accordingly. This is clear evidence that the leadership of this municipality is working tirelessly to improve the lives of the people of Mthonjaneni and is not condoning corruption and maladministration.

DEBT CATEGORY**Three Year Debt Collection Rate**

Gross debtors opening balance +Billed revenue- Gross debtors closing balance-
Bad debts written off) / Billed Revenue x100.

2021	2022	2023
(R28 390 455.64 +R44 758 792.77-R36 920 406.91 - R378 738)/R44 758 792.77	(R36 920 406.91+R44 697 149.25- R36 757 994.29-R9 651 778)/ R44 697 149.25	(R36 757 994.29+R43 987 177.17- R38 232 549.16-R0)/ R43 987 177 .17
80%	79%	97%

Table 64- 3 year debt collection rate

DEBTS WRITTEN OFF

The municipality currently owed over R39 Million in property rates and service charges. These debtors are Categorised as follows: 1.Organs of State- R14.1 million, 2. Commercial- R9.3 million, 3. Households- R15.6 million, 4. Other- R843 thousand. The municipality has made R2.6 million provision for debts impairment. No bad debts has been written off during 2022/23 financial year. The municipality is in the process of implementing the following strategies in order to improve the debt management area:

1. The municipality will draft and enter into a service level agreement with King Cetshwayo District Municipality on restriction of water for defaulting rates customers in Eskom supply arrears,
2. The municipality has written a letter to Eskom requesting a transfer of Thubalethu Township which has more than one thousand customers for Eskom to supply electricity directly to these customers. The municipality is committed to implement the above strategies in order to reduce its debtors book.

The Municipality appointed the service provide Amanquhe for data cleansing, inorder to have an updated debtors information so to avoid billing customers on old details where they end not receiving statements

DEBT WRITE-OFF EACH YEAR

2021	2022	2023
R378 738	R9 651 778	R0

*Table 65- Debt written off***BAD DEBT PROVISION**

2021	2022	2023
R2 600 000	R 2 600 000	R2 600 000

*Table 66- Bad Debt Provision***DEBTORS AGE ANALYSIS:**

Debtors age analysis the municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. In order to ensure efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service the municipality is in a process of procuring the services of a service provider for debt collection. Furthermore, the municipality is implementing Credit Control & Debt Collection Policy and reviews this policy annually

DEBTORS AGING PER SERVICE AS AT 30 JUNE 2023

Table 67 Debtors Age								
SalesRep	(All)							
GroupDescription	(All)							
GroupCode	(All)							
Servicce	180 Days	150 Days	120 days	90 Days	60 Days	30 Days	Current	Balance
Interest	5 558 488,06	117 161,43	118 897,19	121 632,09	121 914,96	125 216,17	443 253,65	6 606 563,55
Property Rates	20 166 261,61	290 576,41	406 707,03	447 709,05	675 127,59	589 902,03	1 070 393,87	23 646 677,59
OTHER	-1 114 749,17	-79 860,39	-7 242,05	-15 895,58	-24 426,46	-54 374,66	-52 326,49	-1 348 874,80
Electricity Basic	732 894,25	23 839,88	12 003,42	12 267,43	13 325,55	20 042,40	60 745,74	875 118,67
Electricity Availability	449 775,09	0,00	0,00	0,00	0,00	0,00	0,00	449 775,09
Electricity Consumption	1 616 235,51	43 538,79	56 776,84	71 672,30	117 929,15	161 972,09	934 942,68	3 003 067,36
Rental	200 840,93	5 000,00	9 817,63	11 185,14	11 185,14	11 229,35	13 625,60	262 883,79
Refuse Removal	3 125 920,19	79 411,02	78 372,89	85 345,78	100 758,72	92 526,01	219 862,04	3 782 196,65
Interest on Property Rates	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Interest on Electricity	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Electricity Demand Charge	374 736,33	31 085,02	5 556,13	31 304,63	48 467,74	38 383,98	429 866,73	959 400,56
Refuse Additional	9 658,70	282,00	282,00	7 438,54	40 749,43	40 749,43	45 825,49	144 985,59
Grand Total	31 120 061,50	511 034,16	681 171,08	772 659,38	1 105 031,82	1 025 646,80	3 166 189,31	38 381 794,05

17. FINANCIAL MANAGEMENT

Supply Chain Management

The municipality has a supply chain management (SCM) unit within the finance department. This unit is responsible for the implementation of Chapter 11 of the Municipal Finance Management Act. The unit has the following as part of the institutional arrangements:

B) Personnel/ Staff

As part of the organogram for finance department, there are four posts in the supply chain management (SCM) unit with different roles and responsibilities. They include SCM Manager, SCM Practitioner and two SCM clerks.

The municipality has fully functional bid committees that assist in the process of competitive bids from the specification until the adjudication committee that recommends to the accounting officer for appointment.

C) Policy Documents

There is a supply chain management policy that guides the unit in implementation of the legislation, i.e. Municipal Finance Management Act. The policy that has just been reviewed by the council is divided into three parts. These are

- I. **Part A** is the **Supply Chain Management Policy**, adopted in terms of section 111 of the Local Government: Municipal Finance Management Act, No. 56 of 2003 and the Municipal Supply Chain Management Regulations, Notice 868 of 30 May 2005;
- II. **Part B** is the **Preferential Procurement Policy**, adopted in terms of section 2 of the Preferential Procurement Policy Framework Act, No. 5 of 2000 and the Preferential Procurement Regulations, 2017.
- III. **Part C** is the **Model Policy for Infrastructure Management**, adopted in terms of section 168 of the Municipal Finance Management Act, No. 56 of 2003 in support of Regulation 3(2) of the MFMA Supply Chain Management Regulations.

D) Municipal Procurement Plan

The organisation has adopted the Municipal Procurement Plan that is in line with the service delivery and budget implementation plan (SDBIP) as required by MFMA Circular 62. This assists the SCM unit together with the departments to ensure that the procurement is made as planned and directly contribute to the service delivery. Since the procurement plan is in

line with the SDBIP, it has also assisted in the determination of implementation timeframes of all the municipal projects and programmes.

E) Targeted Procurement

The municipality is using the preferential procurement pieces of legislation (PPPFA and Preferential Procurement Regulations) to implement targeted procurement. Therefore, the following groups are targeted and directly benefit in the procurement of goods and services:

- (i) Local Businesses
- (ii) Women
- (iii) Youth
- (iv) Disabled

Mthonjaneni Municipality has a fully functional Supply Chain Management Unit that is responsible for Demand and Acquisition. The SCM is also responsible for management of contracts and management of inventory as kept in the municipal stores. The unit is housed within the budget and treasury with a manager responsible as per the approved organogram. The unit operates in line with the relevant pieces of legislation and other policy documents including the Supply Chain Management Policy as amended and adopted on 29 May 2019.

The unit reports to the management committee, finance portfolio committee, executive committee, and full council through the chief financial officer. There are functional bid committee members appointed by the accounting officer on yearly basis. The current bid committees are as follows:

Bid Specification Committee

The committee sits as per section 26 (1) (a) of the Supply Chain Management Policy. It has the following members:

- Ms S.P Ntuli (Deputy Chief Financial Officer) – Chairperson
- Mr D Thomson
- Mr B.N. Dlamini
- Ms P.B.S.K. Vilakazi
- Mr. B Shongwe
- Miss S.G. Nxumalo – Secretariat Support

Bid Evaluation Committee

The committee is appointed by the Accounting Officer and sit in line with section 26 1 b of the Supply Chain Management Policy. It has the following members:

- Mr B.D. Mlondo (SCM Manager) – Chairperson
- Mr S Masango
- Mr S Shandu
- Mr L.J. Nyawose
- P.T. Xulu
- Ms N.P.N. Ngcobo – Secretariat Support

Bid Adjudication Committee

The committee is appointed by the Accounting Officer and sit in line with section 26 1(c) of the Supply Chain Management Policy. It has the following members:

- Mr N.M. Myeni (Chief Financial Officer) - Chairperson
- Mr F.S. Mazibuko – Director Community Services
- Mr. N.W. Zikhali – Director Technical and Planning Services
- Mrs NB Mathe – Director Corporate Services
- Ms S.G. Hlophe – Secretariat Support

Contract Management

The SCM unit keeps and maintain the electronic contract register for all the municipal contracts. This is made in line with the provisions of the Municipal Finance Management Act, KZN Finance circulars and the municipal contract management policy. The register has 64 contracts including the expired contracts that are still there to for a five-year term to lapse.

There are challenges with contract management, however, an action plan has been developed to address challenges. A report from Provincial Treasury recommended that an action plan be developed to address these challenges. The action to be taken and pronounced in the action plan include the following:

- a) SCM Manager to become the Champion
- b) Visit other neighbouring municipality to observe their processes
- c) Update contracts register regularly with all contracts and payments made
- d) CMC to collect payments schedule from expenditure on 15th and month-end
- e) Issue single purchase orders for appointments with total amount
- f) Monitor payments & record service providers that have been paid in excess of R 200 000

9.4.5 Stores & Inventory

The municipality has stand-alone stores in the other building where all stores items/ inventory is kept. There two employees of the municipality being the stores controller and stores assist who are responsible for day to day inventory management. This is in line with the municipal inventory policy and relevant accounting policies.

Assets and Infrastructure

Municipal assets, repairs and infrastructure

The Municipality had put aside R32.182 Million for municipal infrastructure assets. This include R8.184 million from INEP, R20.490 million from MIG and R3.346 million from own revenue. This will assist the municipality in providing the electricity, roads, community halls, sport fields, creches etc. in the community of Mthonjaneni. The maintenance of the assets is also budgeted at R7.8 million, R6.09 million for 2025/26 and R6.25 million for 2026/27. This will assist to maintain the existing assets so that they are always on a good working condition.

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2023/24 budget provides for in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the Municipality.

The following table lists the total anticipated cost for repairs and maintenance on infrastructure and assets for the next three years (2024 – 2026). It must be noted that the municipality has identified all the shortcomings associated with neglecting capital assets such as infrastructure thus the increased provision for repairing and maintenance of capital assets.

KZN285 Mthonjaneni - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description R thousand	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Total Repairs and Maintenance Expenditure	1	3,311	3,352	9,293	2,905	11,286	11,286	7,800	6,090	6,250
R&M as a % of PPE		0.9%	0.9%	2.3%	0.7%	2.6%	2.6%	1.3%	1.6%	1.4%
R&M as % Operating Expenditure		2.2%	2.2%	5.7%	1.8%	6.7%	6.7%	5.0%	3.4%	3.4%

The budgeted R & M is below the norm of 8%. The municipality is in the process of revising the repairs and maintenance infrastructure plan. The R & M budget will then gradually improve.

Investments

The municipality has a register of all investments with the legitimate registered banks as per the banks act. The accounts include four call deposits (one with Investec and three with FNB) as well as one fixed deposit with FNB. Below is the Investment Register for the 2023/24 financial year as at 31 January 2024.

BANKING INSTITUTION	DEPOSIT TYPE	ACCOUNT NUMBER	INTEREST RATE	AMOUNT INVESTED	SOURCE	Term of investment
Investec	Call Deposit	1100435097501	6.85	52 576.87	Spare account used to relieve a primary account	12 months
FNB	Call Deposit	62532053204	6.00	25 589.03	Call Deposit for M.I.G	12 months
FNB	Call Deposit	62051262146	0.50	85 817.74	Call Deposit used for Title Deeds Restoration Grant	12 months
FNB	Call Deposit	62771806092	6.00	18 986.77	Call Deposit for Electricity (INEP) Grant	12 months
FNB	Fixed Deposit	71245040078	6.45	1 540 000	Surety held with Eskom for bulk electricity	12 months
FNB	Call Deposit	62771807016	6.00	3 420.88	Call Deposit for EPWP Grant	12 months

Mthonjaneni 5th Generation IDP

CAPITAL EXPENDITURE				
VOTE DESCRIPTION	Account/Vote Number	Adjusted Budget 2023-2024	BUDGET 2024-25	BUDGET 2025- 26
Municipal Manager				
Computer Equipment	C0003-3/A06173/F0002/X045/R0092/001/EXEC			
Furniture and Office Equipment:Acquisitions	C0004-1/A06253/F0002/X045/R0092/001/EXEC	20 000.00	50 000.00	
Machinery and Equipment				
Transport Assets				
		20 000.00	50 000.00	-
Mayoral and Council				
Infrastructure Assets				
Community Assets				
Heritage Assets				
Investments Properties				
Other Assets				
Assets:Non-current Assets:Property, Plant and Equipment:Cost Model:Other Assets:Cost:Acquisitions - Admin				
Assets:Non-current Assets:Property, Plant and Equipment:Cost Model:Other Assets:Cost:Acquisitions				
Assets:Non-current Assets:Property, Plant and Equipment:Cost Model:Other Assets:Cost:Acquisitions				
Biological or Cultivated Assets				
Intangible Assets				
Computer Equipment	C0003-3/A06193/F0002/X044/R0092/001/EXEC			
Furniture and Office Equipment:Acquisitions	C0004-1/A06233/F0002/X044/R0092/001/EXEC	20 000.00	50 000.00	
Machinery and Equipment				
Transport Assets (Combi/bus)	C0007-1/A01327/F0002/X044/R0093/001/COMM			
		20 000.00	50 000.00	-
Executive and council		40 000.00	100 000.00	-
Administrative and Corporate Support				
Computer Equipment:Acquisitions / Filing Management System	C0003-3/A06173/F0002/X046/R0092/001/CORP	100 000.00		
Furniture and Office Equipment :Acquisitions	C0004-3/A06233/F0002/X046/R0092/001/CORP	20 000.00	30 000.00	
		120 000.00	30 000.00	-
Budget and Treasury Office				
Machinery and Equipment: Acquisitions	C0006-1/A06282/F0002/X049/R0092/001/FIN			
Computer Equipment:Acquisitions	C0004-5/A06253/F0002/X049/R0092/001/FIN	100 000.00		
Furniture and Office Equipment	C0076-2/A06253/F0002/X047/R0093/001/FIN	10 000.00	50 000.00	
Intangible Assets	C0086-3/A04957/F0002/X046/R0092/001/CORP	50 000.00		
		160 000.00	50 000.00	-
Finance and administration		280 000.00	80 000.00	-
		6.00		
Community Services				
Computer Equipment	C0003-3/A06173/F0002/X006/R0092/001/COMM			
Furniture and Office Equipment	C0004-1/A06233/F0002/X006/R0092/001/COMM	20 000.00	20 000.00	
Car Wash structure	C0237-1/A00032/F0048/X006/R0093/001/COMM		-	
		20 000.00	20 000.00	-
Libraries				
Furniture and Office Equipment: Acquisition	C0004-4/A06253/F0002/X024/R0092/001/CORP	10 000.00	30 000.00	
Computer Equipment:Acquisitions	C0003-3/A06173/F0002/X007/R0092/001/CORP			
		10 000.00	30 000.00	-
Community and social services		30 000.00	50 000.00	-

Mthonjaneni 5th Generation IDP

Electricity Services				
Infrastructure Assets				
Electrical Infrastructure: HV and LV Networks:Cost:Acquisition	C0154-1/IA07100/F0002/X032/R0093/001/TECH	100 000.00		
Electrical Infrastructure:Acquisitions (Street Lights)- Upgrade	C0015-1/IA07020/F0002/X032/R0093/001/TECH	50 000.00		
Electrical Infrastructure:Future Use:Power Plants:Cost:Acquisition	C0022-1/IA07180/F0786/X032/R0093/001/TECH	-		
Emakhlani Electrification Project - Ward 9	C0019-4/IA01952/F0786/X032/R0530/001/ELEC	-		
Esidakeni INF(type 2&3) Ward 11	C0019-5/IA01952/F0786/X032/R0530/001/ELEC	-		
Noziphiva Electrification - Ward 10	C0019-6/IA01952/F0786/X032/R0530/001/ELEC	-		
Ekuthuleni Electrification Project-Ward 6	C0019-7/IA01952/F0786/X032/R3621/001/ELEC	-		
Ndabazensangu Electrification Project-Ward 7	C0020-1/IA01952/F0786/X032/R3621/001/ELEC	-		
Hlabathini Electrification Project-Ward 7	C0019-7/IA01952/F0786/X032/R3621/001/ELEC	-		
Thubalethu Substation-Ward 2	C0023-4/IA01952/F0786/X032/R3616/001/TECH	10 000 000.00		
INEP Projects	D0001/IA07100/F0786/X032/R0093/001/ELEC	-	10 000 000.00	10 448 000.00
Machinery and Equipment:Acquisitions (Metering)	C0006-1/IA06313/F0002/X032/R0092/001/TECH	-		
Transformer housings	C0021-1/IA07140/F0002/X032/R0093/001/TECH	-		
Airconditioning capital (offices and Library)	C0004-1/IA06233/F0002/X032/R0092/001/TECH	20 000.00		
Lightning earthing of municipal buildings	C0019-1/IA07100/F0002/X032/R0092/001/TECH	50 000.00		
K4 RMUs	C0016-1/IA01952/F0002/X032/R0530/001/ELEC	50 000.00		
Standby Generator for Council Chambers & Stores	C0006-1/IA06313/F0002/X032/R0092/001/TECH	-		
		10 270 000.00	10 000 000.00	10 448 000.00
Roads				
Infrastructure Assets				
Urban Roads Upgrade & Rehabilitation: Phase 5 - Town	C0177-3/IA01952/F0791/X116/R3616/001/TECH		-	
Makhubalo Gravel Road-Ward 9	C0040-2/IA00132/F0791/X116/R3614/001/ROAD			
Ntlingwane Gravel Road-Ward 12	C0040-2/IA00132/F0791/X116/R3623/001/ROAD			
Goduka Gravel Road-Ward 11	C0177-3/IA01952/F0791/X116/R3613/001/TECH	4 967 001.08		
Othini Community Hall	C0230-1/IA01952/F0791/X116/R3619/001/ROAD	4 752 587.64		
Emkhandlwini Community Hall	C0230-1/IA01952/F0791/X116/R3614/001/ROAD	5 218 563.33		
MIG Projects	C0040-2/IA00132/F0791/X116/R0093/001/ROAD	126 240.35	21 522 000.00	22 318 000.00
Thubalethu Roads Upgrade	C0177-3/IA01952/F0001/X120/R3616/001/TECH	-		
		15 064 392.40	21 522 000.00	22 318 000.00
Community Assets				
		4 132 684.90		
Bedlana Community Hall-Ward 8	C0230-2/IA01952/F0791/X116/R0530/001/ELEC			
Lwazilethu Creche-Ward 9	C0227-2/IA01952/F0791/X116/R0530/001/ROAD			
Mfule Creche-Ward 4	C0227-3/IA01952/F0791/X116/R0530/001/ROAD			
Kwezulu Sportfield Ward 7	C0245-2/IA01952/F0791/X116/R0530/001/ROAD			
Sangoyane Sportsfield-Ward 13	C0230-2/IA01952/F0791/X116/R0530/001/ELEC	-		
Kataza Creche	C0227-1/IA01952/F0791/X116/R3618/001/TECH			
Mahehe Creche-Ward 1	C0227-1/IA00132/F0791/X116/R3611/001/TECH			
Njomelwane Community Hall- Ward 3	C0230-1/IA00132/F0791/X116/R3617/001/TECH			
Nhlube Creche Ward 12	C0227-1/IA01952/F0791/X116/R3614/001/TECH	4 305 607.60		
New Cemetery	C0224-2/IA00032/F0002/X116/R3617/001/TECH	-		
Housing Project	C0254-2/IA01952/F0002/X116/R0530/001/ROAD			
		4 305 607.60	-	-
Other Assets				
Transport Assets (pool vehicles)	C0007-2/IA01327/F0002/X116/R0092/001/TECH	698 108.00		
Upgrading of Landfill Site Access Road	C0120-1/IA00132/F0002/X116/R0093/001/TECH	-		
Buildings -Swimming Pool	C0261-2/IA00092/F0002/X116/R0092/001/TECH			
Machinery and Equipment (Brush Cutters, Ride on Mower, N	C0006-2/IA06282/F0002/X116/R0092/001/TECH	50 000.00		
Drain Mainhole Concrete Covers	C0038-1/IA00132/F0002/X116/R0093/001/TECH	-		
Rehabilitation of land fill site	C0049-1/IA00172/F0002/X116/R0093/001/ROAD	-		
NEW TLB	C0006-3/IA06282/F0002/X116/R0530/001/ROAD	-		
Rehabilitation of old sportfield	C0336-1/IA01952/F0002/X116/R0093/001/TECH	-		
		748 108.00	-	-
		20 118 108.00	21 522 000.00	22 318 000.00

Mthonjaneni 5th Generation IDP

Fire Fighting				
Furniture and Office Equipment: Acquisitions	C0004-1/IA06233/F0002/X112/R0092/001/COMM	10 000.00	30 000.00	
Machinery and Equipment: Acquisitions	C0004-1/IA06233/F0002/X112/R0530/001/FIRE	10 000.00	50 000.00	
Transport Assets - 2x Vans	C0007-1/IA01327/F0002/X109/R0093/001/COMM	-		
Disaster Management Centre(Designs & Fencing)	C0261-3/IA01952/F0002/X019/R0530/001/COMM	-		
		20 000.00	80 000.00	-
Licensing and Protection Services				
Computer Equipment: Acquisitions	C0003-3/IA06173/F0002/X153/R0092/001/COMM			
Furniture and Office Equipment: Acquisitions	C0004-1/IA06233/F0002/X153/R0092/001/COMM	10 000.00	50 000.00	
		10 000.00	50 000.00	-
Public safety		30 000.00	130 000.00	-
Solid Waste Removal				
Solid Waste Infrastructure: Acquisitions (Refuse Bins)	C0050-1/IA00172/F0002/X132/R0093/001/TECH	80 000.00	300 000.00	
Agricultural Tractor and Accessories	C0006-4/IA06282/F0002/X132/R0530/001/WAST	1 200 000.00		
		1 280 000.00	300 000.00	-
		32 048 108.00	32 182 000.00	32 766 000.00

C.7.5.2 Financial viability/sustainability

Ratio Description	2020/21	2021/22	2022/23
a. Cost Coverage Ratio	2.8 months	0.2 months	0 Months
b. Current Ratio (Current assets to current liabilities)	1.2	0.6	0.5
c. Capital expenditure to total expenditure	24.3%	18%	17%
d. Debt to revenue	0	0	0
e. Collection Rate	88.0%	83%	96%
f. Remuneration (Employee and Councillors) to total expenditure	41.0%	34%	33%
g. Distribution losses: Electricity	9.0%	10.13%	9.4%
h. Creditors Days	42 days	72 days	93 days

i. Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	34%	39 %	34%

Table 68- Financial Ratios

Loans / borrowings and grant dependency

The municipality does not have any loans, i.e. short, medium or long term. It operates using own funds, however, most of the funds used to fund operations and capital projects come from government grants. There has not been a need to borrow funds for any of the municipal programmes. The municipal is financially sound, i.e. should there be a need to borrow funds, the municipality can be easily financed and repay such advance with ease. The municipality is largely grant dependent. According to latest audited AFS 2022/23 about 96.27% (R156 135 000/R162 182 048) of the municipal revenue comes from National and Provincial Government grants.

I) Auditor-General's opinion

Mthonjaneni Municipality's annual financial statements (AFS) for the ended 30 June 2023 have been audited by the Auditor General as required by the legislation. The audit was finalized towards the end of November 2023.

Opinion

Summary of Audit Opinion for the past three years:

YEAR	2020/2021	2021/2022	2022/2023
AUDIT OPINION	Unqualified	Unqualified	Unqualified

II. Audit Improvement Plan

The municipality through its internal audit unit prepared the annual audit plan for the year 2022/2023. As part of the plan, the internal auditors make follow up on the responses given on the audit outcome of the Auditor General to ensure improvement.

Expenditure

There is an overall decrease in total expenditure by 0.55% in 2022/2023 financial year compared to 2021/2022 financial year. The Municipality is still implementing the Municipal Cost Containment Regulations, 2022 that were

adopted by the Municipal Council with effect from 01 July 2022. The municipality proposed a range of expenditure reductions measures to restore the Mthonjaneni Municipality's finances to a sustainable position, some of which are likely to be painful. We owe it to future generations to ensure that we are good stewards of our municipal's resources and that they do not have to pay for faults in our decision-making.

The municipality has no projects with committed funding, which are not on the Municipal Budget, from other Sector Departments/Funding agents aligned to DORA

Table 101: Operating expenditure over a period of three (3) years

Financial Year	2022/23	2021/22	2020/21
Amount	R 214.3million	R 215.5 million	R 163.3 million

- **Employees and councillors related costs.** This is attributable to a combination of the salary increases year on year and the filling of vacancies during the financial year. This type of expenditure contributes 34.6% to the current total operating expenditure. An employees related cost and councillors' remuneration increased by 3.7 % during the 2022/23 financial year from 2021/22 and also is expected to increase by 5.3% in 2023/24, 4.5% in 2024/25 and 4.4% in 2025/26 financial year respectively.
- **Contracted services costs.** Contracted services has been widened in terms of the mSCOA classification and includes amongst others the costs of, security services, catering services, contracted repairs and maintenance services, leased vehicles, event coordinators. As part of the compilation of the 2023/24 MTREF this group of expenditure was critically evaluated, and operational efficiencies were enforced. This expenditure costs contribute 21% to the current total operating expenditure and it expected to be 16.7% and 17.5% for 2024/25 and 2025/2026 financial year respectively.
- **Bulk purchases costs.** The purchase of bulk electricity contributes 11% to the current total operating expenditure and it expected to be 12.8 % ,12.5% and 13.5% for 2023/24, 2024/2025 and 2025/26 financial years respectively.

9.4.6 Cost containment measures

The Municipality has developed a Cost Containment policy to regulate

spending and to implement cost containment measures and regulations at Mthonjaneni Local Municipality.

The objectives of this policy are to ensure that the resources of the municipality are used effectively, efficiently, and economically.

9.5 Assets

The Municipality had put aside R32.182 Million for municipal infrastructure assets. This include R8.184 million from INEP, R20.490 million from MIG and R3.346 million from own revenue. This will assist the municipality in providing the electricity, roads, community halls, sport fields, creches etc. in the community of Mthonjaneni. The maintenance of the assets is also budgeted at R7.8 million, R6.09 million for 2025/26 and R6.25 million for 2026/27. This will assist to maintain the existing assets so that they are always on a good working condition.

II. Audit Improvement Plan

The municipality through its internal audit unit prepared the annual audit plan for the year 2022/2023. As part of the plan, the internal auditors make follow up on the responses given on the audit outcome of the Auditor General to ensure improvement.

KPA 4: FINANCIAL VIABILITY		
CHALLENGES	DEFINITION	INTERVENTIONS
Reliance on government grants	The municipality does not generate enough revenue, the only way to deliver services is through government grants.	To ensure that the Municipality is financially viable by exploiting new sources of revenue and consolidating debt management processes.
Lack of sound Revenue Streams	The municipality does not have Revenue generating streams.	To manage municipal finances in an efficient and cost-effective manner to maximize value for all municipal resources. Data cleansing to ensure the accuracy of information To ensure accurate and reliable billing.

Unqualified Audit Opinion	The municipality has been obtaining Unqualified Audit Opinion for at least five years in a row.	The Municipality will ensure that the Interim Financial Statements are done adequately to eliminate and pre-empt possible issues and address them timely.
Failure to make payments as and when due	The municipality is required by the act to pay all the creditors within 30 days after the receipt of invoice.	The municipality is working on maximizing on revenue generation and revenue collection this will assist in ensuring that the municipality has enough cash to pay creditors
High Outstanding Debts	The municipality amongst other debts owes Eskom a material amount of money as a result of electricity losses and/or illegal connections.	The municipality is on a Debt Relief National Treasury programme which is aimed at assisting the municipalities settle Eskom debts moreover, the municipality is proactive in ensuring that illegal connections are disconnected as and when discovered.

Table 69-Municipal Financial Viability Challenges

Municipal Financial viability and Management SWOT Analysis

STRENGTHS	WEAKNESSES
- Fully functional Supply Chain Unit. - The municipality does not have any borrowings. - Maintenance of Unqualified Audit Opinion for the past 5 years	- Low rates base. - Reliance on consultants (some services). - High Outstanding Debts - High Electricity Losses - Inadequate review of contract management by user departments - Lack of Implementation of Procurement Plan
OPPORTUNITIES	THREATS
- Decrease its spending to generate more cash backed reserves. - Clean audit opinion. - Increased Revenue Collection rate.	- Failure to make payments as and when due - No Municipal Finance Investments/ Reserve - Interference on Municipal Procurement by the council approved Business Forum - Eskom Debt needs to be monitored closely - Excessive Unauthorised, Irregular, Fruitless and Wasteful Expenditure

Table 70- Municipal Financial Viability SWOT Analysis

C.4 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

C.4.1 BATHO PELE POLICY AND PROCEDURE MANUAL, SERVICE DELIVERY CHARTER AND STANDARDS SERVICE DELIVERY IMPROVEMENT PLAN

The White Paper on Transforming Public Service Delivery (1997) sets out transformation priorities, amongst which Transforming Service Delivery is key. This White Paper is primarily about how public services are to be provided and specifically about improving efficiency and effectiveness of the way in which services are delivered.

Mthonjaneni Municipality is in a process to develop the Batho Pele Policy and Procedure Manual, Service Delivery Charter and Standards and Service Delivery Improvement Plan. The mentioned documents are going to be adopted by the Municipal council in the fourth quarter. The final draft however will be an annexure to this plan in May.

The following Policies have been developed and were adopted by Council in July 2023.

Customer Service Standard

Customer Service Standards are designed in line with a social contract between the Mthonjaneni and its customers. The service standards focus on residents' daily experiences as they interact with the municipality and therefore, it is necessary to indicate the level of service that our customers can expect from us. This level of service shall be applied consistently throughout the length and breadth of the Mthonjaneni. In this regard, the Batho Pele Principles remain central in always promoting service excellence and professionalism.

Customer Care Policy

Mthonjaneni Local Municipality aims to provide consistent excellent customer service. Our Municipality is committed to ensuring that the human rights principles set out in our National Constitution, the Batho Pele (People First) principles that aim to transform public service delivery as well as “getting it right the first time” are experienced whenever customers access our municipal services.

Batho Pele Service Charter

This Service Charter is a document that enables service beneficiaries to understand what they can expect from Mthonjaneni and will form the basis of engagement between stakeholders and citizens or organs of civil society.

It is a written and signed document which sets out the partners' roles and responsibilities to improve performance, enhance and fast track the delivery of services to improve the lives of our people.

Batho Pele Framework Policy

The Batho Pele Policy Framework has been developed to assist Municipalities as they interpret and implement government plans, budgets, projects, and programmes. Municipalities are strategically placed at the local level where these plans hit the proverbial ground, the places where communities live, work, study and socialise. It is here where the public service, the format in which it is offered, the place where it is offered, and the outcomes it provides or makes possible, are directly felt. It is here where government services are most pertinently on display and where government is either viewed to be failing or succeeding in realising its national, social, economic, spatial, and environmental objectives, as set out in the *2030 - National Development Plan*.

Mthonjaneni Municipality Service Commitment Charter

Mthonjaneni Local Municipality is committed to delivering high quality services to our customers and citizens. We commit ourselves to serve you in an efficient and effective manner with integrity, courtesy, and respect.

- To render assistance to our clients in a friendly and courteous manner
- To welcome constructive criticism from clients
- To work and interact as a team and abide by professional standards in our interactions.
- To be accessible to our colleagues, and to perform our duties efficiently and effectively, by being committed to teamwork.
- To be sincere, transparent, loyal, and trustworthy in the cause of performing our functions
- To be regarded and treated with fairness, respect, and professionalism; and
- To be recognized and valued for our effort and hard work.

C.4.2 OPERATION SUKUMA SAKHE

Operation *Sukuma Sakhe* has a 'whole of Government approach' as its philosophical basis. It spells out every initiative and how it links to initiatives being implemented by the different sector departments and the spheres of government, therefore delivery of services is required through partnership with community, stakeholders, and government.

Operation Sukuma Sakhe is a continuous interaction between Government and the community to come together to achieve the 12 National Outcomes. It encourages social mobilization where communities have a role, as well as delivery of government services in a more integrated way. Government has structured programs which need to get as deep as to the level of the people we are serving.

Mthonjaneni Operation Sukuma Sakhe is made up of the following departments:

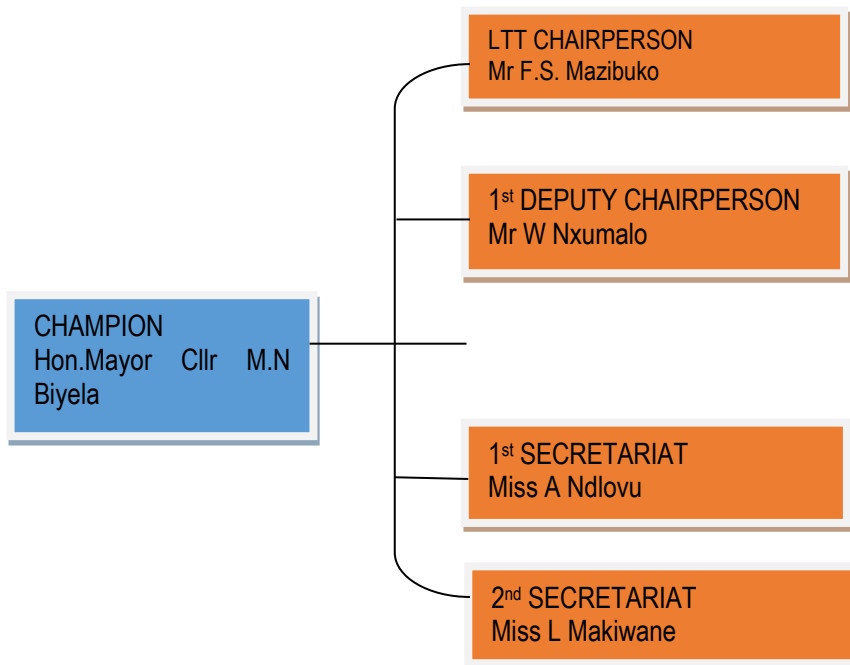
- Department of Sport and Recreation
- Department of Health
- Department of Education
- Department of Social Development
- Department of Transport
- Non-Profit Organizations
- S.A.P.S

The Mthonjaneni *Sukuma Sakhe* Programme was established in 2011. Monthly meetings are held in an endeavor to ensure the constant functionality of the programme and to address the challenges that are facing communities in each ward and devise multi-sectoral responses to assist members of the community. The programme assists in aligning government projects and efforts and in the reduction of wastage of resources.

Functionality of War-Rooms in Mthonjaneni Municipality

Local Task Team Organogram

Graphic Showing Local Task Team Organogram



Social Development Programme

C.4.3.1 DISTRICT DEVELOPMENT MODEL (DDM)

Objective of the DDM is to achieve coherent governance, the President announced: -

- A coordinated District & Metro level approach to business by all 3 spheres-
“we are going to do away with this fragmented approach to development.”
- 44 Districts and 8 Metros will be the high impact zones for the country.
- Redirect and confirm Co-operative governance & Integrated collaborative planning and implementation undertaken at a District and Metro level by all 3 spheres.
- Institutionalized Long term co planning in ONE PLAN per District & Metro towards Sustainable Development and Spatial Transformation & Equity.
- Integrated Services
- Strengthened M&E
- DDM is a practical Intergovernmental Relations (IGR) mechanism for all three spheres of government & SOE's to work jointly and to plan and act in unison
- Ensure that we bring to life the aspirations of The People Shall Govern & Bring government closer to the people. Developmental change is shaped and owned at district level in partnership with communities, citizens, and social partners

The municipality is participating to all established DDM structures; and has been given a responsibility to lead Justice and Security Cluster

C.4.3.1 KCDM ONE PLAN

Cabinet approved the District Development Model (DDM) as a government approach to improve integrated planning and delivery across the three spheres of government with district and metropolitan spaces as focal points of government and private sector investment. The envisaged integrated planning and delivery in the district and metropolitan sites will be enabled by joint planning, budgeting and implementation process.

The DDM is anchored on the development of the “One Plan”. The One Plan is an intergovernmental plan setting out a long-term strategic framework to guide investment and delivery in all the 52 district and metropolitan spaces in the country. This plan is meant to be jointly developed and agreed to by all spheres of government and private sector.

This is expected to progressively evolve into an all-inclusive high level “One Plan-One Budget” to guide the comprehensive delivery of government services across all 3 spheres in the district or metropolitan spaces.

The development of the “First Generation One Plan” was a collaborative process that required inputs from government sector departments, (National, Provincial & Local), as well as Private sector. Acknowledging that this was a pioneering process that aimed to streamline how government spheres and private sector interact and collaborate in the delivery of services, there were challenges in the process that provided valuable lessons for improvement going forward.

The “One Plan” is part of the overall DDM initiative as approved by Cabinet in August 2019 with the following intentions:

- ✓ To drastically improve **Cooperative Governance** and intergovernmental coherence aimed at building a capable, ethical Developmental State;
- ✓ To **improve the state of Local Government** as part of the Developmental State objective through better coordination of support and capacity building programmes as well as implementation of immediate service delivery and institutional interventions aimed at stabilizing Local Government in the short term and sustaining in the longer term.
- ✓ To **implement the NDP** and harness a **strategic country approach** across all three spheres of government and society where there is a shared understanding, a common vision and maximum socio-economic developmental impact focus on the lives of people in relation to all the **52 district and metropolitan regions or spaces in the country**;
- ✓ To introduce a practical model and method of government operating in unison in relation to the district and metropolitan spaces as the convergence points and impact areas of *joint planning, budgeting and implementation*;

- ✓ To enable through this joint planning by all three spheres of government, sector departments and state entities a strategic long-term perspective where there is better coherence and predictability in relation to achieving developmental objectives and outcomes in relation to the district and metropolitan spaces ***over multi-year planning, budgeting and electoral cycles.***
- ✓ To package this joint planning results into a **long-term strategic framework** for each district and metropolitan space which is referred to as a “**One Plan**” giving the whole of government and society a single line of sight into each space;
- ✓ To guide and improve the **spatialisation and reprioritization** of programmes and budgets of all three spheres of government over the short, medium and long-term according to the outcomes, targets and commitments expressed in the One Plans;
- ✓ To undertake all of these processes **within the prescripts of the Constitution, Intergovernmental Relations Framework Act** and in alignment with existing legislation, frameworks and planning, budgeting and reporting cycles as well identify improvements in such;
- ✓ To **utilise all existing IGR structures** for the approval, adoption and monitoring of One Plans; and introduce changes to the IGRF Act to strengthen intergovernmental relations and accountability.
- ✓ To **champion the DDM at the highest level** through the President and Cabinet supported by CoGTA in terms of its IGR mandated function with the DDM Implementation Framework involvement of each and every sphere, department and entity of government.
- ✓ To introduce special coordinating structures and arrangements including **DDM Hubs as part of CoGTA extended capacity** in supporting the whole of government joint planning at technical level, guided and steered by district/metro level intergovernmental political and technical committees.

The IDP/One Budget -One Plan alignment is indicated in the IDP Strategic Framework under OPERATIONAL PLANS Chapter.

The KCDM One Budget and One Plan

Mthonjaneni 5th Generation IDP

MTHONJANENI LOCAL MUNICIPALITY								
GOAL DEFINITION	PROJECT	PROJECT OBJECTIVE	LEAD RESP	TOTAL BUDGET REQUIRED	BUDGET COMMITTED 22/23	BUDGET COMMITTED 23/24	BUDGET COMMITTED 24/25	DURATION OF THE PROJECT
Makhubalo Gravel Road – Phase 2	4.3 Develop road and rail networks	Mthonjaneni LM	R2 339 702					Ward 9
Bhedlana Community Hall	xx	Mthonjaneni LM	R5 880 443					Ward 8
Lwazilwethu Crèche	xx	Mthonjaneni LM	R3 576 647					Ward 9
Mfule Crèche	xx	Mthonjaneni LM	R3 162 396					Ward 4
Urban Roads Upgrade & Rehabilitation Phase 5	4.3 Develop road and rail networks	Mthonjaneni LM	R7 449 865					xx
Kwesezulu Sports Field	xx	Mthonjaneni LM	R10 000 000					Ward 7
Emakhilani 140 connections	4.6 Improve energy production and supply	Mthonjaneni LM	R3 500 000					xx
Esidakeni INF 103 connections	4.6 Improve energy production and supply	Mthonjaneni LM	R1 910 000					xx
Noziphiva 115 connections	4.6 Improve energy production and supply	Mthonjaneni LM	R2 880 000					xx
HV and LV Networks	4.6 Improve energy production and supply	Mthonjaneni LM		R800 000	R200 000			xx
Acquisitions (Street Lights)	4.6 Improve energy production and supply	Mthonjaneni LM		R100 000	R100 000			xx

Mthonjaneni 5th Generation IDP

Future Use: Power Plants	4.6 Improve energy production and supply	Mthonjaneni LM		R6 000 000				xx
Extension Thubalethu	4.6 Improve energy production and supply	Mthonjaneni LM		R8 000 000	R10 000 000			Ward 2
INEP Projects	4.6 Improve energy production and supply	Mthonjaneni LM		R5 000 000				xx
Ndundulu Gravel Road	4.3 Develop road and rail networks	Mthonjaneni LM		R1 747 056				Ward 8
Makhubalo Gravel Road	4.3 Develop road and rail networks	Mthonjaneni LM		R350 000				Ward 9
Ntlingwane Gravel Road	4.3 Develop road and rail networks	Mthonjaneni LM		R1 560 000				Ward 12
MIG Projects	4.3 Develop road and rail networks	Mthonjaneni LM		R15 361 944	R20 761 000			xx
Mahehe Crèche	xx	Mthonjaneni LM		R330 000				Ward 1
Njomelwane Community Hall	xx	Mthonjaneni LM		R690 000				Ward 3
New cemetery	xx	Mthonjaneni LM		R2 200 000				xx
Upgrading of landfill site access road	4.3 Develop road and rail networks	Mthonjaneni LM		R600 000				xx

Table 71- One Plan

C.4.3 INTER-GOVERNMENTAL RELATIONS (IGR)

The Intergovernmental Relations Framework Act requires that national, provincial and local governments consult each other in a manner best suited to their circumstances, including by either direct contact or relevant intergovernmental structures. This is to allow coordination of actions when implementing policies or legislation by cooperation and information sharing between organs of state.

NATIONAL & PROVINCIAL RESOLUTIONS

- **Circular 88**

The content of this circular has been informed by a performance reporting reform initiative undertaken by National Treasury, in collaboration with the Department of Cooperative Governance, the Department of Planning, Monitoring and Evaluation, Statistics South Africa and in consultation with the Auditor-General of South Africa, amongst others. The intention of this reform is to rationalise the reporting requirements of metropolitan municipalities. It was identified early on in this reform initiative that rationalising the reporting requirements of metropolitan municipalities necessitates clarification and resolution of inconsistencies in the statutory requirements of the IDP, SDBIP and the performance part of the Annual Report. This item is discussed at length in the M&E Forum.

- **Cascading of Performance Management**

Performance Management currently lies with the Senior Manager(s54/56 managers), in 2019 South African Local Government Association(SALGA) released a circular that all the Municipalities should cascade Performance Management to all employees, this is discussed in the Human Resource Practitioners Forum and M&E Forum

FORUM	SECTOR	WHO ATTENDS	FUNCTIONS
Human Resource Practitioners Forum	Provincial	Human Resource Functionaries	This Forum deals with Human resource issues including but not limited to Municipal Staff Regulations, Job Evaluation, Salary Negotiations and Regulations for Senior Managers. It convenes quarterly. Corporate Services Portfolio Chairperson, Senior Manager Corporate and HR Practitioners attends this forum which is usually virtual.
M&E Forum	Provincial	Performance Management Functionaries	Deals with Performance Management Forum, it convenes quarterly.
Planners Forum	District	Senior Manager Town Planning and Manager IDP	All District Planners IDP Managers presents the status quo of the Local municipalities IDP's to ensure proper coordination among the District Family. All townplanners form part of this committee to discuss planning issues <i>inter alia</i> LUMS and SPLUMA

Mthonjaneni 5th Generation IDP

CFO's Forum	Provincial	Chief Financial Officer	There is a District, COGTA and Treasury CFO's Forum. All these Forums convenes Quarterly.
Provincial Infrastructure Delivery and Performance Meeting	National	PMU Manager	This forum deals with all infrastructure, this committee convenes quarterly. It is facilitated by COGTA and their target audience is Municipalities, DWs, DMRE, DCOG, MISA, ESKOM, DHS and DPWI.
One on One Engagements	All sectors	All Units	The Municipality Performance Unit is in a monthly One on One support with COGTA Performance, Mr A Delport The resolutions of these forums are submitted to all council structures; portfolios, EXCO and council before implementation. Even though the Municipality does not have the central IGR Report, Departments report to council about IGR Resolutions under their departmental reports. For Example, Human Resources tabled to LLF and Council the reports regarding the Municipal Staff

Mthonjaneni 5th Generation IDP

			Regulation (Cascading of Performance and Implementation of Municipal Staff Regulation)
MUNIMEC	Provincial	Municipal Managers	This is a gathering for all Municipal Managers convened by COGTA MEC
District Communications Forum	District	Communications functionaries	Promote synergies through periodic and structured inter-department and inter-stakeholder communications efforts; and Seek opportunities to assist the district and district family of municipalities by extension, its partners realise both its vision and its strategic objectives.

Table 72- Forum Attendance

Mthonjaneni Municipality is a regular participant at all Provincial Forums.

STATUS OF THE WARD COMMITTEES

Mthonjaneni Municipality has embraced and enrolled the government initiative of ward committees to ensure that service delivery is effective in all wards. There is an effective structure of the ward committee and its functions below:

Composition of Ward Committees

- A ward committee consists of the Ward Councilor representing who is also the chairperson of the ward committee.
- The number of ward committee members may not exceed eleven (11).
- In the process of election of a Ward Committee account is taken of the need for women to be equitably represented in the committee and for a diversity of interests in the ward to be represented.
- Gender equity was also pursued by ensuring that there is an even spread of men and women on a ward committee.

Functions of Ward Committee

Following are the Functions and powers of Ward Committees through the municipal policy in line with the provisions of Section 59 of the Municipal Systems Act. Powers delegated in terms of the adopted policy are as follows:

- To serve as an official specialized participatory structure in the Municipality
- To create formal unbiased communication channels as well as cooperative partnerships between the community and the council. This may be achieved as follows:
 - Advise and make recommendations to the ward councilor on matters and policy affecting the ward
 - Assist the ward Councillor in identifying challenges and needs of residents
 - Disseminate information in the ward concerning municipal affairs such as the budget, integrated development planning, performance management system (PMS), service delivery options and municipal properties

- Receive queries and complaints from residents concerning municipal service delivery, communicate it to council and provide feedback to the community on council's response; and
- Ensure constructive and harmonious interaction between the Municipality and community through the use and co-ordination of ward residents' meetings and other community development forums; and interact with other forums and organizations on matters affecting the ward.

To serve as a mobilizing agent for community action within the ward.

This may be achieved as follows:

- Attending to all matters that affect and benefit the community
- Acting in the best interest of the community
- Ensure the active participation of the community in:
 - Service payment campaign
 - The integrated development planning process
 - The Municipality's budgetary process
 - Decisions about the provision of municipal services; and
 - Decisions about by-laws.
 - Decisions relating to implementation of Municipal Property Rates Act (MPRA)
 - Delimitate and chair zonal meetings.

WARD COMMITTEE FUNCTIONALITY

After the end of each quarter, the Municipality undergoes Ward Committee Verification that is conducted by CoGTA Public Participation Unit

QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4

C.4.6 PARTICIPATION OF AMAKHOSI IN COUNCIL MEETINGS

Section 81 of the Municipal Structures Act provides for aMakhosi's participation in Council Meetings. Accordingly, Mthonjaneni Municipality adheres to the legislative directive as alluded to above. The Traditional Councils also work as a link between the community and Ward Councillors and matters of service delivery and needs of the people. Assist in providing information about land rights and possible available areas for future development.

Amakhosi have attended at least 75% of council meetings in the financial year. Information has been submitted to Traditional Affairs COGTA. The information relating to Amakhosi attending council meetings will also be attached as an annexure in the submission of the final IDP.

C.4.7 IDP/BUDGET STEERING COMMITTEE AND PARTICIPATION OF HODS

MANCO serves as the IDP Steering Committee, this committee makes input to the IDP BUDGET process plan and IDP. All IDP related developments are discussed in this committee's meetings.

It convenes monthly

All departments submit IDP inputs in the Office of the IDP/PMS Manager. The Management Committee.

C.4.8 FUNCTIONALITY OF MANAGEMENT STRUCTURES

MANCO and Extended MANCO members form part of the IDP Steering Committee that meets monthly.

IDP/Budget Steering Committee

The IDP Steering Committee is assigned the following responsibilities:

- Ensuring that the gathering and collation of information is effective while the IDP implementation is proceeding
- Support the IDP Manager in the management and co-ordination of the IDP

- Discussion of input and information for the IDP review
- Ensuring the monitoring and evaluation of the gathered information; and
- Attending to the MEC's comments.

Senior Management Committee

This committee is made up of the Municipal Manager and all directors, it convenes quarterly and as and when necessary.

Extended Management Committees

This committee is made up of the Municipal Manager, all directors and all line managers. This committee convenes monthly to discuss various issues. All matters of compliance are standing items in this committee.

Departmental Management Committee

This committee is made up of the Senior Manager of that department and his/her departmental managers. This committee deals with departmental issues before they are reported to the Extended Management Committee.

C.4.9 COMMUNITY PLANS/STRATEGY

The Municipality Communication strategy as a document is due for review, it is under review and will be tabled for adoption to council by 31 May 2024.

- ✓ Newsletter – is used to communicate the projects, programmes, and development.
- ✓ Local and National Newspaper - This medium is used to communicate various messages that concerns the Municipality especially service delivery.
- ✓ Local and National Radio
- ✓ Ward Community Meetings - This institution is used effectively to promote maximum community participation in municipal affairs.
- ✓ Public meetings (Izimbizo) - These meetings is staged to provide a platform for the Municipality to communicate the level of projects and programmes undertaken by council and further solicit input from communities and their (communities) buy-in thereof.

- ✓ Annual Report - The annual report is distributed to the stakeholders and community
- ✓ organizations that we have on our database and will be distributed to the community at large. This will also maximize the culture of community participation and access to information.
- ✓ Website - Through this tool various stakeholders such as business community, foreign investors, NGO's, and community at large will more access to information regarding the Municipality and its area.
- ✓ IDP Structures are also used for public participation and implementation of Mthonjananeni Communication Plan. The IDP Structures meet as per the Council Approved IDP Process Plan Schedule.

C.4.1.10 FUNCTIONALITY OF INTERNAL AUDIT AND AUDIT COMMITTEE

Functionality of Internal Audit Unit

Section 165 of the Municipal Finance Management Act, 56 of 2003, stipulates that each municipality must have an internal audit unit.

The internal audit unit must:

- (a) Prepare a risk-based audit plan and an internal audit program for each financial year.
- (b) Advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to:
 - ✓ Internal audit
 - ✓ Internal controls
 - ✓ Accounting procedures and practices
 - ✓ Risk and risk management
 - ✓ Performance management and
 - ✓ Loss control
 - ✓ Compliance with the MFMA, the annual Division of Revenue Act and any other applicable legislation; and
- (c) Perform such other duties as may be assigned to it by the accounting officer.

The municipality has a Manager Internal Audit and there is also the service provider to assist with some Audit duties.

The Internal Audit Unit reports to the Performance and Audit Committee on the implementation of the risk based internal audit plan and matters relating to, internal audit, internal controls, accounting procedures and practices, risk and risk management, performance management, loss control and compliance with the relevant legislations.

C.4.10.2 AUDIT COMMITTEE / PERFORMANCE AUDIT COMMITTEE

Section 166 (1) of the Municipal Finance Management Act, 56 of 2003 requires each municipality and each entity to have an audit committee.

The Municipality considered appropriate in terms of the economy, efficiency, and effectiveness to consolidate the functions of the committees and establish a Performance and Audit Committee (PAC). The Municipality's AC consists of three independent members with appropriate experience in the field of Auditing, Local Government Finance, and Administration. Legal and Performance Management System. In terms of its approved Terms of Reference/Charter, the Performance and Audit Committee is required to meet at least four times a year.

The Audit Committee is an independent advisory committee appointed by Council to create a channel of communication between Council, management, and the auditors (both internal and external). It provides a forum for discussing accounting practices, business risk control issues and performance management. This Committee reports directly to Council. The primary objective of this committee is to advise the municipal Council, the political office bearers, the accounting officer, and the management staff of the Municipality on matters relating to:

- ✓ Internal financial control
- ✓ The Safeguarding of municipal assets
- ✓ The maintenance of an adequate control environment and systems of internal control

- ✓ The successful implementation of the council's risk management Strategy and effective operation of risk management processes
- ✓ The preparation of accurate financial reporting in compliance with all legal requirements and accounting policies and standards
- ✓ Effective corporate governance.
- ✓ The effectiveness of the Municipality's performance management system in ensuring the achievements of objectives set as per the Municipality's IDP.
- ✓ Any other issues referred to it by the Municipality; and
- ✓ The detailed Internal Audit Chapter which clearly defined the roles and responsibilities, composition of the committee as well as meetings has been adopted.

The Committee is constituted as follows:

NAME OF AC MEMBER	DESIGNATION	GENDER
Mr. I.T. Nzuza	Chairperson	Male
Ms N Mchunu	Deputy Chairperson	Female
Mr U Botshiwe	Committee member	Male
Mr. A Zungu	Committee member	Male
Mr. M.A. Nxumalo	Committee member	Male

Table 73- Audit Committee Members

Enterprise Risk Management

In 2023/2024 the Municipality does not have a separate Risk Management Committee however all risk related issues are discussed in the Extended Management Committee

The Municipality has however resolved that in 2024/2025 financial year the committee will now be a stand-alone to ensure that Risk matters get enough attention

C.4.11.1 RISK REGISTER

The Municipality's Risk Register covers, amongst others, the fraud risk. The Municipal Management uses the fraud risk to understand the risks that exist and threaten the Municipality's well-being. It is important for the Municipality understand the fraud risk to enable it to develop the necessary means for to avoid or even minimise such risks by ensuring that are controls and procedures in place and assign dedicated individuals to monitor the plan.

The Municipality develops and reviews its risk register with the assistance of KZN Provincial Treasury annually. In the next review of Risk Register, challenges that are indicated in this document will be incorporated.

C.4.11.3 ANTI-CORRUPTION POLICY AND FRAUD PREVENTION STRATEGY

The Municipality has been developed inhouse and has been tabled to Council Structures, the Anti-Corruption and Fraud Prevention Strategy will be tabled to Council in June 2024 for Adoption.

C.4.12.1 A COMPREHENSIVE LIST OF MUNICIPAL POLICIES

NO.	NAME OF POLICY	STATUS/COMMENTS	DATE OF ADOPTION	DATE OF NEXT REVIEW
1.	Recruitment and Selection Policy	Reviewed October 2022	13-Oct-2022	2024 Q4
2.	Placement Policy	A waiting for Adoption & Approval from Council	04-April-2024	2027
3.	Promotion Policy	Consolidated to Recruitment and Selection Policy	13-Oct-2022 Consolidated	2024 Q4
4.	Demotion Policy	To be developed	Consolidated	2024 Q4
5.	Study Assistance Policy	Developed		June 2024
6.	Skills Development Policy	Developed as Training and Development Policy	25-Jul-2023	July 2023
7.	Employment Equity Policy	Developed in Q1, Adoption & Approval by Council 10 Feb 2023	21-Dec-2023	2024
8.	Leave Management Policy	Being Reviewed	07-Jun-2022	2024
9.	Municipal Pool Vehicle Policy	Developed		June 2024
10.	Records Management Policy	Developed		July 2023

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11.	Car Allowance Policy	Developed 25 July 2023	25-Jun-2023	2024 Q4
12.	S&T Policy	Developed 07 June 2022	07-Jun-2022	2024 Q4
13.	Overtime Policy	Developed 25 July 2023	25-Jun-2023	2024 Q4
14.	Health and Safety Policy	Developed 24 June 2021	24-Jun-2021	2024 Q4
15.	Whistle Blowers Policy	To be developed (it's part of the Complaints Management Policy)	30-Jun-2024	2024 Q4
16.	Anti-Corruption and Fraud Prevention Policy	Developed	30-Jun-2024	June 2024
17.	Acting Allowance Policy	Developed on 07 June 2022	13-Oct-2022	June 2024
18.	Attendance of Seminars, External meeting, Workshops & Conferences	Developed 03 Dec 2020	03-Dec-2020	2024 Q4
19.	Cellphone & 3G Data card	Developed 25 July 2023	25-Jul-2023	2027
20.	Dress Code	Developed	13-Dec-2022	2027

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		13 Oct 2022		
21.	Employee Wellness Programme Policy	Developed 07 Jun 2022	07-Jun-2022	2027
22.	Exit Management Policy	Developed	25-Jul-2023	
23.	Human Capital Retention Policy	Developed 25 July 2023	25-Jul-2023	2027
24.	Induction Policy	Developed 2009	30-Jun-2024	2024
25.	Private work & Declaration of interest	Developed 07 Jun 20220	07-Jun-2022	2024
26.	Sexual Harassment	Developed 03 Dec 2020	03-Dec-2020	2024
27.	Smoking Policy	Developed 07 Jun 2022	07-Jun-2022	2024
28.	Subsistence and Travelling Allowance	Developed 07 Jun 2022	07-Jun-2022	2024
29.	Termination Policy & Procedures	Developed 07 Jun 2022	07-Jun-2022	2024
30.	Transfer Policy	Reviewal of Period after 3 yrs.	07-Jun-2022	2024

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31.	Drug abuse and testing policy	A waiting for Adoption & Approval from Council	-	2027
32.	Employment on Probation Period	A waiting for Adoption & Approval from Council	-	2027
33.	Memorial Services Guidelines/ Bereavement	A waiting for Adoption & Approval from Council	-	2027
34.	Organizational structure policy or General conditions of services	A waiting for Adoption & Approval from Council	-	2027
35.	Task evaluation & Wage curves Policy	A waiting for Adoption & Approval from Council	-	2027
36.	Ethics Policy	A waiting for Adoption & Approval from Council	-	2027
37.	Internal Bursary Policy	To be developed & consolidate with application agreement for bursary	-	30-Jun-2024
38.	Attendance of Seminars, External meetings, and Conferences Policy	Developed	03-Dec-2020	30-Jun-2024
39.	Bereavement Policy	Developed 21/22	04-Feb-2024	2027
40.	Human Capital Retention Strategy	Developed 07-Jun-2022	25-Jul-2023	30-Jun-2024

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41.	Induction Policy	Developed	2009	30-Jun-2024
42.	Internship, Experiential Training Learnership volunteerism Policy	-	-	30-Jun-2024
43.	Training and Development Policy			
44.	Credit Control and Debt collection policy	Reviewed & updated March 2023	26-Mar-2024	March 2024
45.	Inventory Policy	Reviewed		March 2024
46.	Property Rates & Tariffs Policy	Reviewed March 2023	26-Mar-2024	March 2024
47.	Indigent Policy	Reviewed March 2023	26-Mar-2024	March 2024
48.	Asset Management Policy	Reviewed March 2023	26-Mar-2024	March 2024
49.	Cost containment Policy	Reviewed & revised 27-02-2023	26-Mar-2024	March 2024
50.	Budget Virement Policy	Included under budget policy, reviewed in March 2023	26-Mar-2024	March 2024
51.	Supply Chain Management Policy	Reviewed March 2023	Jan-2024	March 2024
52.	Asset Disposal Policy	Reviewed March 2023		March 2024

Mthonjaneni 5th Generation IDP

53.	Budget Policy	Reviewed March 2023	26-Mar-2024	March 2024
54.	Cash, Banking, and Investment Policy	Reviewed March 2023	26-Mar-2024	March 2024
55.	Debt write-off & Credit Impairment Policy	Reviewed March 2023	23-Mar-2023	March 2024
56.	Contract Management Policy	Reviewed & updated	May 2019	May 2024
57.	SCM policy for infrastructure procurement and delivery management	2019	August 2019	May 2024
58.	Banking and Investment Policy			
59.	Disaster Management Policy Framework	Under Review	29-Jun-202	2024
60.	Disaster management Sector Plan Policy	Under Review	29-Jun-2023	2024
61.	LED Strategy	Under Review (To incorporate MEC Recommendations)	25-May-2023	2024
62.	Informal Economy By-Law	Awaiting to be gazetted	13-Apr-2023	Amended as and when there are changes in legislation and change in livelihood.
63.	HAST Strategy	Adopted by the Municipal Council in May 2023	29-Jun-2023	2028
64.	Youth Development Policy		25-Jul-2023	

Mthonjaneni 5th Generation IDP

1.	EPWP Phase 4 Policy	Last reviewed in 2022		2024 Moving to phase 5
2.	EPWP Phase 5 Policy	To be developed	Not adopted	June 2024
3.	Roads Maintenance Policy	Last reviewed in May 2020	May-2020	2025
4.	Waste Management By-Law	2021	Apri-2023	2026
5.	EPWP Phase 4 Policy	Last reviewed in 2022		July 2023 for adoption

C.4.12.2 MUNICIPAL BYLAWS

NO:	BY - LAW	STATUS
1.	Cemeteries and crematoria	Being gazetted
2.	Funeral undertakers	Being gazetted
3.	Environmental health	Being gazetted
4.	Animals	Being gazetted
5.	Street –trading	Being gazetted
6.	Advertising signs	Being gazetted
7.	Credit control and debt collection by-laws	Being gazetted
8.	Financial	Being gazetted
9.	Traffic	Being gazetted
10.	Waste Management	Being gazetted
11.	Public Nuisance	Being Gazetted
12.	Pounds	Being Gazetted

C4.1.3 SUPPLY CHAIN MANAGEMENT

The municipality has a supply chain management (SCM) unit within the finance department. This unit is responsible for the implementation of Chapter 11 of the Municipal Finance Management Act. The unit has the following as part of the institutional arrangements:

F) Personnel/ Staff

As part of the organogram for finance department, there are four posts in the supply chain management (SCM) unit with different roles and responsibilities. They include SCM Manager, SCM Practitioner and two SCM clerks.

The municipality has fully functional bid committees that assist in the process of competitive bids from the specification until the adjudication committee that recommends to the accounting officer for appointment.

G) Policy Documents

There is a supply chain management policy that guides the unit in implementation of the legislation, i.e. Municipal Finance Management Act. The policy that has just been reviewed by the council is divided into three parts. These are

- IV. **Part A** is the **Supply Chain Management Policy**, adopted in terms of section 111 of the Local Government: Municipal Finance Management Act, No. 56 of 2003 and the Municipal Supply Chain Management Regulations, Notice 868 of 30 May 2005;
- V. **Part B** is the **Preferential Procurement Policy**, adopted in terms of section 2 of the Preferential Procurement Policy Framework Act, No. 5 of 2000 and the Preferential Procurement Regulations, 2017.
- VI. **Part C** is the **Model Policy for Infrastructure Management**, adopted in terms of section 168 of the Municipal Finance Management Act, No. 56 of 2003 in support of Regulation 3(2) of the MFMA Supply Chain Management Regulations.

H) Municipal Procurement Plan

The organisation has adopted the Municipal Procurement Plan that is in line with the service delivery and budget implementation plan (SDBIP) as required by MFMA Circular 62. This assists the SCM unit together with the departments to ensure that the procurement is made as planned and directly contribute to the service delivery. Since the procurement plan is in line with the SDBIP, it has also assisted in the determination of implementation timeframes of all the municipal projects and programmes.

D) Targeted Procurement

The municipality is using the preferential procurement pieces of legislation (PPPFA and Preferential Procurement Regulations) to implement targeted procurement. Therefore, the following groups are targeted and directly benefit in the procurement of goods and services:

- (v) Local Businesses
- (vi) Women
- (vii) Youth
- (viii) Disabled

Mthonjaneni Municipality has a fully functional Supply Chain Management Unit that is responsible for Demand and Acquisition. The SCM is also responsible for management of contracts and management of inventory as kept in the municipal stores. The unit is housed within the budget and treasury with a manager responsible as per the approved organogram. The unit operates in line with the relevant pieces of legislation and other policy documents including the Supply Chain Management Policy as amended and adopted on 29 May 2019.

The unit reports to the management committee, finance portfolio committee, executive committee, and full council through the chief financial officer. There are functional bid committee members appointed by the accounting officer on yearly basis. The current bid committees are as follows:

Bid Specification Committee

The committee sits as per section 26 (1) (a) of the Supply Chain Management Policy. It has the following members:

- Ms S.P Ntuli (Deputy Chief Financial Officer) – Chairperson
- Mr D Thomson
- Mr B.N. Dlamini
- Ms P.B.S.K. Vilakazi
- Mr. B Shongwe
- Miss S.G. Nxumalo – Secretariat Support

Bid Evaluation Committee

The committee is appointed by the Accounting Officer and sit in line with section 26 1 b of the Supply Chain Management Policy. It has the following members:

- Mr B.D. Mlondo (SCM Manager) – Chairperson
- Mr S Masango
- Mr S Shandu

- Mr L.J. Nyawose
- P.T. Xulu
- Ms N.P.N. Ngcobo – Secretariat Support

Bid Adjudication Committee

The committee is appointed by the Accounting Officer and sit in line with section 26 1(c) of the Supply Chain Management Policy. It has the following members:

- Mr N.M. Myeni (Chief Financial Officer) - Chairperson
- Mr F.S. Mazibuko – Director Community Services
- Mr. N.W. Zikhali – Director Technical and Planning Services
- Mrs NB Mathe – Director Corporate Services
- Ms S.G. Hlophe – Secretariat Support
-

C.4.14 MUNICIPAL PUBLIC ACCOUNTS (MPAC)

The MPAC is a committee of the municipal council, appointed in accordance with section 79 of the Structures Act. The main purpose of the MPAC is to exercise oversight over the executive functionaries of council and to ensure good governance in the Municipality. This also includes oversight over municipal entity. This committee is functional but still needs to improve on its functionality as its meetings do not sit as per approved municipal calendar.

The MPAC may engage directly with the public and consider public comments when received and will be entitled to request for documents or evidence from the Accounting Officer of a municipality or municipal entity.

The primary functions of the Municipal Public Accounts Committees are as follows:

- ❖ To consider and evaluate the content of the Annual Report and to make recommendations to Council when adopting an oversight report on the Annual Report
- ❖ To assist with the conclusion of matters that may not be finalized, information relating to past recommendations made on the Annual Report,

must also be reviewed. This relates to current in-year reports, including the quarterly, mid-year and Annual Reports

- ❖ To examine the financial statements and audit reports of the Municipality and municipal entities, and in doing so, the committee must consider improvements from previous statements and reports and must evaluate the extent to which the Audit Committee's and the Auditor General's recommendations have been implemented
- ❖ To promote good governance, transparency, and accountability on the use of municipal resources
- ❖ To recommend or undertake any investigation in its area of responsibility, after reviewing any investigation report already undertaken by the Municipality or the Audit Committee; and
- ❖ To perform any other functions assigned to it through a resolution of Council within its area of responsibility.

The MPAC reports to Council, at least quarterly, on the activities of the Committee which includes a report detailing its activities of the preceding and current financial years, the number of meetings held, the membership of the committee and key resolutions taken in the annual report.

The MPAC is constituted as follows:

No.	Name	Designation	Political Party
1.	Cllr Majola	Chairperson	EFF
2.	Cllr Ntuli	Committee Member	IFP
3.	Cllr Mpungose	Committee Member	IFP
4.	Cllr Shange	Committee Member	ANC
5.	Cllr Tembe	Committee Member	IFP

The Municipality has 3 Portfolio Committees that meet monthly, and these are:

- ❖ Finance Committee,
- ❖ Corporate and Community Services Portfolio Committee,
- ❖ Community Services Portfolio Committee,
- ❖ Technical and Infrastructure Services Portfolio Committee,

Finance Committee

No.	Name	Designation	Political Party
1.	Cllr. MN Biyela	Chairperson	IFP
2.	Cllr. TH Mchunu	Member	IFP
3.	Cllr. IM Biyela	Member	IFP
4.	Cllr. KT Mkhize	Member	ANC
5.	Cllr. MV Mchunu	Member	ANC

Corporate & Community Services Portfolio Committee

No.	Name	Designation	Political Party
1.	Cllr. NP Shobede	Chairperson	IFP
2.	Cllr. TE Mpungose	Member	IFP
3.	Cllr. SM Ndlovu	Member	IFP
4.	Cllr. BMT Sibiya	Member	ANC
5.	Cllr. Z Zulu	Member	ANC

Technical & Planning Services Portfolio Committee

No.	Name	Designation	Political Party
1.	Cllr. PE Ntombela	Chairperson	IFP
2.	Cllr. SK Mthimkhulu	Member	IFP
3.	Cllr. NS Ntuli	Member	IFP
4.	Cllr. SS Masuku	Member	IFP
5.	Cllr. PSM Mchunu	Member	ANC

KPA-5: Good Governance and Public Participation Challenges		
CHALLENGES	DEFINITION	WHAT ARE WE GOING TO DO TO ADDRESS THE CHALLENGE
By-Laws not gazzetted	The municipality has developed by-laws, however according to the legislation, these bylaws must be gazzetted before implementation.	The Municipality has set aside the budget in the 2024/2025 Financial Year for gazzetting.
Poor Sector Departments Involvement	When the municipality is conducting Integrated Development Plan Representative forum, there is usually poor attendance from the departments invited.	Through the assistance from CoGTA, there were contacts that were provided for all contact people per department. The municipality will use that avenue to improve attendance.
Non-Sitting of rules committee	Rules Committee does not sit on regular intervals (i.e Quarterly or Monthly)	The municipality has formulated the schedule of Rules Committee Meetings for 2024/25 Financial Year

Table 74- Good Governance and Public Participation Challenges

Good Governance and Public Participation SWOT Analysis

STRENGTHS	WEAKNESSES
• Approved critical policies and procedures • All section 79 and 80 committees in place • Good relationships with traditional authorities • Functional ward committees • Maintaining favourable AG audit opinion • Political Stability within the Municipal Council • Adequate public participation • Adequate records management • Council Committees are sitting regularly	• Poor sector involvement • Lack of implementation Consequence Management • Non-sitting of Rapid Response Committee. • Non-sitting of Rules Committee
OPPORTUNITIES	THREATS
• Conducive Working Environment: working relationships between the Council and Management • Effective participation in the District Development Model.	• Lack of capacity to enforce bylaws and policies • Risks pertaining to corruption, solvency, profitability, and liquidity. • Possibility of political instability which might affect operations of the Municipal Council.

Table 75- GG SWOT Analysis

C.2 CROSS CUTTING INTERVENTIONS

18. CROSS CUTTING INTERVENTIONS

WARD BASED PLANNING

- ❖ Ward based plans have been developed for each Ward
- ❖ All prioritized projects are as per the Ward based plans. There is alignment in /Ward based plans and IDP all projects and situational analyses are from Ward based plans
- ❖ Ward Based Plans are annexed
- ❖ Ward based plans will be reviewed in the upcoming Financial Year as a result of changes in ward statistics as expected from Census.

Municipal Planning Tribunal

The municipalities in the district resolved to have 2 District Joint Municipal Planning Tribunals (JMPT), bound by signed JMPT agreements.

There are 2 JMPTs in the King Cetshwayo District Municipality are:

- a) North: Incorporating uMhlathuze and uMfolozi established at uMhlathuze LM
- b) South: Incorporating Nkandla, uMlalazi and Mthonjaneni established at uMlalazi LM.

Both JMPTs are functional. The Southern JMPT is targeted to sit at least once per quarter (provided there are items) or as and when needed based on the number and urgency of applications received.

Chaired by uMlalazi Local Municipality's Town Planner, the SJMPT sat as follows:

- i. 10/22/2023
- ii. 18/12/2023
- iii. 13/02/2024

The Secretariat is also provided by Umlalazi Local Municipality. The SJMPT has both internal and external members whose names have been gazzetted at its inception, to support the evaluation of applications.

The King Cetshwayo District Municipality is responsible for the overall co-ordination of the establishment process and also the remuneration costs of all Section 36(b) tribunal members.

All requirements and procedures outlined in Section 14 of the Regulations in Terms of the Spatial Planning and Land Use Management Act 16,2003 for the submission of land development and land use applications are followed.

The Municipal Authorised Officer for Mthonjaneni Local Municipality is the Senior Manager: Town Planning.

The Appeal Authority for Mthonjaneni Local Municipality is the King Cetshwayo District Municipality's Executive Committee.

LAND-USE MANAGEMENT

Wall to Wall Scheme

The Municipality has adopted a Land Use Scheme covering the urban and rural areas of Mthonjaneni Local Municipality.

The purpose of the Scheme is to give effect to and be consistent with the Municipal Spatial Development Framework to effectively guide and manage development for the realisation of the vision, strategies and policies stipulated in the Integrated Development Plan in the interest of the public.

The implementation of the Land Use Scheme is aided by the Mthonjaneni Spatial Planning and Land Use Management Bylaws published in 2017.

Strategic Planning

Municipal Spatial Development Framework

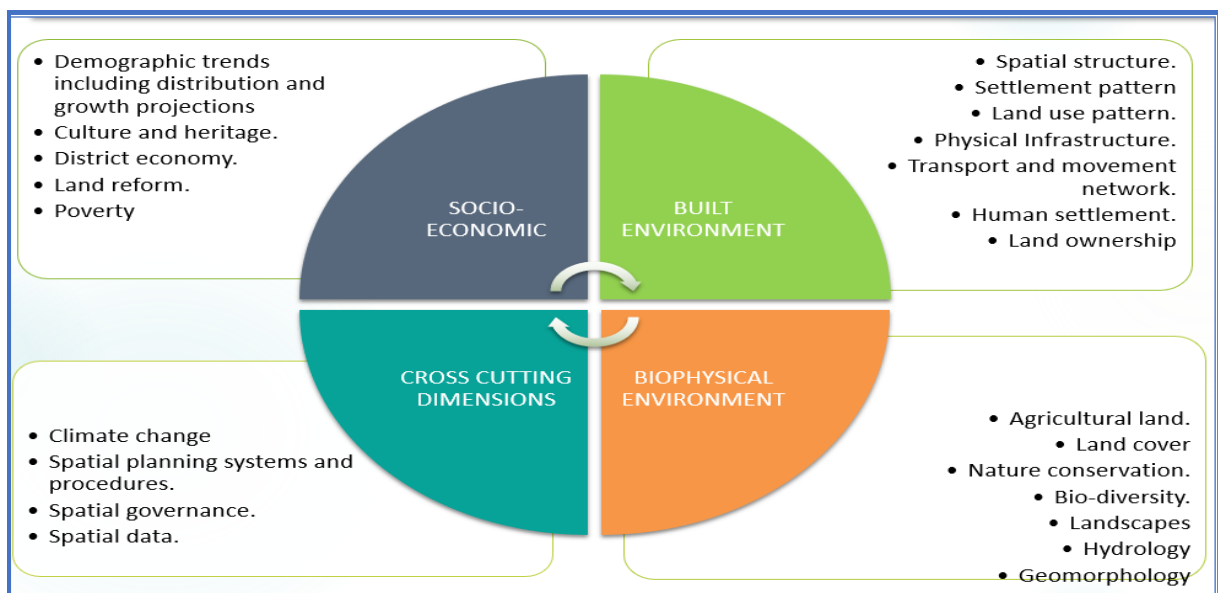
The Mthonjaneni Municipal Spatial Development Framework (MSDF) is in place and will be adopted along with the 2024/2025 IDP. The main purpose of the MMSDF is to guide the form and location of future spatial development within a Municipal area. According to the Department of Rural Development and Land Reform's (DRDLR) SDF guidelines (2017) "Municipalities (Metropolitan, Districts and Local) have the mandate to develop SDFs that give attention to the cross-

boundary spatial considerations (i.e. inter-municipal) as well as the role of the municipality in the provincial and national space economies.”

The MSDF will facilitate the development of a spatial structure that promotes integrated development and efficient delivery of services. It will give direction to future planning and development within the Municipality’s area of jurisdiction and provide a framework for the implementation of a land use scheme (LUS) as well as the evaluation of development proposals. The objectives of the MSDF are as follows:

- To provide for the spatial transformation of the municipal area.
- To provide sustainable development in line with the norms and standards for environmental management.
- To facilitate the development of an efficient and effective spatial structure.

SPATIAL CHALLENGES & OPPORTUNITIES



KPA-6: CROSS CUTTING INTERVENTIONS	
CHALLENGES	INTERVENTIONS
Lack of adoption of MSDF and MLUMS	Adoption will be made along with the IDP before 01 July 2024.
Limited human resource capacity(town planning, peace officers)	Investigate appointment of peace officers as part of the Shared Services
Limited land for expansion of the congested CBD	Conduct urban regeneration plan
Non-adherence to building control regulations	Serve notices; Conduct awareness on building control regulations; increase peace officer capacity
Lack of development on strategic land in rural areas	Promote awareness of land use management in rural areas; increase availability of services in rural areas; encourage investment
Scattered settlements	Promote densification within the urban edge
Lack of internal GIS capacity	Budget for the establishment and training costs for GIS capacity

Table 76- Cross Cutting Intervention Challenges

SWOT ANALYSIS

STRENGTHS	WEAKNESSES
• Functional Council Committees • Good Public participation mechanisms are in place • Developmental land availability • R66/R34 Route/ P700 biodiversity routes • No air pollution • Up to date Spatial Development Framework • Up to date LUMS • Bylaws in place to regulate certain land uses (SPLUMA; Wayleave, Outdoor advertising)	• High illiteracy rate and lack of skills development in the Municipal jurisdiction • Lack of Disaster Management Centre • High grants dependency • Lack of bylaw enforcement capacity(peace officers) • Scattered settlements increase the cost of providing basic services per capita • Lack of internal GIS capacity

• Co-Operative urban citizens	
OPPORTUNITIES	THREATS
• Establishment of FET college specializing in Agriculture • Possibility of economic spin-off activities. • Good terrain for outdoor activities • Seeking more of Private-Public Partnerships • Engaging with Traditional Authorities regarding Spatial matters • Revenue generated from building control compliance requirements (building plans, SPLUMA applications, Wayleaves, Outdoor advertising etc) • Strategic sites (privately owned) adjacent to the R34/R66 near the CBD	• Climate change, since the Municipality is responsible for servicing large rural wards, it becomes a challenge to respond to calls timeously • Increasing number of road accidents in R34/R66 • Man-made veld fires. • Poor roads maintenance • Loadshedding • Scarcity of water supply (dams) • Availability of suitable vast land for the expansion of Melmoth CBD • Residential areas are used optimally and some are ruined. High market prices of houses deter potential new household owners.

Table 77- Cross Cutting Interventions SWOT

SECTION D: VISION, GOALS, OBJECTIVES AND STRATEGIES

D.1.1 Municipal Vision

After Local Government Elections in 2021 the council proposed the strategic direction for the municipality for the next five (5) years. This was done after considering the challenges that the municipality is faced with and taking into cognizance the status-quo of the Municipality in terms of Service Delivery targets.

Municipal Vision

After Local Government Elections in 2021 the council proposed the strategic direction for the municipality for the next five (5) years. This was done after considering the challenges that the municipality is faced with and taking into cognizance the status-quo of the Municipality in terms of Service Delivery targets.

The **Vision** and **Mission** as per council strategic priorities is as follows:

Vision

We are a diverse and empowered community of choice for people to live, work and play. Our protected natural environment and resources produce the cleanest air in the country for our citizens. Built on our cultural heritage, our neighbourhoods are safe, compact, socially inclusive and spatially integrated.. Our communities are satisfied with the level of infrastructure and affordable services provided to them. Through the principle of self-help and self reliance, our economy provides endless opportunities.

Excelling in service delivery and good governance to all our communities

TRUST US

Mission

To create an affluent Municipality through:

- Provision of affordable household infrastructure and services.
- Work in tandem with the institution of Traditional Leadership in rural development
- Creation of a liveable town interconnected with its rural areas
- Creation of an environment conducive for local economic development.
- Community empowerment and redistribution.

Committed in creating a stable and secure environment and service delivery to all our communities

Core Values

Transparency, Accountability, Commitment, Innovation, Leading with Integrity and truly serving, Co-operation

Mthonjaneni 5th Generation IDP

IDP STRATEGIC FRAMEWORK												
2024/2025 MTHONJANENI MUNICIPALITY PROPOSED STRATEGIES AND OBJECTIVES												
	REF NO	GOAL	OBJECTIVE	STRATEGY	KCDM INTEGRATED DEVELOPMENT PLAN	KCDM ONE BUDGET ONE PLAN	KZN PROVINCIAL GROWTH AND DEVELOPMENT PLAN	NATIONAL DEVELOPMENT PLAN	CHALLENGES	BACK TO BASICS PILLARS	PGDS	
NKPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	A1	Goal 1: To ensure internal municipal excellence and effective organization	Increase performance & efficiency of Organization	A1.1 Skills Development and Strengthen organizational capacity	Organizational and Human Resource Development; Municipal Transformation	Human Resource Development	Human Resource Development	A skilled and capable workforce to support an inclusive growth path.	High Unemployment Rate	•Pillar 5: Building Capacity – Implementation of Performance Management Systems	6.4. Promote participative, facilitative, and accountable governance	
				A1.2 Implement Organizational Performance Management Framework & Policy					100% of implementation of performance management.			
				A1.3 Implement Individual (Employees below s54/56 Managers) Performance					100% of implementation of performance management.			

Mthonjaneni 5th Generation IDP

				Management Framework and Policy							
	A2		Strengthen capacity and optimize Human Resource Management	A2.1 Develop and Review of Human Resource Strategy A2.2 Development & Review of Human resource policies A2.3 Development and implementation of Human Resource Plan					Inability to attract and retain scarce skills Inability to attract and retain scarce skills Inability to attract and retain scarce skills	Pillar 5: Building Capacity – HR Development and Management	2.2. Support skills development to economic growth
	A3		Ensure compliance with the Occupational Health and Safety Act and Compensation for occupational	A3.1 Implementation of OHS initiatives							3.2. Enhance health of communities and citizens

Mthonjaneni 5th Generation IDP

			injuries and diseases								
	A4		Optimize ICT systems, manual procedures, and processes	A4.1 Enhancing Information Communication Technology (ICT)					Limited access to basic household and community services.	Pillar 5: Building institutional resilience and administrative capability.	1.1.5.1 Ensure access information in line with relevant legal prescripts
				A4.2 Skills Development on ICT							2.2. Support skills development to economic growth
NKAP 2: BASIC SERVICE DELIVERY	B1	Goal 2: To ensure the provision of Basic & Sustainable Services	To Implement roadbuilding and maintenance programs and improve rural accessibility	B1.1 Construction of Roads	Strategic Infrastructure & Basic Service Delivery	Strategic Infrastructure	Strategic Infrastructure	Strategic Infrastructure & basic service delivery	Limited access to basic household and community services.	Pillar 2: Delivering Basic Services - Infrastructure Delivery and maintenance wrt Roads	4.2. Develop road and rail networks
				B1.2 Rehabilitation and Maintenance of Roads.					Limited access to basic household and community services.		
	B2		Improve service delivery and infrastructure development	B2.1 Provision of Electricity					Limited access to basic household and community services.	Pillar 2: Delivering Basic Services – Infrastructure Delivery and maintenance	4.5. Ensure access to affordable, reliable, sustainable, and modern energy for all

Mthonjaneni 5th Generation IDP

				B2.2 Provide Indigent Support					Limited access to basic household and community services.	Pillar 2: Delivering Basic Services – Free Basic Services and Indigent Register	7.1. Enhance the resilience of new and existing cities, towns, and rural nodes, ensuring equitable access to resources, social and economic opportunities
				B2.3 Construction of community facilities					Limited access to basic household and community services.	Pillar 2: Delivering Basic Services – Free Basic Services and construction of Community facilities	7.1. Enhance the resilience of new and existing cities, towns, and rural nodes, ensuring equitable access to resources, social and economic opportunities

Mthonjaneni 5th Generation IDP

				B2.4 Rehabilitation and Maintenance of Community Facilities					Limited access to basic household and community services.	Pillar 2: Delivering Basic Services – Free Basic Services and Indigent Register	7.1. Enhance the resilience of new and existing cities, towns, and rural nodes, ensuring equitable access to resources, social and economic opportunities
	B3		Improve environmental management	B3.1 Refuse Removal and Waste Management					Limited access to basic household and community services.		
				B3.2 Law enforcement for environmental and waste management					Limited access to basic household and community services.	Pillar 2: Delivering Basic Services – Improved Policing	3.5. Enhance safety and security
	B4		Increase Community Safety	B4.1 Reduce Road Carnage					Hampered Road Safety		
				B4.2 Licensing					Hampered Road Safety		

Mthonjaneni 5th Generation IDP

				B4.3 Road Law Enforcement					Hampered Road Safety		
NKPA 3: LOCAL ECONOMIC DEVELOPMENT	C1	Goal 3: To promote Local economic and Social Development	Improve Entrepreneurship	C1.1 Entrepreneur development plan	Local and rural economic development	Job Creation; Human and Community Development	Job Creation; Human and Community Development	Decent employment through inclusive economic growth; A long and healthy life for all South Africans; Vibrant, equitable, sustainable rural communities contributing towards food security for all; A comprehensive, responsive, and sustainable social protection system; Create & Promote a safe, healthy and secure environment	High Unemployment Rate	Pillar 1: Putting people and their concerns first.	1.5. Promote SMME and entrepreneurial development
	C2		Promote Local Economic Development	C2.1 Development & Implementation of the LED Strategy					High Unemployment Rate		
	C3		Strengthen the Local Businesses	C3.1 SMME Development					High Unemployment Rate		
				C3.2 Supplier Development					High Unemployment Rate		
				C3.1 SMME Development					High Unemployment Rate		
	C4		Increase Job Opportunities	C4.1 Expanded Public Works Program					High Unemployment Rate	Pillar 2: Delivering Basic Services – Community Works Program (& EPWP)	1.4. Improve the efficiency, innovation, and variety of government-led Job creation programs

Mthonjaneni 5th Generation IDP

NKPA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT	D1	Goal 4: To ensure financially viable and sustainable municipality	Improve revenue management and reduce the debt	D1.1 Debt Recovery Plan	Sound Financial Management and Viability	Governance and Policy	Governance and Policy	An efficient, effective and development-oriented public service	Insufficient equitable share allocation.	Pillar 4: Sound Financial Management – Debt Recovered	6.4. Promote participative, facilitative, and accountable governance
				D1.2 Revenue Enhancement					Insufficient equitable share allocation.	Pillar 4: Sound Financial Management – Revenue Collected	6.4. Promote participative, facilitative, and accountable governance
	D2		Improve expenditure management and SCM	D2.1 Capital Budget spending D2.2 Operational Budget spending D2.3 Implementation of the Procurement Plan					Insufficient equitable share allocation.	Pillar 4: Sound Financial Management – Functional Budget Controls	6.4. Promote participative, facilitative, and accountable governance
	D3		Improve budget and strengthen	D3.1 mSCOA & GRAP Compliance					Consistent unqualified audit opinion.	Pillar 4: Sound Financial Management	6.4. Promote participative, facilitative,

Mthonjaneni 5th Generation IDP

			financial governance	D3.2 MFMA Compliance							and accountable governance
	D4		Improve Asset Management	D4.1 Asset Management Strategy					Consistent unqualified audit opinion.	Pillar 4: Sound Financial Management	6.4. Promote participative, facilitative, and accountable governance
NKPA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION	E1	Goal 5: To provide a democratic and accountable government for local communities	Promote broaden local democracy	E1.1 Ward Committee Governance	Promote good Governance and enhance Public Participation	Governance and Policy	Governance and Policy	An efficient, effective and development-oriented public service; A diverse, socially cohesive society with a common national identity	Limited access to basic household and community services.	Pillar 1: Putting people first – Functionality of Ward Committees	3.2. Enhance health of communities and citizens
	E2		Strengthen Corporate governance	E2.1 Improved Audit Opinion					Consistent unqualified audit opinion.	Pillar 3: Good Governance – Improved Audit Outcomes	6.4. Promote participative, facilitative, and accountable governance
				E2.2 Revive Governance Structures					Limited access to basic household and community services	Pillar 3: Good Governance – Oversight Structures (S79, AC and ICR)	6.4. Promote participative, facilitative, and accountable governance

Mthonjaneni 5th Generation IDP

	E3		Strengthen Intergovernmental relations	E3.1 Implementation of IGR Resolutions					Dilapidating Infrastructure	Pillar 3: Good Governance – Oversight Structures (S79, AC and ICR)	6.4. Promote participative, facilitative, and accountable governance
	E4		Improve Municipal planning	E4.1 Credible IDP							
									• High Unemployment Rate • Limited access to basic household and community services. • Dilapidating Infrastructure • Hampered Road Safety • Insufficient equitable share allocation. • Inability to attract and retain scarce skills • Scattered rural households	Pillar 5: Building Capacity – Implementation of Performance Management Systems	6.4. Promote participative, facilitative, and accountable governance
				E4.3 SDBIP					• Limited access to basic household	Pillar 5: Building Capacity –	6.4. Promote participative, facilitative,

Mthonjaneni 5th Generation IDP

NKPA 6: CROSS CUTTING									- and community services. - Dilapidating Infrastructure - Consistent unqualified audit opinion - High Unemployment Rate	Implementation of Performance Management Systems	and accountable governance
	E5		Reduce risk, fraud, and corruption	E5.1 Reduction of Fraud and Corruption Strategy					Consistent unqualified audit opinion.	Pillar 3: Good Governance – Anti-corruption measures	6.4. Promote participative, facilitative, and accountable governance
	E6		Enhance access to Library Services	E6.1 Provision of efficient and effective Library Services					Limited access to basic household and community services.	Pillar 1: Putting people first – Providing the necessary tools for learners	3.2. Enhance health of communities and citizens
NKPA 6: CROSS CUTTING	F1	Goal 6: To promote Social Responsibility and Cohesion	Improve land use management	F1.1 Spatial development Planning	Create & Promote a safe, healthy and secure environment	Spatial equity; Environmental Sustainability	Spatial equity; Environmental Sustainability	Protect and enhance our environmental assets and natural resources;	Scattered rural households	Pillar 2: Delivering Basic Services	5.3. Adapt and respond climate change 7.1. Enhance the resilience

Mthonjaneni 5th Generation IDP

		through sustainable development initiatives						Sustainable human settlements and improved quality of household life			of new and existing cities, towns and rural nodes, ensuring equitable access to resources, social and economic opportunities
			F1.2 SPLUMA						Scattered rural households		7.2. Ensure integrated land management use across the province, ensuring equitable access to goods and services, attracting social and financial investment
	F2	Improve HIV Aids awareness and coordination	F2.1 Functionality of WAC and LAC						Limited access to basic household and community services.	Pillar 1: Putting people first	3.2. Enhance health of

Mthonjaneni 5th Generation IDP

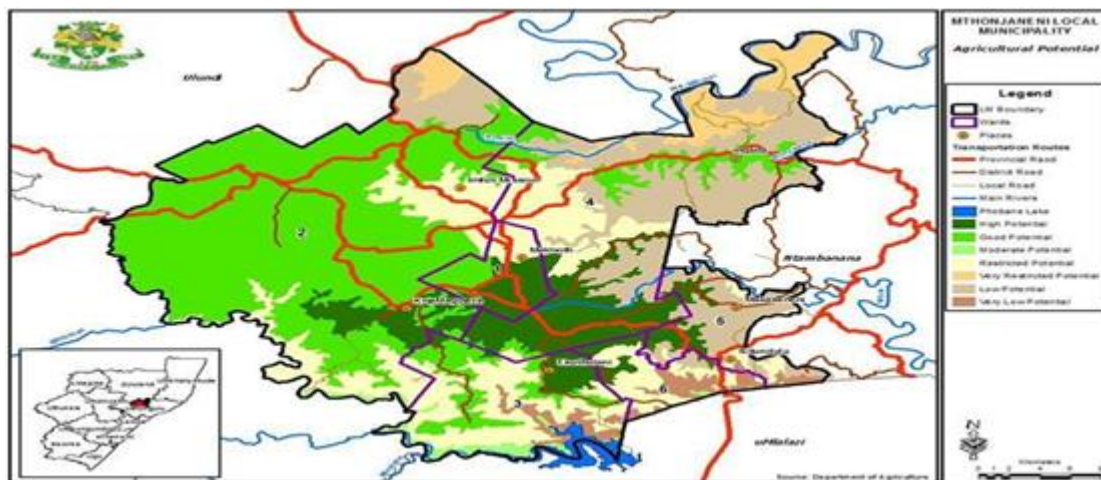
											communities and citizens
	F4		Improve implementation of Sukuma Sakhe programme	F4.1 Operation Sukuma Sakhe governance					Limited access to basic household and community services.		
				F4.2 Implementation of Special Programmes initiatives					Limited access to basic household and community services.		
	F5		Reduce impact of Natural and other disasters with Municipality	F5.1 Implementation of the Disaster Management Plan	•	•	•	•	• Dilapidating Infrastructure • Limited access to basic household and community services		5.3. Adapt and respond climate change

Table 78- IDP Strategic Framework

SECTION E.1: STRATEGIC MAPPING AND IMPLEMENTATION PLAN

1. STRATEGIC MAPPING

The map below shows the agricultural potential.



MAP SHOWING ENVIRONMENTAL PROTECTION -1 & 2

MAP SHOWING AGRICULTURAL LAND POTENTIAL

2. SPATIAL DEVELOPMENT FRAMEWORK

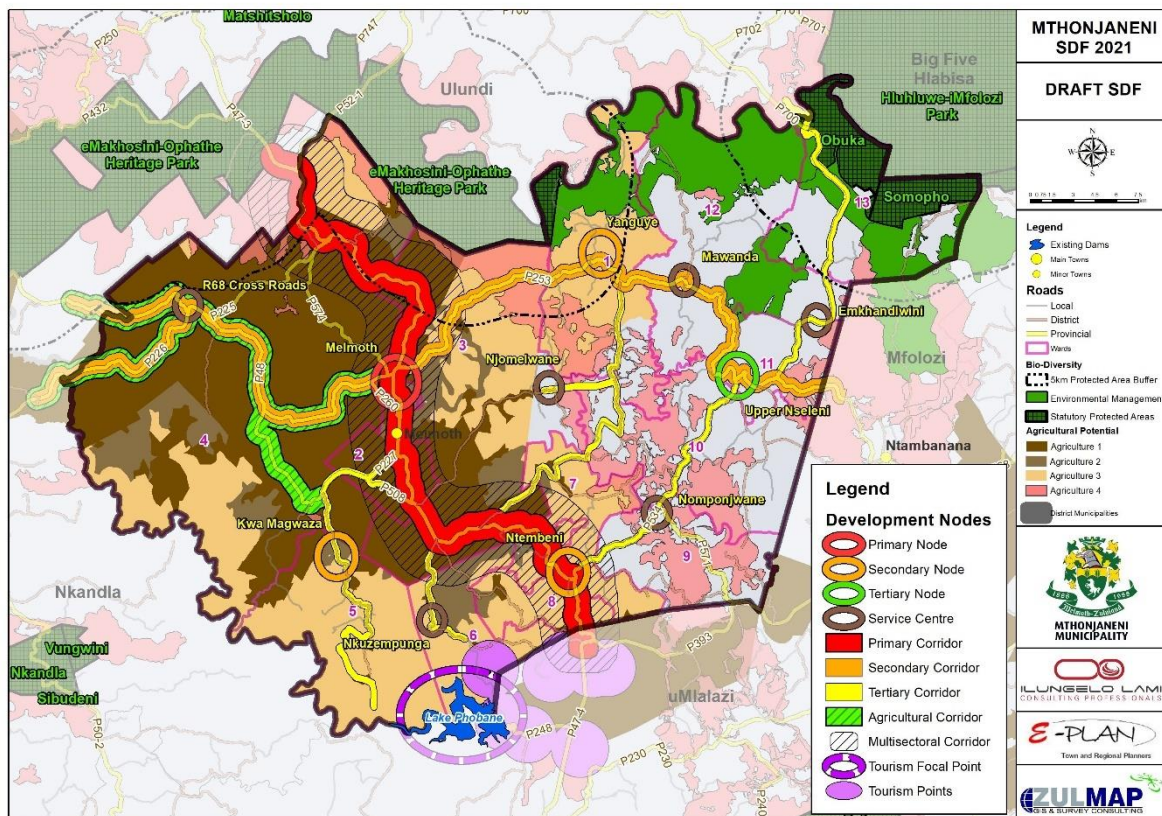


Table 79- Draft SDF

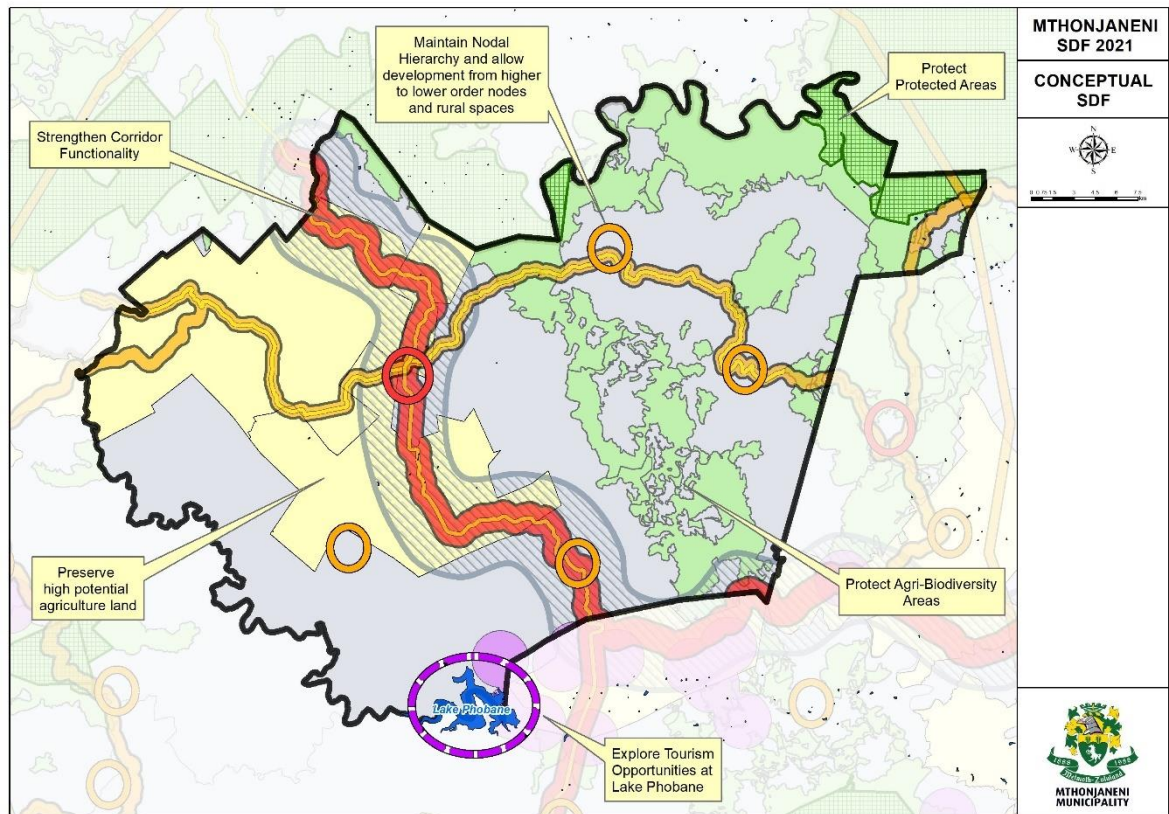
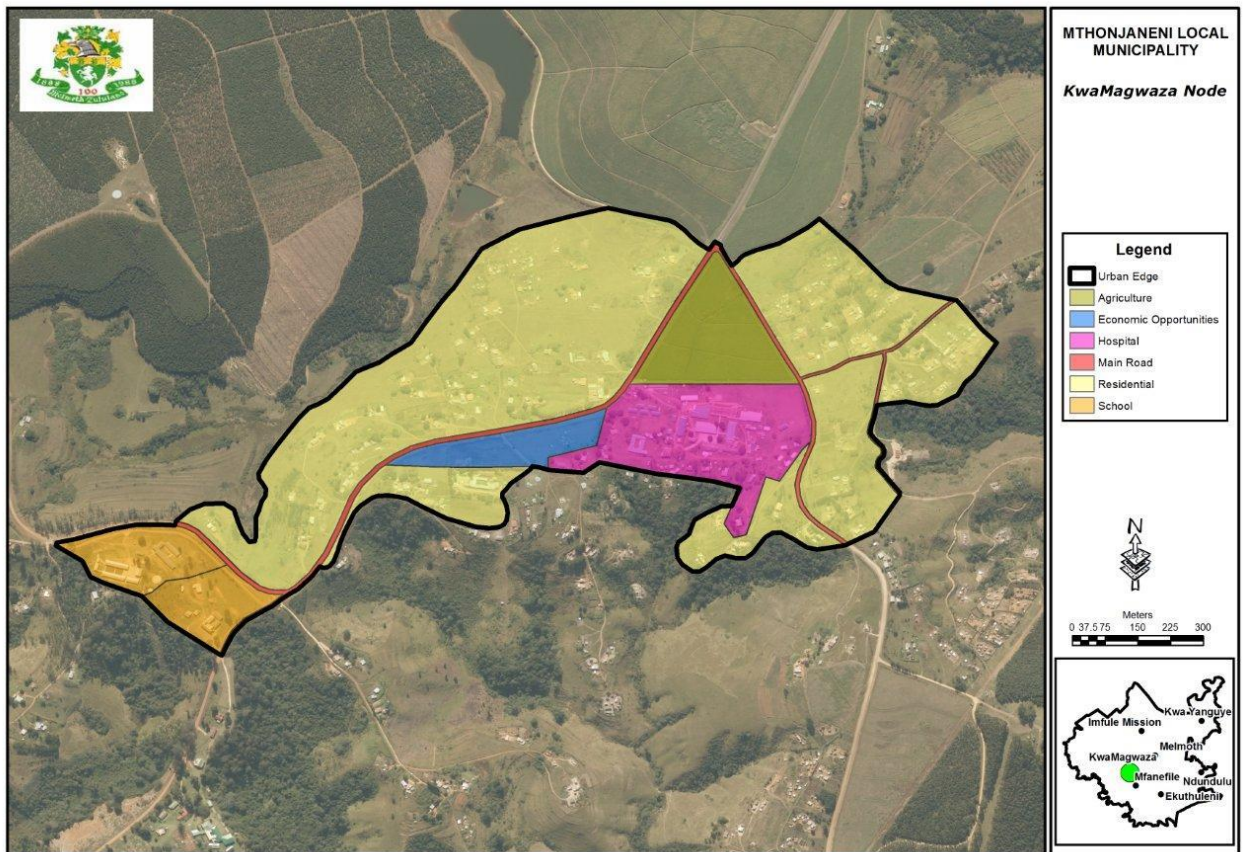
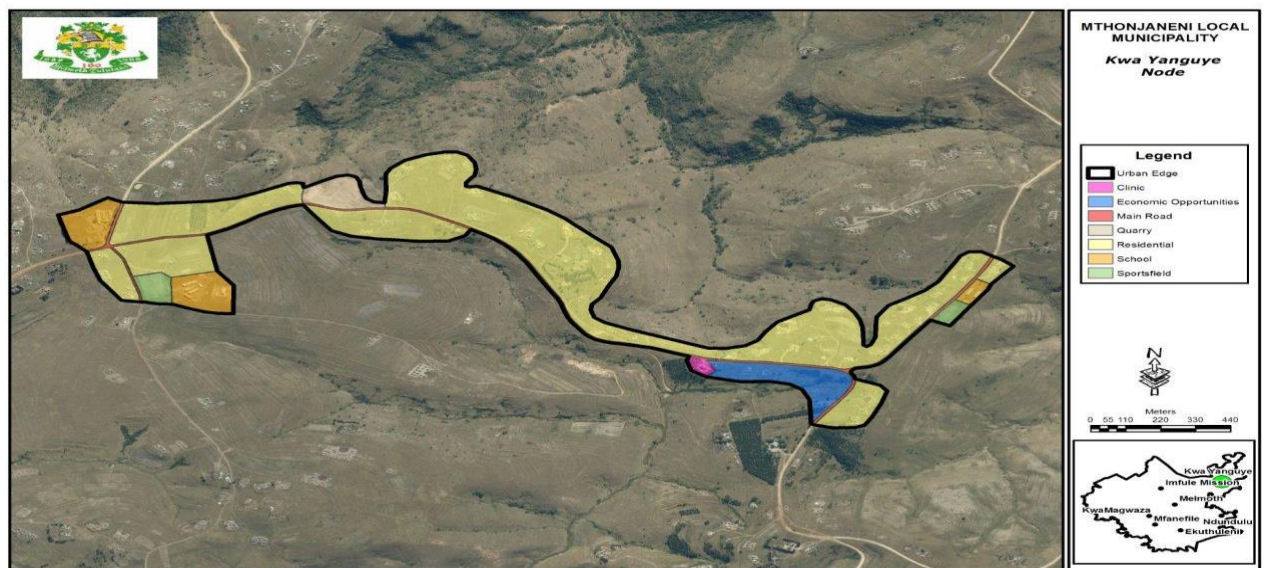


Table 80- Conceptual SDF



Map 46 KwaMagwaza Node



Map 47 KwaYanguye Node



Map 48- Ndundulu Node

SECTION F: FINANCIAL PLAN

F.1 FINANCIAL PLAN

A financial plan has been prepared to give a picture of funding allocated to both operations and capital projects and projections for the next two years is also included as summary of the Final Annual Budget 2024/25 below.

The municipality has remained open to offer basic and essential services to the community under the current difficult conditions. The South African economy needs to respond to amongst others, the high percentage of unemployment and slow economic growth and the negative economic conditions have been made worse due to the ongoing loadshedding where implementation of loadshedding at higher stages impact the day-to-day operation of delivering quality services to our communities and negatively affect our local businesses which may negatively affect revenue collection.

Local government has a vital role to play in turning around the economy. The municipal finances are still under pressure. This is because of the rising cost of delivering basic services to our community with limited resources. The Municipality has grown in terms of number of wards, directorates and functional areas, staff complement has increased accordingly. Nevertheless, our revenue sources are still not growing accordingly, as a result the preparation of the budget has been challenging.

According to MFMA budget 2024/25 circulars 126 The National Treasury forecasts real GDP growth of 0.8 per cent in 2023, compared with 0.9 per cent projected in the 2023 Budget Review. Growth is projected to average 1.4 per cent from 2024 to 2026. Relative to the 2023 Budget, the weaker projection for 2023 mainly reflects lower household consumption expenditure due to higher inflation and interest rates, and lower net exports. Power cuts are expected to continue for the remainder of this year and to gradually ease in 2024. Faster, determined implementation of energy and logistics reforms remains critical to boosting economic growth

Employment growth continues to lag South Africa's post-COVID-19 economic recovery, with 74 000 fewer people in employment in the second quarter of 2023 than in the fourth quarter of 2019. Improving employment growth sustainably over the long term requires faster GDP growth and improved education and skills development

Headline inflation is expected to decelerate as the energy and food price shocks associated with global supply chain disruptions and the war in Ukraine dissipate. Headline consumer prices are expected to fall from an expected 6 per cent in 2023 to 4.9 per cent in 2024. Fuel prices have fallen since June 2023, largely reflecting

base effects. Food price inflation, which peaked at 14.4 per cent in March 2023, slowed to 8.2 per cent by August 2023. However, the pace of deceleration has been slow relative to global food prices. This can be attributed to a weaker rand exchange rate and elevated production costs. Core inflation has remained near 5 per cent for most of 2023 due mainly to higher insurance and vehicle price inflation. Headline inflation is projected to return towards the mid-point of the 3 to 6 per cent target range in 2025.

Household consumption expenditure is expected to slow from 2.5 per cent in 2022 to 0.8 per cent in 2023 due to the cumulative effect of interest rate increases, elevated inflation and falling real disposable income, and generally weak consumer confidence. Growth in credit extended to households continues to decelerate for both secured and unsecured credit. National Credit Regulator data shows that in the first quarter of 2023, banks rejected 70 per cent of credit applications – the highest rate on record – reflecting concerns over households' ability to repay loans. Household consumption expenditure is expected to average 1.6 per cent from 2024 to 2026

The Municipality is still implementing the Municipal Financial Recovery Plan 2019/20 and Municipal Cost Containment Regulations, 2019 that were adopted by the Municipal Council with effect from 01 July 2019 together with a revised Municipal Cost Containment Policy. The municipality proposed a range of expenditure reductions measures and established a revenue committee composed of municipal senior management to monitor revenue and expenditure projections regularly and to restore the Mthonjaneni Municipality's finances to a sustainable position, some of these measures are likely to be painful however request the support from the leadership and all municipal staff. We owe it to future generations to ensure that we are good stewards of our municipal's resources and that they do not have to pay for faults in our decision-making.

Over the next three years, municipalities will have to adjust to significant changes in expenditure plans while improving accountability. The 2024 Budget includes funding for initiatives to improve municipal revenue collection and support financially distressed municipalities. The Municipality's core business is to enhance service delivery for our communities. Despite the limited resources at the disposal of the municipality this budget seeks to better service delivery to our community. We are aware of the challenges being faced by our people.

As we all know, the Municipality's infrastructure is aging, therefore, it becomes more critical that council can balance its finances in such a way that we are able to maintain the infrastructure and assets that we have. To this end the municipality is continuously seeking alternative sources of funding to renew this archaic infrastructure. Majority of our people lack necessities. It is therefore imperative that this Council puts the foot on the pedal for seeking partnership with other private sector and in pursuit of improving the lives of our people as it

is evident from the budget that we cannot do everything on our own with the limited financial resources we have.

We have managed in the past to spend accordingly and in full all the infrastructure grant monies allocated to us. Consequently, National Government decided in the last five years to give us a little bit more top up on Municipal Infrastructure grant from what was initially allocated to us. This was done because we respect and utilize taxpayer's money accordingly. This is clear evidence that the leadership of this municipality is working tirelessly to improve the lives of the people of Mthonjaneni and is not condoning corruption and maladministration.

The local government equitable share and related allocations increased at an annual average rate of 61 per cent and municipal conditional grants increased by 3.8 per cent over the 2023/24 MTEF period.

The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the 2023/24 MTEF period. It also includes allocations for the operational and maintenance costs associated with the provision of free basic services.

Funding for Operational & Capital Projects

Choose name from list - Table B1 Adjustments Budget Summary -

Description	Budget Year 2023/24									Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	34 171	34 171	–	–	–	–	–	–	34 171	40 809	42 442
Service charges	35 793	35 793	–	–	–	–	–	–	35 793	33 306	34 879
Investment revenue	1 458	1 458	–	–	–	–	–	–	1 458	1 308	1 360
Transfers recognised - operational	104 727	104 727	–	–	–	–	(124)	(124)	104 603	109 938	105 016
Other own revenue	15 710	15 710	–	–	–	–	1 000	1 000	16 710	12 368	12 864
Total Revenue (excluding capital transfers and contributions)	191 860	191 860	–	–	–	–	876	876	192 735	197 730	196 561
Employee costs	66 792	66 792	–	–	–	–	(3 210)	(3 210)	63 582	71 820	75 047
Remuneration of councillors	9 681	9 681	–	–	–	–	–	–	9 681	10 107	10 561
Depreciation & asset impairment	19 430	19 430	–	–	–	–	5 000	5 000	24 430	21 099	25 961
Finance charges	–	–	–	–	–	–	1 500	1 500	1 500	–	–
Inventory consumed and bulk purchases	29 315	29 315	–	–	–	–	(5 315)	(5 315)	24 000	29 418	30 475
Transfers and subsidies	100	100	–	–	–	–	–	–	100	–	–
Other expenditure	51 361	51 361	–	–	–	–	9 211	9 211	60 572	48 507	45 901
Total Expenditure	176 678	176 678	–	–	–	–	7 186	7 186	183 865	180 951	187 944
Surplus/(Deficit)	15 181	15 181	–	–	–	–	(6 311)	(6 311)	8 871	16 778	8 616
Transfers and subsidies - capital (monetary allocations)	34 458	34 458	–	–	–	–	(5 088)	(5 088)	29 370	31 522	32 766
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	49 639	49 639	–	–	–	–	(11 399)	(11 399)	38 241	48 300	41 382
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	49 639	49 639	–	–	–	–	(11 399)	(11 399)	38 241	48 300	41 382
Capital expenditure & funds sources											
Capital expenditure	35 932	35 932	–	–	–	–	(8 173)	(8 173)	27 758	27 984	28 492
Transfers recognised - capital	29 924	29 924	–	–	–	–	(4 495)	(4 495)	25 429	27 410	28 492
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	6 009	6 009	–	–	–	–	(3 680)	(3 680)	2 329	574	–
Total sources of capital funds	35 933	35 933	–	–	–	–	(8 175)	(8 175)	27 758	27 984	28 492
Financial position											
Total current assets	49 446	49 446	–	–	–	–	9 169	9 169	58 615	93 692	127 769
Total non current assets	444 351	444 351	–	–	–	–	(39 266)	(39 266)	405 085	721 407	717 054
Total current liabilities	54 967	54 967	–	–	–	–	24 974	24 974	79 942	60 626	60 782
Total non current liabilities	5 402	5 402	–	–	–	–	5 455	5 455	10 856	5 402	5 402
Community wealth/Equity	457 090	457 090	–	–	–	–	(34 302)	(34 302)	422 788	784 351	812 569
Cash flows											
Net cash from (used) operating	55 603	55 603	–	–	–	–	(11 943)	(11 943)	43 660	61 963	60 309
Net cash from (used) investing	(39 823)	(39 823)	–	–	–	–	9 401	9 401	(30 422)	(29 694)	(30 179)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	25 112	25 112	–	–	–	–	(8 580)	(8 580)	16 532	57 380	90 379
Cash backing/surplus reconciliation											
Cash and investments available	26 765	26 765	–	–	–	–	(6 963)	(6 963)	19 802	59 499	92 495
Application of cash and investments	26 673	26 673	–	–	–	–	7 295	7 295	33 968	20 945	20 489
Balance - surplus (shortfall)	91	91	–	–	–	–	(14 257)	(14 257)	(14 166)	38 554	72 006
Asset Management											
Asset register summary (WDV)	444 352	444 352	–	–	–	–	(354 005)	(354 005)	90 347	721 407	717 054
Depreciation	16 830	16 830	–	–	–	–	5 000	5 000	21 830	19 599	24 461
Renewal and Upgrading of Existing Assets	609	609	–	–	–	–	3 806	3 806	4 415	43	–
Repairs and Maintenance	4 730	4 730	–	–	–	–	(2 217)	(2 217)	2 513	2 933	3 086
Free services											
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	3 062	8 130	–	–	–	–	–	–	8 130	2 912	3 041
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–	–

SUMMARY OF CAPITAL FINANCIAL PLAN

The local government equitable share formula has been updated to account for

2022/2023		2023/2024		2024/2025	
REVENUE					
SOURCE	AMOUNT	SOURC E	AMOUNT	SOURC E	AMOUNT
MIG	30 039 000	MIG	19 370 000	MIG	20 490 000
INEP	8 280 000	INEP	10 000 000	INEP	5 848 000
OWN FUNDS	5 471 000	OWN FUNDS	2 812 000	OWN FUNDS	9 190 000
TOTAL	46 663 000	TOTAL	32 182 000	TOTAL	35 528 000
CAPITAL EXPENDITURE					
2022/2023		2023/2024		2024/2025	
SOURCE	AMOUNT	SOURC E	AMOUNT	SOURC E	AMOUNT
MIG	30 039 000	MIG	19 370 000	MIG	20 490 000
INEP	8 280 000	INEP	10 000 000	INEP	5 848 000
OWN FUNDS	5 471 000	OWN FUNDS	2 812 000	OWN FUNDS	9 190 000
TOTAL	46 663 000	TOTAL	32 182 000	TOTAL	35 528 000
UNSPENT	0.00		0.00		0.00
VARIANCE	0.00		0.00		0.00

projected household growth, inflation and estimated increases in bulk water and electricity costs over the 2023/24 MTEF period. It also includes allocations for the operational and maintenance costs associated with the provision of free basic services..

Social and Economic Redress via Indigent Management

Indigent Policy

The Municipality has the indigent register where all individuals not affording to pay for basic services has gone through the application process and those who were found to earn little/ dependent on government grants has their applications successful. The Indigent register and Indigent Policy were reviewed and adopted during the 2018/2022 financial year strategic planning. The Municipality will update the indigent register in the 2024/2025 Financial Year, however during the Auditor General Audit there were discrepancies that were picked up which forced the Municipality to do a desktop review of the indigent review where dead beneficiaries, people in the service of the state and people with invalid Identity Documents were removed.

The municipality has an indigent policy that is used as a guide in terms of the indigent support to our needy community. The policy pronounces the other tools such as the indigent register where all the indigent households are registered. All the households with a joint gross income of R 3800 are regarded as indigent and are listed in the register for support from the municipality as per the policy. There are a number of households listed on the municipal indigent register updated yearly. There has not been a sizable increase in the households listed in the register since 2016. Currently there are 3 219 registered indigents on the indigent register.

The municipality allocated an amount of R 1 080 000 payable to Eskom for free basic electricity in 2023/24 and projected R1 144 800 (2023/24) and R1 213 488 (2024/25). There has been a steady increase in indigent support of an average of 5 % per annum over the last three years.

The services offered to the indigent including the rebates are as follows:

- Refuse Removal - exempted
- Electricity – Free basic service of 50Kw per month
- Rates - exempted

The indigent policy is also accommodating pauper burial which will provide the grocery voucher, the coffin and transport. A burial pit will also be provided for the rate payers and Thubalethu residents who are in the indigent register.

Going forward it will be our priority to reduce the number of households on the indigent register through job creation and programs such as EPWP, ensuring that those that are hired are equipped with certain skills by the end of the program, for future employment.

Copy of the Indigent Policy is attached to the IDP as an annexures

REVENUE MANAGEMENT

The Mthonjaneni Municipality adopted its revenue enhancement strategy in June 2015. The Revenue strategy has been revised in March 2023 and was tabled for council approval. The main objective of the strategy is to improve the current payment levels and to recover arrear debt. One of the revenue enhancement strategies that a municipality has introduced is to link the rates account with electricity accounts. This assisted in revenue collection as the people who have not paid their rates could not buy the electricity unless 50% of the debt has been paid. The enhancement strategy includes or is based on the following aspects amongst others:

- Registration of Indigents:
- Meter Reading and Billing System:
- Debt Collection Strategy & Customer Care:
- Consumer Database Management:
- Minimise loss in distribution of electricity
- Improvement of Revenue Generation:
- Staff Training and Mentoring:
- Revision of credit control policies

The municipality has developed a revenue enhancement strategy to address the issue of low collection rate, implementation of policies and improvement in debt management.

The Municipality has prioritized top 50 customers based on their debts with the Municipality and there has not been much of success but it's been recently implemented, more details will be provided on the 2023/2024 Annual Report

Resource capability to implement the strategy:

6. The Municipality has the human resources to implement the strategy with the Manager Revenue recently appointed.
7. The Municipality appointed the debt collector at the beginning of the financial year 2023/2024 even though the appointment have not yet yielded positive results.

An analysis of how the strategy is working either benefitting the Municipality or not realizing monetary gain:

8. The Municipality is has not received the desirable monetary gain from the Revenue Strategy, and as a result the strategy will be reviewed in the 2024/2025 Financial Year

Ways to improve strategy:

9. The Municipality is considering terminating services within 30days after failing to pay, this will assist by ensuring that the customers prioritize the payment of Municipal Services.
10. The Municipality recently discovered that the Municipality is selling electricity at a loss ,NERSA has been engaged by the Municipality in trying to align the rates with Eskom rates. Should this be a success it will improve on collection for electricity and thus reduce the loss.

Methodology employed to improve the strategy:

2. The Municipality has employed full-time Manager Revenue who resumed the duties on the 1st of May 2024, this will assist in ensuring that the responsibility has a warm body to implement and account.

Consultation processes to employ a best practice strategy from another municipality with similarities

- The Municipality will benchmark with the closest Municipality's during the Review during 2024/2025 Financial Year.

Sources of revenue;

- Property rates
- Electricity
- Refuse Removal
- Traffic Fines

Billed revenue as per audited AFS;

- R49 376 967.00

Collected revenue as per AFS;

- R46 225 933.00

Collection rate:

Collections on current debtors;

- Annual Collection/Annual Billing
=40 795 554.10/43 987 177.17
= 93 %

Collections on current and aged debtors (total debt).

- (Gross debtors opening balance +Billed revenue- Gross debtors closing balance- Bad debts written off) / Billed Revenue x100.
=(36 757 994.29+43 987 177.17-38 232 549.16-0)/ 43 987 177.17
=97%

3 Year Collection Rate:

Municipality has in the past 3years collected;

<u>2022/2023</u>	<u>2023/2024</u>	<u>2024/2025</u>

SPENDING OF CAPITAL GRANTS

The capital budget is committed largely on new infrastructure projects and the renewal of existing capital assets. The Council have adopted an adjusted capital budget of R32.1 million in 2023/24 and projected capital budget of R32.1 million in 2024/25 and R32.8 million in 2025/26 and. The municipality had spent all capital grants funding (100% spent) in 2021/22 and in 2022/23. Consequently, National Government decided in the last five years to give us a little bit more top up on Municipal Infrastructure grant from what was initially allocated to us. This was done because we respect and utilize taxpayer's money accordingly. This is clear evidence that the leadership of this municipality is working tirelessly to improve the lives of the people of Mthonjaneni and is not condoning corruption and maladministration.

DEBT CATEGORY**Three Year Debt Collection Rate**

Gross debtors opening balance +Billed revenue- Gross debtors closing balance- Bad debts written off) / Billed Revenue x100.

2021	2022	2023
(R28 390 455.64 +R44 758 792.77-R36 920 406.91 - R378 738)/R44 758 792.77	(R36 920 406.91+R44 697 149.25- R36 757 994.29-R9 651 778)/ R44 697 149.25	(R36 757 994.29+R43 987 177.17- R38 232 549.16-R0)/ R43 987 177 .17
80%	79%	97%

Table 82- 3 year debt collection rate

DEBTS WRITTEN OFF

The municipality currently owed over R39 Million in property rates and service charges. These debtors are Categorised as follows: 1. Organs of State- R14.1 million, 2. Commercial- R9.3 million, 3. Households- R15.6 million, 4. Other- R843 thousand. The municipality has made R2.6 million provision for debts impairment. No bad debts has been written off during 2022/23 financial year. The municipality is in the process of implementing the following strategies in order to improve the debt management area:

1. The municipality will draft and enter into a service level agreement with King Cetshwayo District Municipality on restriction of water for defaulting rates customers in Eskom supply arrears,
2. The municipality has written a letter to Eskom requesting a transfer of Thubalethu Township which has more than one thousand customers for Eskom to supply electricity directly to these customers. The municipality is committed to implement the above strategies in order to reduce its debtors book.

The Municipality appointed the service provide Amanquhe for data cleansing, in order to have an updated debtors information so to avoid billing customers on old details where they end not receiving statements

DEBT WRITE-OFF EACH YEAR

2021	2022	2023
R378 738	R9 651 778	R0

Table 83- Debt written off

BAD DEBT PROVISION

2021	2022	2023
R2 600 000	R 2 600 000	R2 600 000

Table 84- Bad Debt Provision

DEBTORS AGE ANALYSIS:

Debtors age analysis the municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. In order to

ensure efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service the municipality is in a process of procuring the services of a service provider for debt collection. Furthermore, the municipality is implementing Credit Control & Debt Collection Policy and reviews this policy annually

DEBTORS AGING PER SERVICE AS AT 30 JUNE 2023

Table 85: Debtors Age	(All)							
SalesRep	(All)							
GroupDescription	(All)							
GroupCode	(All)							
Service	180 Days	150 Days	120 days	90 Days	60 Days	30 Days	Current	Balance
Interest	5 558 488,06	117 161,43	118 897,19	121 632,09	121 914,96	125 216,17	443 253,65	6 606 563,55
Property Rates	20 166 261,61	290 576,41	406 707,03	447 709,05	675 127,59	589 902,03	1 070 393,87	23 646 677,59
OTHER	-1 114 749,17	-79 860,39	-7 242,05	-15 895,58	-24 426,46	-54 374,66	-52 326,49	-1 348 874,80
Electricity Basic	732 894,25	23 839,88	12 003,42	12 267,43	13 325,55	20 042,40	60 745,74	875 118,67
Electricity Availability	449 775,09	0,00	0,00	0,00	0,00	0,00	0,00	449 775,09
Electricity Consumption	1 616 235,51	43 538,79	56 776,84	71 672,30	117 929,15	161 972,09	934 942,68	3 003 067,36
Rental	200 840,93	5 000,00	9 817,63	11 185,14	11 185,14	11 229,35	13 625,60	262 883,79
Refuse Removal	3 125 920,19	79 411,02	78 372,89	85 345,78	100 758,72	92 526,01	219 862,04	3 782 196,65
Interest on Property Rates	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Interest on Electricity	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Electricity Demand Charge	374 736,33	31 085,02	5 556,13	31 304,63	48 467,74	38 383,98	429 866,73	959 400,56
Refuse Additional	9 658,70	282,00	282,00	438,54	749,43	749,43	825,49	985,59
Grand Total	31 120 061,50	511 034,16	681 171,08	772 659,38	1 105 031,82	1 025 646,80	3 166 189,31	38 381 794,05

Spending of capital grants

The capital budget is committed largely on new infrastructure projects and the renewal of existing capital assets. The Council have adopted an adjusted capital budget of R32.1 million in 2023/24 and projected capital budget of R32.1 million in 2024/25 and R32.8 million in 2025/26 and. The

municipality had spent all capital grants funding (100% spent) in 2021/22 and in 2022/23. Consequently, National Government decided in the last five years to give us a little bit more top up on Municipal Infrastructure grant from what was initially allocated to us. This was done because we respect and utilize taxpayer's money accordingly. This is clear evidence that the leadership of this municipality is working tirelessly to improve the lives of the people of Mthonjaneni and is not condoning corruption and maladministration.

Municipal assets, repairs and infrastructure

The Municipality had put aside R32.182 Million for municipal infrastructure assets. This include R8.184 million from INEP, R20.490 million from MIG and R3.346 million from own revenue. This will assist the municipality in providing the electricity, roads, community halls, sport fields, creches etc. in the community of Mthonjaneni. The maintenance of the assets is also budgeted at R7.8 million, R6.09 million for 2025/26 and R6.25 million for 2026/27. This will assist to maintain the existing assets so that they are always on a good working condition.

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2023/24 budget provides for in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the Municipality.

The following table lists the total anticipated cost for repairs and maintenance on infrastructure and assets for the next three years (2024 – 2026). It must be noted that the municipality has identified all the shortcomings associated with neglecting capital assets such as infrastructure thus the increased provision for repairing and maintenance of capital assets.

KZN285 Mthonjaneni - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Auited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Total Repairs and Maintenance Expenditure	1	3,311	3,352	9,293	2,905	11,286	11,286	7,800	6,090	6,250
R&M as a % of PPE		0.9%	0.9%	2.3%	0.7%	2.6%	2.6%	1.3%	1.6%	1.4%
R&M as % Operating Expenditure		2.2%	2.2%	5.7%	1.8%	6.7%	6.7%	5.0%	3.4%	3.4%

The budgeted R & M is below the norm of 8%. The municipality is in the process of revising the repairs and maintenance infrastructure plan. The R & M budget will then gradually improve.

Investments

The municipality has a register of all investments with the legitimate registered banks as per the banks act. The accounts include four call deposits (one with Investec and three with FNB) as well as one fixed deposit with FNB. Below is the Investment Register for the 2023/24 financial year as at 31 January 2024.

BANKING INSTITUTION	DEPOSIT TYPE	ACCOUNT NUMBER	INTEREST RATE	AMOUNT INVESTED	SOURCE	Term of investment
Investec	Call Deposit	1100435097501	6.85	52 576.87	Spare account used to relieve a primary account	12 months
FNB	Call Deposit	62532053204	6.00	25 589.03	Call Deposit for M.I.G	12 months
FNB	Call Deposit	62051262146	0.50	85 817.74	Call Deposit used for Title Deeds Restoration Grant	12 months
FNB	Call Deposit	62771806092	6.00	18 986.77	Call Deposit for Electricity (INEP) Grant	12 months
FNB	Fixed Deposit	71245040078	6.45	1 540 000	Surety held with Eskom for bulk electricity	12 months

Mthonjaneni 5th Generation IDP

FNB	Call Deposit	627718070 16	6.00	3 420.88	Call Deposit for EPWP Grant	12 months

Choose name from list - Table B1 Adjustments Budget Summary -

Description	Budget Year 2023/24									Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	34 171	34 171	-	-	-	-	-	-	34 171	40 809	42 442
Service charges	35 793	35 793	-	-	-	-	-	-	35 793	33 306	34 879
Investment revenue	1 458	1 458	-	-	-	-	-	-	1 458	1 308	1 360
Transfers recognised - operational	104 727	104 727	-	-	-	-	(124)	(124)	104 603	109 938	105 016
Other own revenue	15 710	15 710	-	-	-	-	1 000	1 000	16 710	12 368	12 864
Total Revenue (excluding capital transfers and contributions)	191 860	191 860	-	-	-	-	876	876	192 735	197 730	196 561
Employee costs	66 792	66 792	-	-	-	-	(3 210)	(3 210)	63 582	71 820	75 047
Remuneration of councillors	9 681	9 681	-	-	-	-	-	-	9 681	10 107	10 561
Depreciation & asset impairment	19 430	19 430	-	-	-	-	5 000	5 000	24 430	21 099	25 961
Finance charges	-	-	-	-	-	-	1 500	1 500	1 500	-	-
Inventory consumed and bulk purchases	29 315	29 315	-	-	-	-	(5 315)	(5 315)	24 000	29 418	30 475
Transfers and subsidies	100	100	-	-	-	-	-	-	100	-	-
Other expenditure	51 361	51 361	-	-	-	-	9 211	9 211	60 572	48 507	45 901
Total Expenditure	176 678	176 678	-	-	-	-	7 186	7 186	183 865	180 951	187 944
Surplus/(Deficit)	15 181	15 181	-	-	-	-	(6 311)	(6 311)	8 871	16 778	8 616
Transfers and subsidies - capital (monetary allocations)	34 458	34 458	-	-	-	-	(5 088)	(5 088)	29 370	31 522	32 766
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	49 639	49 639	-	-	-	-	(11 399)	(11 399)	38 241	48 300	41 382
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	49 639	49 639	-	-	-	-	(11 399)	(11 399)	38 241	48 300	41 382
Capital expenditure & funds sources											
Capital expenditure	35 932	35 932	-	-	-	-	(8 173)	(8 173)	27 758	27 984	28 492
Transfers recognised - capital	29 924	29 924	-	-	-	-	(4 495)	(4 495)	25 429	27 410	28 492
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	6 009	6 009	-	-	-	-	(3 680)	(3 680)	2 329	574	-
Total sources of capital funds	35 933	35 933	-	-	-	-	(8 175)	(8 175)	27 758	27 984	28 492
Financial position											
Total current assets	49 446	49 446	-	-	-	-	9 169	9 169	58 615	93 692	127 769
Total non current assets	444 351	444 351	-	-	-	-	(39 266)	(39 266)	405 085	721 407	717 054
Total current liabilities	54 967	54 967	-	-	-	-	24 974	24 974	79 942	60 626	60 782
Total non current liabilities	5 402	5 402	-	-	-	-	5 455	5 455	10 856	5 402	5 402
Community wealth/Equity	457 090	457 090	-	-	-	-	(34 302)	(34 302)	422 788	784 351	812 569
Cash flows											
Net cash from (used) operating	55 603	55 603	-	-	-	-	(11 943)	(11 943)	43 660	61 963	60 309
Net cash from (used) investing	(39 823)	(39 823)	-	-	-	-	9 401	9 401	(30 422)	(29 694)	(30 179)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	25 112	25 112	-	-	-	-	(8 580)	(8 580)	16 532	57 380	90 379
Cash backing/surplus reconciliation											
Cash and investments available	26 765	26 765	-	-	-	-	(6 963)	(6 963)	19 802	59 499	92 495
Application of cash and investments	26 673	26 673	-	-	-	-	7 295	7 295	33 968	20 945	20 489
Balance - surplus (shortfall)	91	91	-	-	-	-	(14 257)	(14 257)	(14 166)	38 554	72 006
Asset Management											
Asset register summary (WDV)	444 352	444 352	-	-	-	-	(354 005)	(354 005)	90 347	721 407	717 054
Depreciation	16 830	16 830	-	-	-	-	5 000	5 000	21 830	19 599	24 461
Renewal and Upgrading of Existing Assets	609	609	-	-	-	-	3 806	3 806	4 415	43	-
Repairs and Maintenance	4 730	4 730	-	-	-	-	(2 217)	(2 217)	2 513	2 933	3 086
Free services											
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	3 062	8 130	-	-	-	-	-	-	8 130	2 912	3 041
Households below minimum service level											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

C.7.5.2 Financial viability/sustainability

Ratio Description	2020/21	2021/22	2022/23
a. Cost Coverage Ratio	2.8 months	0.2 months	0 Months
b. Current Ratio (Current assets to current liabilities)	1.2	0.6	0.5
c. Capital expenditure to total expenditure	24.3%	18%	17%
d. Debt to revenue	0	0	0
e. Collection Rate	88.0%	83%	96%
f. Remuneration (Employee and Councillors) to total expenditure	41.0%	34%	33%
g. Distribution losses: Electricity	9.0%	10.13%	9.4%
h. Creditors Days	42 days	72 days	93 days
i. Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	34%	39 %	34%

Loans / borrowings and grant dependency

The municipality does not have any loans, i.e. short, medium or long term. It operates using own funds, however, most of the funds used to fund operations and capital projects come from government grants. There has not been a need to borrow funds for any of the municipal programmes. The municipal is

financially sound, i.e. should there be a need to borrow funds, the municipality can be easily financed and repay such advance with ease. The municipality is largely grant dependent. According to latest audited AFS 2022/23 about 96.27% (R156 135 000/R162 182 048) of the municipal revenue comes from National and Provincial Government grants.

I) Auditor-General's opinion

Mthonjaneni Municipality's annual financial statements (AFS) for the ended 30 June 2023 have been audited by the Auditor General as required by the legislation. The audit was finalized towards the end of November 2023.

Opinion

Summary of Audit Opinion for the past three years:

YEAR	2020/2021	2021/2022	2022/2023
AUDIT	Unqualified	Unqualified	Unqualified
OPINION			

Audit Improvement Plan

The municipality through its internal audit unit prepared the annual audit plan for the year 2022/2023. As part of the plan, the internal auditors make follow up on the responses given on the audit outcome of the Auditor General to ensure improvement.

Expenditure

There is an overall decrease in total expenditure by 0.55% in 2022/2023 financial year compared to 2021/2022 financial year. The Municipality is still implementing the Municipal Cost Containment Regulations, 2022 that were adopted by the Municipal Council with effect from 01 July 2022. The municipality proposed a range of expenditure reductions measures to restore the Mthonjaneni Municipality's finances to a sustainable position, some of which are likely to be painful. We owe it to future generations to ensure that we are good stewards of our municipal's resources and that they do not have to pay for faults in our decision-making.

The municipality has no projects with committed funding, which are not on the Municipal Budget, from other Sector Departments/Funding agents aligned to DORA

Table 101: Operating expenditure over a period of three (3) years

Financial Year	2022/23	2021/22	2020/21
Amount	R 214.3million	R 215.5 million	R 163.3 million

- **Employees and councillors related costs.** This is attributable to a combination of the salary increases year on year and the filling of vacancies during the financial year. This type of expenditure contributes 34.6% to the current total operating expenditure. An employees related cost and councillors' remuneration increased by 3.7 % during the 2022/23 financial year from 2021/22 and also is expected to increase by 5.3% in 2023/24, 4.5% in 2024/25 and 4.4% in 2025/26 financial year respectively.
- **Contracted services costs.** Contracted services has been widened in terms of the mSCOA classification and includes amongst others the costs of, security services, catering services, contracted repairs and maintenance services, leased vehicles, event coordinators. As part of the compilation of the 2023/24 MTREF this group of expenditure was critically evaluated, and operational efficiencies were enforced. This expenditure costs contribute 21% to the current total operating expenditure and it expected to be 16.7% and 17.5% for 2024/25 and 2025/2026 financial year respectively.
- **Bulk purchases costs.** The purchase of bulk electricity contributes 11% to the current total operating expenditure and it expected to be 12.8 % ,12.5% and 13.5% for 2023/24, 2024/2025 and 2025/26 financial years respectively.

Cost containment measures

The Municipality has developed a Cost Containment policy to regulate spending and to implement cost containment measures and regulations at Mthonjaneni Local Municipality.

The objectives of this policy are to ensure that the resources of the municipality are used effectively, efficiently, and economically.

Assets

The Municipality had put aside R32.182 Million for municipal infrastructure assets. This include R8.184 million from INEP, R20.490 million from MIG and R3.346 million from own revenue. This will assist the municipality in providing the electricity, roads, community halls, sport fields, creches etc. in the community of Mthonjaneni. The maintenance of the assets is also

budgeted at R7.8 million, R6.09 million for 2025/26 and R6.25 million for 2026/27. This will assist to maintain the existing assets so that they are always on a good working condition.

ADOPTION OF THE FINANCIAL PLAN

The Final Mthonjaneni Municipality's Financial Plan for 2024/25 will be adopted by Council no later than the 31st of May 2024 as per the provisions of Municipal Budget Reporting Regulations and Municipal Financial Management Act No. 56 of 2003 is annexed hereto for ease of reference.

AN OVERVIEW OF THE 3 - YEAR OF MUNICIPAL BUDGET

The Financial Plan provides an overview of the 3-year Municipal Budget, Analysis, and explanation thereof. The Municipality's Financial Plan is prepared over MTERF, and its analysis and explanations are well documented on the executive summary submitted to Treasury and COGTA respectively. The final budget is annexed hereto for ease of reference.

FINANCIAL STRATEGIES

The Budget/Financial Plan for Mthonjaneni Municipality reflects sound financial strategies about expenditure and in particular cost containment measures that are being implemented.

The Financial Plan covers sound financial strategies since the cash inflow was based on an estimated collection rate.

The Budget/Financial Plan for Mthonjaneni Municipality was prepared in line with Circular 91, 92 and 94 of the MFMA which refers to the preparation of the MTREF - as well as Circular 82 of the National Treasury which talks to Cost Containment Measures.

The Municipal Financial Plan is also in line with Municipal Budget Regulations.

REVENUE ENHANCEMENT AND OBJECTIVES

This section has been dealt with under Financial Viability KPA

3-YEAR OPEX

The 3-Year OPEX is indicated in the Budget/Financial Plan for 2024/2025 and has included an allocation of Operations and Maintenance Costs for municipal Fixed Assets. Kindly refer to the 2024/2025 Draft Budget/Financial Plan annexed hereto for ease of reference.

3-YEAR CAPEX

The 3 Year Capex is indicated in the Draft Budget/Financial Plan for 2024/2025. Kindly refer to the 2024/2025 Draft Budget/Financial Plan annexed hereto for ease of reference.

MUNICIPAL ABILITY'S OPERATIONAL EXPENSES

The Municipal Budget is prepared in accordance with Municipal Budget Regulations which requires the budget to be funded to enable the Municipality to meet its financial obligations and operational obligations.

SECTION G: ANNUAL OPERATIONAL PLANS (SDBIP'S ARE ATTACHED)

G.1 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Mthonjaneni has developed the Draft 2024/2025 Organisational Scorecard and Departmental Service Delivery Budget and Implementation Plans.

The Draft 2024/2025 Organisational Scorecard and Departmental Service Delivery Budget and Implementation Plans are aligned with the Goals, Objectives, and Strategies in Chapter D of the IDP. The 2024/2025 SDBIP will be submitted to COGTA in compliance with the legislative framework

G.2 IDP STRATEGIC FRAMEWORK

Indicated Below:

IDP STRATEGIC FRAMEWORK												
2024/2025 MTHONJANENI MUNICIPALITY PROPOSED STRATEGIES AND OBJECTIVES												
	REF NO	GOAL	OBJECTIVE	STRATEGY	KCDM INTEGRATED DEVELOPMENT PLAN	KCDM ONE BUDGET ONE PLAN	KZN PROVINCIAL GROWTH AND DEVELOPMENT PLAN	NATIONAL DEVELOPMENT PLAN	CHALLENGES	BACK TO BASICS PILLARS	PGDS	
NKPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	A1	Goal 1: To ensure internal municipal excellence and effective organization	Increase performance & efficiency of Organization	A1.1 Skills Development and Strengthen organizational capacity	Organizational and Human Resource Development; Municipal Transformation	Human Resource Development	Human Resource Development	A skilled and capable workforce to support an inclusive growth path.	High Unemployment Rate	•Pillar 5: Building Capacity – Implementation of Performance Management Systems	6.4. Promote participative, facilitative, and accountable governance	
				A1.2 Implement Organizational Performance Management Framework & Policy					100% of implementation of performance management.			
				A1.3 Implement Individual (Employees below s54/56 Managers)					100% of implementation of performance management.			

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				Performance Management Framework and Policy							
	A2		Strengthen capacity and optimize Human Resource Management	A2.1 Develop and Review of Human Resource Strategy					Inability to attract and retain scarce skills	Pillar 5: Building Capacity – HR Development and Management	2.2. Support skills development to economic growth
				A2.2 Development & Review of Human resource policies					Inability to attract and retain scarce skills		
				A2.3 Development and implementation of Human Resource Plan					Inability to attract and retain scarce skills		
	A3		Ensure compliance with the Occupational Health and Safety Act and Compensation for occupational	A3.1 Implementation of OHS initiatives							3.2. Enhance health of communities and citizens

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			injuries and diseases								
	A4		Optimize ICT systems, manual procedures, and processes	A4.1 Enhancing Information Communication Technology (ICT)					Limited access to basic household and community services.	Pillar 5: Building institutional resilience and administrative capability.	1.1.5.1 Ensure access information in line with relevant legal prescripts
				A4.2 Skills Development on ICT							2.2. Support skills development to economic growth
NKAP 2: BASIC SERVICE DELIVERY	B1	Goal 2: To ensure the provision of Basic & Sustainable Services	To Implement roadbuilding and maintenance programs and improve rural accessibility	B1.1 Construction of Roads	Strategic Infrastructure & Basic Service Delivery	Strategic Infrastructure	Strategic Infrastructure	Strategic Infrastructure & basic service delivery	Limited access to basic household and community services.	Pillar 2: Delivering Basic Services - Infrastructure Delivery and maintenance wrt Roads	4.2. Develop road and rail networks
				B1.2 Rehabilitation and Maintenance of Roads.					Limited access to basic household and community services.		
	B2		Improve service delivery and infrastructure development	B2.1 Provision of Electricity					Limited access to basic household and community services.	Pillar 2: Delivering Basic Services – Infrastructure Delivery and maintenance	4.5. Ensure access to affordable, reliable, sustainable, and modern energy for all

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				B2.2 Provide Indigent Support					Limited access to basic household and community services.	Pillar 2: Delivering Basic Services – Free Basic Services and Indigent Register	7.1. Enhance the resilience of new and existing cities, towns, and rural nodes, ensuring equitable access to resources, social and economic opportunities
				B2.3 Construction of community facilities					Limited access to basic household and community services.	Pillar 2: Delivering Basic Services – Free Basic Services and construction of Community facilities	7.1. Enhance the resilience of new and existing cities, towns, and rural nodes, ensuring equitable access to resources, social and economic opportunities

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				B2.4 Rehabilitation and Maintenance of Community Facilities					Limited access to basic household and community services.	Pillar 2: Delivering Basic Services – Free Basic Services and Indigent Register	7.1. Enhance the resilience of new and existing cities, towns, and rural nodes, ensuring equitable access to resources, social and economic opportunities
	B3		Improve environmental management	B3.1 Refuse Removal and Waste Management					Limited access to basic household and community services.		
				B3.2 Law enforcement for environmental and waste management					Limited access to basic household and community services.	Pillar 2: Delivering Basic Services – Improved Policing	3.5. Enhance safety and security
	B4		Increase Community Safety	B4.1 Reduce Road Carnage					Hampered Road Safety		
				B4.2 Licensing					Hampered Road Safety		

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				B4.3 Road Law Enforcement					Hampered Road Safety		
NKPA 3: LOCAL ECONOMIC DEVELOPMENT	C1	Goal 3: To promote Local economic and Social Development	Improve Entrepreneurship	C1.1 Entrepreneur development plan	Local and rural economic development	Job Creation; Human and Community Development	Job Creation; Human and Community Development	Decent employment through inclusive economic growth; A long and healthy life for all South Africans; Vibrant, equitable, sustainable rural communities contributing towards food security for all; A comprehensive, responsive, and sustainable social protection system; Create & Promote a safe, healthy	High Unemployment Rate	Pillar 1: Putting people and their concerns first.	1.5. Promote SMME and entrepreneurial development
	C2		Promote Local Economic Development	C2.1 Development & Implementation of the LED Strategy					High Unemployment Rate		
	C3		Strengthen the Local Businesses	C3.1 SMME Development					High Unemployment Rate		
				C3.2 Supplier Development					High Unemployment Rate		
				C3.1 SMME Development					High Unemployment Rate		
	C4		Increase Job Opportunities	C4.1 Expanded Public Works Program					High Unemployment Rate	Pillar 2: Delivering Basic Services – Community Works Program (& EPWP)	1.4. Improve the efficiency, innovation, and variety of government-led Job creation programs

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								and secure environment			
NKPA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT	D1	Goal 4: To ensure financially viable and sustainable municipality	Improve revenue management and reduce the debt	D1.1 Debt Recovery Plan	Sound Financial Management and Viability	Governance and Policy	Governance and Policy	An efficient, effective and development-oriented public service	Insufficient equitable share allocation.	Pillar 4: Sound Financial Management – Debt Recovered	6.4. Promote participative, facilitative, and accountable governance
			D1.2 Revenue Enhancement						Insufficient equitable share allocation.	Pillar 4: Sound Financial Management – Revenue Collected	6.4. Promote participative, facilitative, and accountable governance
	D2	Improve expenditure management and SCM	D2.1 Capital Budget spending	Insufficient equitable share allocation.	Pillar 4: Sound Financial Management – Functional Budget Controls	6.4. Promote participative, facilitative, and accountable governance					
			D2.2 Operational Budget spending								
			D2.3 Implementation of the Procurement Plan								

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	D3		Improve budget and strengthen financial governance	D3.1 mSCOA & GRAP Compliance D3.2 MFMA Compliance					Consistent unqualified audit opinion.	Pillar 4: Sound Financial Management	6.4. Promote participative, facilitative, and accountable governance
	D4		Improve Asset Management	D4.1 Asset Management Strategy					Consistent unqualified audit opinion.	Pillar 4: Sound Financial Management	6.4. Promote participative, facilitative, and accountable governance
NKPA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION	E1	Goal 5: To provide a democratic and accountable government for local communities	Promote broaden local democracy	E1.1 Ward Committee Governance	Promote good Governance and enhance Public Participation	Governance and Policy	Governance and Policy	An efficient, effective and development-oriented public service; A diverse, socially cohesive society with a common national identity	Limited access to basic household and community services.	Pillar 1: Putting people first – Functionality of Ward Committees	3.2. Enhance health of communities and citizens
	E2		Strengthen Corporate governance	E2.1 Improved Audit Opinion					Consistent unqualified audit opinion.	Pillar 3: Good Governance – Improved Audit Outcomes	6.4. Promote participative, facilitative, and accountable governance
				E2.2 Revive Governance Structures					Limited access to basic household and community services	Pillar 3: Good Governance – Oversight Structures	6.4. Promote participative, facilitative, and

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										(S79, AC and ICR)	accountable governance
	E3		Strengthen Intergovernmental relations	E3.1 Implementation of IGR Resolutions					Dilapidating Infrastructure	Pillar 3: Good Governance – Oversight Structures (S79, AC and ICR)	6.4. Promote participative, facilitative, and accountable governance
	E4		Improve Municipal planning	E4.1 Credible IDP							
									• High Unemployment Rate • Limited access to basic household and community services. • Dilapidating Infrastructure • Hampered Road Safety • Insufficient equitable share allocation. • Inability to attract and retain scarce skills • Scattered rural households	Pillar 5: Building Capacity – Implementation of Performance Management Systems	6.4. Promote participative, facilitative, and accountable governance

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				E4.3 SDBIP					- Limited access to basic household and community services. - Dilapidating Infrastructure - Consistent unqualified audit opinion - High Unemployment Rate	Pillar 5: Building Capacity – Implementation of Performance Management Systems	6.4. Promote participative, facilitative, and accountable governance
	E5		Reduce risk, fraud, and corruption	E5.1 Reduction of Fraud and Corruption Strategy					Consistent unqualified audit opinion.	Pillar 3: Good Governance – Anti-corruption measures	6.4. Promote participative, facilitative, and accountable governance
	E6		Enhance access to Library Services	E6.1 Provision of efficient and effective Library Services					Limited access to basic household and community services.	Pillar 1: Putting people first – Providing the necessary tools for learners	3.2. Enhance health of communities and citizens
NKPA 6: Access	F1	Goal 6: To promote Social	Improve land use management	F1.1 Spatial development Planning	Create & Promote a	Spatial equity; Environmental	Spatial equity; Environmental Sustainability	Protect and enhance our environmental	Scattered rural households	Pillar 2: Delivering Basic Services	5.3. Adapt and respond

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		Responsibility and Cohesion through sustainable development initiatives		safe, healthy and secure environment	I Sustainability		assets and natural resources; Sustainable human settlements and improved quality of household life			climate change 7.1. Enhance the resilience of new and existing cities, towns and rural nodes, ensuring equitable access to resources, social and economic opportunities 7.2. Ensure integrated land management use across the province, ensuring equitable access to goods and services, attracting social and
			F1.2 SPLUMA					Scattered rural households		

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											financial investment
	F2		Improve HIV Aids awareness and coordination	F2.1 Functionality of WAC and LAC					Limited access to basic household and community services.	Pillar 1: Putting people first	3.2. Enhance health of communities and citizens
	F4		Improve implementation of Sukuma Sakhe programme	F4.1 Operation Sukuma Sakhe governance					Limited access to basic household and community services.		
				F4.2 Implementation of Special Programmes initiatives					Limited access to basic household and community services.		
	F5		Reduce impact of Natural and other disasters with Municipality	F5.1 Implementation of the Disaster Management Plan	•	•	•	•	- Dilapidating Infrastructure - Limited access to basic household and community services		5.3. Adapt and respond climate change

2024/2025 MTHONJANENI MUNICIPALITY STRATEGIES AND OBJECTIVES

REF NO	GOAL	OBJECTIVE	STRATEGY	BACK TO BASICS PILLARS	PGDS

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NKPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	A1	Goal 1: To ensure internal municipal excellence and effective organization	Increase performance & efficiency of Organization	A1.1 Skills Development and Strengthen organizational capacity	•Pillar 5: Building Capacity – Implementation of Performance Management Systems	6.4. Promote participative, facilitative, and accountable governance
				A1.2 Implement Organizational Performance Management Framework & Policy		
				A1.3 Implement Individual (Employees below s54/56 Managers) Performance Management Framework and Policy		
	A2		Strengthen capacity and optimize Human Resource Management	A2.1 Develop and Review of Human Resource Strategy	Pillar 5: Building Capacity – HR Development and Management	2.2. Support skills development to economic growth
				A2.2 Development & Review of Human resource policies		
				A2.3 Development and implementation of Human Resource Plan		
	A3		Ensure compliance with the Occupational Health and Safety Act and Compensation for occupational injuries and diseases	A3.1 Implementation of OHS initiatives	Pillar 5: Building institutional resilience and administrative capability.	3.2. Enhance health of communities and citizens
	A4		Optimize ICT systems, manual procedures, and processes	A4.1 Enhancing Information Communication Technology (ICT)		1.1.5.1 Ensure access information in line with relevant legal prescripts
				A4.2 Skills Development on ICT		2.2. Support skills development to economic growth
	A5		Optimize resource and facility management	A5.1 Security	Pillar 2: Delivering Basic Services – Improved Policing	3.5. Enhance safety and security
				A5.2 Cleanliness		
				A5.3 Corporate Identity		

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NKAP 2: BASIC SERVICE DELIVERY	A6			A6.1 Number of Administration and Registry Initiatives implemented		
	B1	Goal 2: To ensure the provision of Basic & Sustainable Services	To Implement roadbuilding and maintenance programs and improve rural accessibility	B1.1 Construction of Roads	Pillar 2: Delivering Basic Services - Infrastructure Delivery and maintenance wrt Roads	4.2. Develop road and rail networks
				B1.2 Rehabilitation and Maintenance of Roads.		
	B2		Improve service delivery and infrastructure development	B2.1 Provision of Electricity	Pillar 2: Delivering Basic Services – Infrastructure Delivery and maintenance	4.5. Ensure access to affordable, reliable, sustainable, and modern energy for all
				B2.2 Provide Indigent Support		
				B2.3 Construction of community facilities	Pillar 2: Delivering Basic Services – Free Basic Services and construction of Community facilities	7.1. Enhance the resilience of new and existing cities, towns, and rural nodes, ensuring equitable access to resources, social and economic opportunities
				B2.4 Rehabilitation and Maintenance of Community Facilities		
	B3		Improve environmental management	B3.1 Refuse Removal and Waste Management	Pillar 2: Delivering Basic Services – Improved Policing	3.5. Enhance safety and security
				B3.2 Law enforcement for environmental and waste management		
	B4		Increase Community Safety	B4.1 Reduce Road Carnage		

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				B4.2 Licensing			
				B4.3 Road Law Enforcement			
NKPA 3: LOCAL ECONOMIC DEVELOPMENT	C1	Goal 3: To promote Local economic and Social Development	Improve Entrepreneurship	C1.1 Entrepreneur development plan	Pillar 1:Putting people and their concerns first;	1.5. Promote SMME and entrepreneurial development	
	C2		Promote Local Economic Development	C2.1 Development & Implementation of the LED Strategy			
	C3		Strengthen the Local Businesses	C3.1 SMME Development			
				C3.2 Supplier Development			
				C3.1 SMME Development			
	C4		Increase Job Opportunities	C4.1 Expanded Public Works Program	Pillar 2: Delivering Basic Services – Community Works Program (& EPWP)	1.4. Improve the efficiency, innovation, and variety of government-led Job creation programs	
NKPA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT	D1	Goal 4: To ensure financially viable and sustainable municipality	Improve revenue management and reduce the debt	D1.1 Debt Recovery Plan	Pillar 4: Sound Financial Management – Debt Recovered	6.4. Promote participative, facilitative, and accountable governance	
				D1.2 Revenue Enhancement	Pillar 4: Sound Financial Management – Revenue Collected	6.4. Promote participative, facilitative, and accountable governance	
	D2		Improve expenditure management and SCM	D2.1 Capital Budget spending D2.2 Operational Budget spending D2.3 Implementation of the Procurement Plan	Pillar 4: Sound Financial Management – Functional Budget Controls	6.4. Promote participative, facilitative, and accountable governance	
	D3		Improve budget and strengthen financial governance	D3.1 mSCOA & GRAP Compliance	Pillar 4: Sound Financial Management	6.4. Promote participative, facilitative, and accountable governance	
				D3.2 MFMA Compliance			
	D4		Improve Asset Management	D4.1 Asset Management Strategy	Pillar 4: Sound Financial Management	6.4. Promote participative, facilitative, and accountable governance	

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				D4.2 Fleet Management	Pillar 4: Sound Financial Management	6.4. Promote participative, facilitative, and accountable governance
NKPA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION	E1	Goal 5: To provide a democratic and accountable government for local communities	Promote broaden local democracy	E1.1 Ward Committee Governance	Pillar 1: Putting people first – Functionality of Ward Committees	3.2. Enhance health of communities and citizens
				E1.2 Integrated Community Participation Plan	Pillar 1: Putting people first – Functional Community Structures	3.2. Enhance health of communities and citizens
	E2		Strengthen Corporate governance	E2.1 Improved Audit Opinion	Pillar 3: Good Governance – Improved Audit Outcomes	6.4. Promote participative, facilitative, and accountable governance
				E2.2 Revive Governance Structures	Pillar 3: Good Governance – Oversight Structures (S79, AC and ICR)	6.4. Promote participative, facilitative, and accountable governance
				E2.3 Back to Basics and Batho Pele	Pillar 3: Good Governance – Oversight Structures (S79, AC and ICR)	6.4. Promote participative, facilitative, and accountable governance
	E3		Strengthen Intergovernmental relations	E3.1 Implementation of IGR Resolutions	Pillar 3: Good Governance – Oversight Structures (S79, AC and ICR)	6.4. Promote participative, facilitative, and accountable governance
	E4		Improve Municipal planning			
				E4.1 Credible IDP	Pillar 5: Building Capacity – Implementation of Performance Management Systems	6.4. Promote participative, facilitative, and accountable governance
				E4.2 Operational Plans	Pillar 5: Building Capacity – Implementation of Performance Management Systems	6.4. Promote participative, facilitative, and accountable governance
				E4.3 SDBIP	Pillar 5: Building Capacity – Implementation of Performance Management Systems	6.4. Promote participative, facilitative, and accountable governance

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	E5		Reduce risk, fraud, and corruption	E5.1 Reduction of Fraud and Corruption Strategy	Pillar 3: Good Governance – Anti-corruption measures	6.4. Promote participative, facilitative, and accountable governance
	E6		Enhance access to Library Services	E6.1 Provision of efficient and effective Library Services	Pillar 1: Putting people first – Providing the necessary tools for learners	3.2. Enhance health of communities and citizens
NKPA 6: CROSS CUTTING INTERVENTIONS	F1	Goal 6: To promote Social Responsibility and Cohesion through sustainable development initiatives	Improve land use management	F1.1 Spatial development Planning	Pillar 2: Delivering Basic Services	5.3. Adapt and respond climate change 7.1. Enhance the resilience of new and existing cities, towns and rural nodes, ensuring equitable access to resources, social and economic opportunities 7.2. Ensure integrated land management use across the province, ensuring equitable access to goods and services, attracting social and financial investment
				F1.2 SPLUMA		
	F2		Improve HIV Aids awareness and coordination	F2.1 Functionality of WAC and LAC	Pillar 1: Putting people first	3.2. Enhance health of communities and citizens
	F3		Facilitate housing implementation plan	F3.1 Facilitation Plan		
	F4		Improve implementation of Sukuma Sakhe programme	F4.1 Operation Sukuma Sakhe governance		
				F4.2 Implementation of Special Programmes initiatives		
	F5		Reduce impact of Natural and other disasters with Municipality	F5.1 Implementation of the Disaster Management Plan		5.3. Adapt and respond climate change

SECTION H: ORGANISATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

H.2 (COPIES ARE ANNEXED HEREWITH FOR EASE OF REFERENCE - SEPARATE FILE)

ORGANISATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

Annual Performance Report

Organizational Performance

Chapter 4 of the Municipal Systems Act governs the establishment, development, and monitoring of performance.

Performance management is 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, continuously monitor, periodically measure, and review performance of the organization in terms of indicators and targets for efficiency, effectiveness, and impact.

Regulation 7 of the 2001 Performance Regulations requires that every municipality develop a performance management system (PMS) which consists of a performance framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized, and managed, and must set out the roles and responsibilities of the different stakeholders.

The regulations further provide in Regulation 13 that a municipality must, after consultation with the community, develop and implement mechanisms, systems and processes for the monitoring, measurement, and review of performance in respect of the key performance indicators and targets set by it.

Performance measurement involves determining the extent to which objectives are being achieved through developing indicators and linking them to targets and related standards. Review of performance against set targets is undertaken on a regular basis. A performance measurement framework is a practical plan for the municipality to collect, process, organize, analyse, audit, reflect on and report performance information.

A performance measurement model is the system that is used to monitor, measure and review performance indicators within the above performance management framework. It is a choice about what aspects or dimensions of performance will be measured. It implies the grouping together of indicators into logical categories or groups, called perspectives, as a means to enhance the ability of an organization to manage and analyse its performance. Processes involved in developing the Performance Management System.

Mthonjaneni Municipality manages the Performance Management using the Performance Management Framework, this document is reviewed annually, and the council adopt it. Mthonjaneni Municipality is in a process of developing Organizational Performance Management Policy. The Individual Performance Management Policy was developed and adopted by council in the previous year as guided by Circular 1 from SALGA, This IPMS policy is being reviewed to align with Municipal Staff Regulations.

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PMS YEAR PLAN – MTHONJANENI MUNICIPALITY				
MONTHS	PROJECT	DEADLINE	LEGISLATION	TASK TO PERFORM
JANUARY	PMS Quarterly Reporting (Quarter 2)	10-Jan	MSA s40 - establish mechanisms to monitor performance & MSA s41 (1) (e) - establish a process of regular reporting to Council	Consolidate Monthly Performance Reports and review information against POE'S. Submit Reporting information to IA for Review, AC for inputs and to Council for noting
	Audited Annual Report	25-Jan	MFMA s127 A Mayor must within seven months after end of financial year table to council the Annual Report	Factor Audited AFS, APR, Audit Report and Action Plan, submit to council and invite public comments
	Mid-Term Performance Report (s72)	25-Jan	MFMA s72 - by the 25th of Jan each year assess performance of the municipality during the first half of the financial year	Develop Midterm by consolidating Q1 & Q2 performance information. Verify information against POE's. Submit Draft to IA for review and inputs and AC for inputs. Submit to CoGTA; AG, NT & PT
FEBRUARY	Revised SDBIP	25-Feb	MFMA s54 (1) (c) - consider & if necessary, revise SDBIP with approval of Council following the approval of adjustment Budget & MFMA s72	Review of mid-term performance to assess performance of the Municipality for the first half of the year. Revise SDBIP based on the Mid-Term performance assessment. Submit the Draft document to IA for review and inputs; submit to AC for inputs and to Council for noting.
	Strategic planning Session	28-Feb	MSA s25	Municipal planning, development of mission vision of the Municipality

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MARCH	Final Annual Report and Oversight Report	31-Mar	MFMA s121 -Council to deal with AR within 9 months after end of each financial year MFMA s129 - No later than 2 months after tabling AR, council must adopt an oversight report	Final Report tabled to Council for adoption. Publish on the website within 5 days and newspaper within 14 days
	Quarterly Performance Assessments (Mid-Term) and Annual Assessments	31-Mar	MPR Reg 28 - Performance Assessment to be conducted on quarterly basis	Coordinate the performance assessments. Ensure Performance Plans and Portfolio of Evidence Files are readily available
	Final Revised SDBIP	31-Mar	MFMA s54 (1) (c) - consider & if necessary revise SDBIP with approval of Council following the approval of adjustment Budget & MFMA s72	Submit to Council for adoption and to Treasury, Cogta. Publish on the website within 5 days and newspaper within 14 days
APRIL	PMS Framework & Policy	30-Apr	MPPR Reg 7 A municipality's performance management-system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players	Review of previous years PMS Framework and Policy. Amend framework and Policy for that current year
MAY	Draft SDBIP	01-May	MFMA s69(3) - no later than 14 days after approval of Annual Budget	Develop SDBIP with Directors & Managers. Submit to IA for review & Inputs.

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	PMS Framework & Policy	10-May	MPPR Reg 7	Review of previous years PMS Framework and Policy. Amend framework and Policy for that current year. Submit to IA for Review and AC for inputs
JUNE	Draft SDBIP	14-Jun	MFMA s69(3) - no later than 14 days after approval of Annual Budget	Factor inputs. Submit to IA for review & Inputs. Submit to AC for inputs. Factor inputs from IA & AC. Submit Draft SDBIP to the Mayor (Council for approval)
	Draft Performance Agreements	14-Jun	MSA s (57) and MFMA s53(c)(iii) & MFMA s69(3) - no later than 14 days after approval of Annual Budget.	Develop Performance Plans with Directors in terms of s57 of MSA. Submit to IA for review & Inputs. Submit to AC for inputs. Factor inputs from IA & AC
	Final SDBIP	28-Jun	MFMA s53(1) (c) (ii) - within 28 days after approval of Annual Budget	Factor inputs after Council submission. Finalise document. Submit Final SDBIP to Council
	Quarterly Performance Assessments (Quarter 3)	30-Sep	MPR Reg 28 - Performance Assessment to be conducted on quarterly basis	Coordinate the performance assessments. Ensure Performance Plans and Portfolio of Evidence Files are readily available
	Standard Operating Procedure (SOP)	30-Jun	Good Practice	Develop SOP and submit to MANCO for noting and to Council for adopting
JULY	Approved SDBIP Posted on website	03-Jul	MFMA s75 - no later than 5 days after approval	Submit to IT

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Final Performance Agreements signed	10-Jul	Municipal Regulation - within 30 days after approval of SDBIP	Develop Agreements and Performance Plans aligning to SDBIP. Submit to Managers and MM for review and signing
PMS Monthly Report (June)	10-Jul	MSA s40 - establish mechanisms to monitor performance & MSA s41 (1)(e) - establish a process of regular reporting to Council	Collect Monthly Performance reports and POE's from Departments to compile Organisational Monthly reports. Verify reported information against POE's.
Final Performance Agreements made public	12-Jul	MFMA s53 (3)(b) - no later than 14 days after approval of Final SDBIP	Submit to SCM
Submission of Performance Agreements to MEC (CoGTA, Treasury, AG)	12-Jul	MFMA s53 (3)(b) - no later than 14 days after approval of Final SDBIP	Submit to MEC (CoGTA, Treasury, AG)
Approved SDBIP made public	12-Jul	MFMA s53 (3)(a) - no later than 14 days after approval of Final SDBIP	Submit to SCM
Performance Agreements posted on website	17-Jul	MFMA s75 - no later than 5 days after tabling to Council	Submit to IT
PMS Quarterly Reporting (QUARTER 4)	10-Jul	MSA s40 - establish mechanisms to monitor performance & MSA s41 (1)(e) - establish a process of regular reporting to Council	Consolidate Monthly Performance Reports and review information against POE'S. Submit Reporting information to IA for Review, AC for inputs and to Council for noting
Draft APR	30-Jul	MSA s46 - must prepare for each year a performance report	Collect information. Consolidate quarterly reports and verify information against POE's. Make use of Internal Audit quarterly reports to develop APR

Mthonjaneni 5th Generation IDP

	Draft AR	30-Jul	MFMA s121 - deal with AR within 9 months after end o each financial year & MFMA s127 within seven months after end of financial year	Distribution of Template to Departments for information collection. Consolidate information to develop Draft AR. Submit to IA for review & inputs. Submit to AC for inputs. Submit to Council for inputs.
JULY	Draft APR	30-Jul	MSA s46 - must prepare for each year a performance report	Factor inputs and submit Final APR to AG
	Draft AR	31-Aug	MFMA s121 - deal with AR within 9 months after end o each financial year & MFMA s127 within seven months after end of financial year	Factor inputs and submit Drat AR to AG
SEPTEMBER	Quarterly Performance Assessment (Quarter 4)	30-Sep	MPR Reg 28 - Performance Assessment to be conducted on quarterly basis	Coordinate the performance assessments. Ensure Performance Plans and Portfolio of Evidence Files are readily available
	PMS Quarterly Reporting (Quarter 1)	31-Oct	MSA s40 - establish mechanisms to monitor performance & MSA s41 (1) (e) - establish a process of regular reporting to Council	Consolidate Monthly Performance Reports and review information against POE'S. Submit Reporting information to IA for Review, AC for inputs and to Council for noting
NOVEMBER	Quarterly Performance Assessments (Quarter 1)	30-Nov	MPR Reg 28 - Performance Assessment to be conducted on quarterly basis	Coordinate the performance assessments. Ensure Performance Plans and Portfolio of Evidence Files are readily available

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DECEMBER	PMS Monthly Report (November)	10-Dec	MSA s40 - establish mechanisms to monitor performance & MSA s41 (1)(e) - establish a process of regular reporting to Council	Collect Monthly Performance reports and POE's from Departments to compile Organisational Monthly reports. Verify reported information against POE's.

The Process of Managing Organizational Performance Management

The Municipal Systems Act (2000) places the responsibility on the Council to adopt a PMS, while holding the mayor responsible for the development and management of the system. Mayor of Mthonjaneni Municipality delegates the responsibility for the development and management of the PMS to the Municipal Manager. The development of the system is a once-off activity and the Municipal Manager submits the system to the mayor, who in turn forwards it to the full council for approval. The responsibility of implementation and management of the system remains with the Municipal Manager as part of his/her core function as provided in Section 55(1) of the Municipal Systems Act of 2000

Co-Ordination

Co-ordination involves the overall responsibility of and carrying out the function of and being the custodian of Mthonjaneni Municipality's performance management system and managing the system on behalf of the Municipal Manager. This is a strategic function which resides in the Office of the Municipal Manager.

The co-ordination of the implementation phases of the PMS will be the function of the PMS Unit and will be responsible for the following core activities:

- Responsible for the co-ordination of the development and implementation activities of the organisational PMS, through interaction with all relevant stakeholders.
- Ensuring and overseeing the implementation of this Performance Policy Framework and compliance to all performance legislative requirements in respect of the implementation of the PMS through the development of a Performance Process Plan.
- Facilitating inputs for the review and further development and refinement of the PMS.
- Providing regular support and capacity to the different departments in developing service/departmental scorecards.
- Continuously providing technical support to the Municipal Manager and the senior management team with implementation, assessment, review, monitoring and information management.
- Providing capacity for analysing organizational performance information submitted by Executive Managers on a quarterly, mid-term and annual basis in preparation for reporting.
- Responsible for co-ordination and compiling the annual Section 46 performance report.
- Ensuring that all quarterly, mid-term and annual organizational performance reports are submitted to all stakeholders timeously, e.g., quarterly reports to Executive Mayor; mid-term report to council and annual reports to Auditor General, MEC and the public.
- Work closely with the Internal Audit Offices to co-ordinate performance activities according to Mthonjaneni Municipality Performance Process Plan; and.
- Co-ordinate capacity building activities on municipal performance management for all stakeholders.

Implementing the Performance Management System

Having identified the preferred performance model to be the Revised Municipal Scorecard and having agreed to measure its performance against the five perspectives, Mthonjaneni Municipality will adopt a process plan for implementing its performance management system. The PMS implementation and management process will be carried out within the following phases:

Phase 1: Planning for Performance

Phase 2: Performance Monitoring and Managing Performance Information

Phase 3: Performance Measurement and Analysis

Phase 4: Performance Review and Improvement

Phase 5: Performance Reporting

The cycle of performance that will be adopted is shown **in figure 5** below.

Each phase is outlined in detail, and this includes the actual step-by-step guide on what each phase entails and how each one will evolve. Templates that will be used in each phase are illustrated figuratively in the

document.



Figure 5: The Performance Management Cycle

Performance Management Cycle

Phase 1: Planning

Planning for performance simply means developing and reviewing the IDP annually in preparation for continuous implementation. Municipal performance planning is part of the IDP strategic planning processes. The IDP process and the performance management process are seamlessly integrated. Integrated Development Planning fulfils the planning phase of performance management. Performance management fulfils the implementation management, monitoring and evaluation of the IDP process. The performance planning phase will be undertaken in three steps.

Step 1:

Integrated Development Planning, Priority Setting, Identifying Key Performance Areas, Setting Objectives and Developing Key Performance Indicators and Performance Targets

Step 2:

Developing and Adoption of the Service Delivery and Budget Implementation Plan (“the SDBIP”)

Step 3:

Development and Approval of the Organizational Scorecard and Service/Departmental scorecards.

Step 4:

Attending to Governance and Compliance Issues

Phase 2: Monitoring

Monitoring of performance will be an ongoing process throughout the year and will run parallel to the implementation of the IDP. Monitoring will be conducted within each department and or directorate. Mthonjaneni Municipality will use a paper-based and report-based monitoring mechanism. Different role players are allocated tasks to monitor and gather information that would assist the municipality to detect early indications of under-performance and take corrective measures on time. Information management plays a central role during this phase.

Mthonjaneni Municipality’s monitoring system places responsibility on each Department, Division/Unit, and Individual employee to collect relevant data and information to support the monitoring process. Evidence of performance will be gathered, stored by each department, and presented to substantiate claims of meeting (or not meeting) performance standards. This evidence is stored on files (both manual filing and digital filing, where possible). The Heads of the Departments must allocate responsibility in their offices for information management, as these performance information files must be separate from normal registry filing. Even though registry will have all the data and file it as per their filing system, the performance information will be filed according to key performance area and key performance indicators. These files will be regarded as **portfolio of evidence** and must be kept for purposes of performance measurement, performance review and audit in the other phases.

Phase 3: Measurement and Analysis

Performance Measurement is essentially the process of analysing the data provided by the Performance Monitoring System in order to assess performance. At organisational level, Performance Measurement is formally executed on a quarterly basis, whilst Performance Measurement on individual level is done quarterly.

Phase 4: Performance Reviews

Performance review is a process where the municipality, after measuring its own performance as detailed in the previous phase, assesses whether it is giving effect to the IDP. It is a phase where it will assess whether it is doing the right thing, doing it right and better, or not. Performance reviews will be conducted through the municipality’s scorecard model by assessing performance against the 6 Key Performance Areas (KPA’s), indicators, and targets.

As in the monitoring and measurement stages, reviews will be conducted according to the lines of accountability within the municipality’s organizational structure. Reviews at all levels on organizational

indicators and targets will be conducted quarterly, preceded by coaching sessions by the municipal managers to her/his direct reports. On considering the quarterly reports from each department and the results of the measurement revealing the level of performance in each department, the Municipal Manager must conduct one-on-one coaching sessions with Managers directly accountable to her, to ascertain the level of comfort and confidence in achieving set targets, and to understand the challenges that the Manager might be facing in achieving results. The coaching session must be recorded, and the coaching notes be kept in the department's evidence file for individual performance evaluation purposes.

Supervisors

Supervisors will review the performance of employees reporting directly to them. These reviews will be conducted on a monthly basis and any deviations can be recommended by the supervisor to their section managers, only if they affect indicators and targets that are at their levels, not organizational or departmental indicators.

Middle Managers

These managers review performance of their respective areas on a monthly basis, as they are monitoring, analysing, and measuring performance as against their departmental scorecards. The review will cover all organizational key performance areas and indicators with respect to their functional areas and any deviations from original targets can be recommended to their respective senior managers and can be authorized if it is not organizational or departmental targets.

Section 80 Committees

These committees manage the performance of sectors and functions respective to their portfolios. In order to build the role played by Section 79 Committees, while ensuring that their role remains strategic and not operational, it is recommended that they review performance as often as monthly. However, the committees can only approve deviations on targets related to their service areas, after receiving recommendations from the management team.

Senior Management Committee

The municipal manager and his/her management team will review performance prior to, and more often than, the Mayor or Section 80 Committees, as follows:

- Firstly, they will need to review performance more often, such that they can intervene promptly on operational matters where poor performance or the risks thereof occur.
- Secondly, they will need to review performance before reporting to politicians so that they can prepare; control the quality of performance reports submitted to the councillors and the public; and ensure that adequate response strategies are proposed in cases of poor performance.
- It is strongly recommended that the senior management team review performance monthly, prior to reviews being conducted by Executive Committee or the Section 80 Committees. At these reviews relevant functional managers will be required to report on respective priority areas.

Mayor

The Performance Management System of Mthonjaneni Municipality is designed in such a way that it allows the mayor to strategically drive and manage performance in the organisation. Reviews at this level will remain strategic so that the mayor is not restrained by operational discussions. In order for this review to be strategic it is recommended that the mayor review performance quarterly, with the final quarterly review taking the form of an annual review. The content of the review should be confined to the adopted 6 key

performance areas (KPA's) and objectives. The Municipal Manager will remain accountable for reporting on performance at this level.

Council

Council will review the performance of the municipal council, its committees, and the administration, annually, in the form of a tabled annual report at the end of the financial year.

The Public

The public will be involved in reviewing municipal performance at least annually, in the form of the annual report and the annual customer surveys.

While good and excellent performance must also be constantly improved to meet the needs of citizens and improve their quality of life, it is poor performance that needs to be improved as a priority. Poor performance may arise out of one or more of the following:

- Poor systems and processes
- Inappropriate structure
- Lack of skills and capacity
- Inappropriate organisational culture
- Absence of an appropriate strategy and departmental business plans that lay the foundation for optimum performance

Improving Performance

In order to improve performance, Mthonjaneni Municipality, throughout the performance management phases, will analyse the causal and contributory reasons for poor performance, through coaching sessions from top to lower levels of the administration and appropriate response strategies will be developed. These will include, inter alia:

- Restructuring as a possible solution for an inappropriate structure
- Process and system improvement strategies to remedy poor systems and processes
- Training and sourcing additional capacity where skills and capacity shortages are identified
- Change management and diversity management education programmes can address organisational culture
- Review of the IDP by councillors to address shortcomings in strategy
- Development of appropriate departmental business plans and operational plans to guide performance in each department

Where results show no chance of improvement through internal measures, alternative service delivery mechanisms shall be considered

Reporting on Performance

Reporting requires that the municipality take its key performance areas, its performance objectives, indicators, targets, measurements, and analysis, and present this information in a simple and accessible format, relevant and useful to the different stakeholders for review. Mthonjaneni Municipality reports performance

The reporting process will follow the lines of accountability as detailed in the performance monitoring, measurement, and review phases above. Reports will be submitted to all different stakeholders using following internal processes as outlined above and through the different political and community stakeholders as required by the Municipal Systems Act, the Municipal Finance Management Act, and the Performance Regulations. Reports will be submitted to the following stakeholders during the timelines outlined in the municipality's performance process plan as shown under the **Performance Cycle** section:

- Mthonjaneni Municipality reporting to Communities.
- Mthonjaneni Municipal Council reporting to Ward Committees
- Mayor reporting to Council.
- Municipal Manager reporting to the Mayor and the Executive Committee (EXCO).
- Heads of Departments reporting to the Municipal Manager, through the Executive Management Team, and to Portfolio Committees.
- Section Managers reporting to Heads of Departments; and
- Employees reporting to their section managers and supervisors.

Tracking and Managing the Reporting Process

To ensure that the reporting processes runs smoothly and effectively, the PMS Unit in the Office of the Municipal Manager will co-ordinate all activities related to efficient reporting. The functions of the Unit in this instance include the following:

- Developing a process plan or timetable for all reporting processes for the year.
- Prepare logistics for reporting.
- Improve the reporting format, should there be a necessity to do so.
- Track and monitor reporting processes.
- Control the quality of reports going to reviews at political levels in terms of alignment with the adopted reporting format.
- Analyse departmental performance reports.
- Compile quarterly organisational performance reports and the annual report; and
- Review the reporting process and suggest improvements.

Auditing Performance and Quality Control

- In order for the performance management system to enjoy credibility and legitimacy from the public and other stakeholders, performance reports, particularly the annual performance report, must be audited. Audits should ensure that reported performance information is accurate, valid, and reliable.
- In terms of the provisions of the Municipal Systems Act and the Performance Regulations of 2001, the annual performance report must be audited internally, and before being tabled and made public, the annual performance report will also be audited by the Auditor-General. It is therefore important to allow sufficient time between completion of annual reports and the tabling of the annual report for auditing.
- After being reviewed by the council, the annual report and annual performance report must then be submitted to the Auditor-General before 31 August of every year, for auditing and be submitted to the MEC for local government in the province for the MEC to complete an annual report of performance of

all municipalities in the province, identifying poor performing municipalities and proposing remedial action and submit the provincial report to the national minister. The national minister will then present a consolidated report to parliament.

The Internal Audit Unit of the Mthonjaneni Municipality

In terms of Regulation 14 of the Planning and Performance Regulations of 2001, every municipality must develop and implement mechanisms, systems, and processes for auditing the results of performance measurements as part of its internal auditing processes. The functions of the internal audit unit include the assessment of the following:

- (i) the functionality of the municipality's performance management system.
- (ii) whether the municipality's performance management system complies with the provisions of the Municipal Systems Act; and
- (iii) the extent to which the municipality's performance measurements are reliable in measuring performance of municipalities on its own indicators and the national indicators

The Regulations further provides that the municipality's internal auditors must:

- (i) on a continuous basis audit, the performance measurements of the municipality; and
- (ii) submit quarterly reports on their audits to the municipal manager and the performance audit committee.

Mthonjaneni Municipality is currently in the process of establishing an Internal Audit unit whose functions are provided for by the 2001 Performance Regulations as indicated in the above extract. The Internal Audit Unit will be responsible for quality checks balances of all performance information submitted for measurement and review. Quality control is the central and key function of the Unit that will ensure achievement of effective and efficient performance by Mthonjaneni Municipality. The Municipal Manager and the Mayor will place reliance on the performance audit risk assessments and audit reports to make informed decisions and motivate for any reviews and improvements to the municipal council and communities. Currently, the Municipality has outsourced its Internal Audit functions

Reasons for Non-Achievement from the previous financial year

The Municipality has improved drastically on their performance compared to the previous financial years. This is evident 43

SDB IP REF · NO.	PROJE CT NAME	KPI	TARGET	ACTUAL	STAT US	REASONS FOR NON- ACHIEVEME NTS	CORRECTIVE MEASURES
B6. 1	Mhlath uze Electric ity	Number of househol d construct ed with	Comple t e construct ion of electrific ation	Construc tion of Electrific ation infrastrur e for 74	Targe t Not Achie ved	56 connections were lost to Eskom by doing the electrificatio	IDP Representativ e has been rescucitated, this forum is made of all

		electrification infrastructure	infrastructure for 130 households at uMhlathuze by 31 December 2023	household at uMhlathuze was completed		n infrastructure and energizing while the municipality was implementing the same project	stakeholders of the municipality. This therefore means that planning will be done in coordination to avoid similar incidents/duplication.
B8.1	KweSezulu Sports Field	Percentage constructed of KweSezulu Sports field	100% Construction of KweSezulu Sports field by 30 June 2023	Construction of KweSezulu Sports field is at 62% complete	Target Not Achieved	There were land disputes where the contractor was prohibited from utilized borrow pit to access quarry material. There was also delays from inclement weather conditions. No water available around site.	Land Dispute have been resolved with the assistance from Local Traditional leaders and Ward Councillor The Municipality have identified another location for drilling a borehole near a river stream. Acceleration Plan have been submitted by the contractor.
E3.1	DDM Reports	Number of DDM Reports tabled to council	Table 2 DDM Reports to council by 30 June 2023	1 DDM Report tabled to council	Target Not Achieved	The DDM Report was not submitted for Q1 and Q2 due to miscommunication	The DDM Reports will be submitted to the Ordinary Council for Quarter 1 in 2023/2024 Financial year

The above listed challenges have resulted in many audit findings which then led to an unfavorable Audit Opinion. Below are the findings and the actions taken to address the findings that were raised by the Auditor General.

PMS AUDIT ACTION PLAN- 2022/2023

AUDIT FINDING	DETAILED AUDIT FINDING	REMEDIAL ACTION	OWNER	TIMEFRAME
AOPO - POE submitted for audit not sufficient	During the audit of performance information against predetermined objectives for the selected development priority “Basic service delivery” as presented in the annual performance report (APR), we noted that the reported achievements in the APR did not agree with the evidence provided as management did not provide a listing of all households constructed with electrification infrastructure to support the actual achievement reported in the current year APR. Management further indicated that electricity projects are a multi-year indicator, meaning the municipality is completing the remaining connections from the previous financial year, thus supporting evidence will include the actual achievement as reported in the prior year and management further indicated that the prior year indicators were brought forward as it was combined to form the current year actual achievement/target. The final actual evidence reported in the current year could not be supported with the actual number of beneficiaries for electrification infrastructure (number of households constructed with electrification infrastructure and locations). Management provided the technical reports, pre-marketing list and project progress reports to support the actual achievement however the combination of these sources does not	The Municipality will develop the Technical Indicator Description that also details the possible portfolio of evidence that can be obtainable in each indicator. With no precise recommendations from the Auditor General the municipality will	L Nyawose IDP/PMS Manager	30 June 2024

	provide a comprehension picture of the current year achievement in terms of electrification infrastructure in various households.	also change and or unpack the Key Performance Indicators to measure the 1. Percentage of Bulk Infrastructure 2. Number of households to which stringing, and installation of electricity metres is completed								
AoPO - Inconsistencies identified between the IDP and the SDBIP	During the audit of performance information against predetermined objectives and the high-level review of the IDP and the SDBIP, the following internal control deficiencies were identified for the set key performance indicators and targets. <table><tr><td></td><td>Performance indicator and budget</td><td></td><td></td><td></td><td>Targets</td></tr></table>		Performance indicator and budget				Targets	The Municipality will emphasize on the Standard Operating Procedure the process from	L Nyawose IDP/PMS Manager	31 March 2024
	Performance indicator and budget				Targets					

	Performance indicator	Project name	Awarded Contract Amount	Budget per IDP	Budget per SDBIP	Difference between IDP and SDBIP	Planned targets per IDP	Reported targets per SDBIP (Baseline and annual target)	Difference	Planning Stage up to Evaluation and Review stage of Performance.		
	Number of households constructed with electrification infrastructure	Nqekwane electricity project	2 204 461.11	1 500 000.00	2 513 085.67	-1 013 085.67	75	74	1	The finding was incorrect as the Municipal Systems Act clearly defines the alignment that should be established		
	Number of households constructed with electrification infrastructure	Njomelwane electricity project	3 855 220.33	1 250 000.00	4 394 951.18	- 3 144 951.18	50	75	-25			

	Number of households constructed with electrification infrastructure	Kataza electricity project	2 093 419.19	1 525 000.00	2 284 835.00	- 759 835.00	61	63	-2				
Understatement of performance information reported on the annual performance report	While performing the audit procedures for predetermined objectives (AOPO), it was noted that there is a difference between the number of households constructed with electrification infrastructure as per the project progress report and the reported achievement in the APR										The PMS Manager will conduct site visits to avoid reliance on written reports only which does not warrant 100% assurance on the reported information	L Nyawose IDP/PMS Manager	30 June 2024

Copy of the IDP was not sent within 10 days to the MEC local Government	During the audit of Strategic planning and budgeting we noted that the IDP was adopted by the Council of the Municipality on 19 May 2023. We further inspected confirmation letter from the KwaZulu-Natal Department of Cooperative Governance and Traditional Affairs which indicated that the IDP together with the relevant supporting documentation were received on 28 June 2023. Accordingly, the municipality did not submit a copy of the IDP as adopted by the council of the municipality, to the MEC for Local Government within 10 days as prescribed by the Municipal Systems Act. The above results in a non-compliance with section 32(1)(a) of the Municipal Systems Act	The Unit has formulated IDP-Budget Process Plan and PMS Year Plan	L Nyawose IDP/PMS Manager	30 June 2023
AOPO - POE submitted for audit not sufficient	During the audit of performance information against predetermined objectives for the selected development priority “Basic service delivery” as presented in the annual performance report (APR), we noted that the reported achievements in the APR did not agree with the evidence provided as management did not provide a listing of all households constructed with electrification infrastructure to support the actual achievement reported in the current year APR. Management further indicated that electricity projects are a multi-year indicator, meaning the municipality is completing the remaining connections from the previous financial year, thus supporting evidence will include the actual achievement as reported in the prior year and management further indicated that the	The Municipality has developed Technical Indicator Description which defines the indicator and also covers which possible can be	L Nyawose IDP/PMS Manager	30 December 2023

	prior year indicators were brought forward as it was combined to form the current year actual achievement/target. The final actual evidence reported in the current year could not be supported with the actual number of beneficiaries for electrification infrastructure (number of households constructed with electrification infrastructure and locations). Management provided the technical reports, pre-marketing list and project progress reports to support the actual achievement however the combination of these sources does not provide a comprehension picture of the current year achievement in terms of electrification infrastructure in various households.	obtained from each indicator.		
Inconsistencies identified between the technical report and progress report	During the audit of performance information against predetermined objectives for the selected development priority “Basic service delivery” as presented in the annual performance report (APR), we noted the following inconsistencies between the technical report and progress report in terms of the project progress reported. The following bears reference 1.The technical report prepared and compiled by management indicates that construction of infrastructure is 100% complete, whereas the project progress report provided stipulate 51 of 74 connections energised in December 2021 and the 23 remaining connections energised in April 2023. On the basis that 51 connections were energized in the previous financial year, the actual achievement that relates to the current financial year should be 23, thus the reported achievement of 52 households constructed with electrification infrastructure is considered not valid and accurate	The PMS Manager will conduct site visits to avoid reliance on written reports only which does not warrant 100% assurance on the reported information	L Nyawose IDP/PMS Manager	30 June 2023

5 YEAR IMPLEMENTATION PLAN

IDP REF	SDBIP REF	GOAL	OBJECTIVE	STRATEGY	PROJECT REF	PROJECT NAME	KEY PERFORMANCE INDICATOR	BASE LINE (2022/2023)	Year 1 2021/ 2022	Year 2 2022/ 2023	Year 3 2023/ 2024	Year 4 2024/ 2025	Year 5 2025/ 2026	BUDGET
KPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT														
A1	A1.1	Goal 1: To ensure internal municipal excellence and effective organization	Increase performance & efficiency of Organization	Skills Development and Strengthen organizational capacity	A1.1.1	Training Plan	Number of Training Plans submitted to council	2	1	1	1	1	1	R993 341, 28
A1	A1.1	Goal 1: To ensure internal municipal excellence and effective organization	Increase performance & efficiency of Organization	Skills Development and Strengthen organizational capacity	A1.1.2	Skills Development Plan	Number of skills development plans submitted to LGSETA by deadline	1	1	1	1	1	1	R0,00
A1	A1.2	Goal 1: To ensure internal municipal excellence and effective organization	Increase performance & efficiency of Organization	Implement Organizational Performance Management Framework & Policy	A1.2.1	s54/56 Performance Contracts	Number of Performance Agreements Signed and submitted to CoGTA	5	4	5	5	5	5	R0,00
A1	A1.2	Goal 1: To ensure internal municipal excellence and effective organization	Increase performance & efficiency of Organization	Implement Organizational Performance Management Framework & Policy	A1.2.2	Performance Reports	Number of Performance Reports tabled to Council	4	4	4	4	4	4	R0,00
A1	A1.2	Goal 1: To ensure internal municipal excellence and effective organization	Increase performance & efficiency of Organization	Implement Organizational Performance Management Framework & Policy	A1.2.3	Annual Report	Number of Annual Reports submitted to AG by deadline	1	1	1	1	1	1	R0,00

		organization												
A1	A1.2	Goal 1: To ensure internal municipal excellence and effective organization	Increase performance & efficiency of Organization	Implement Organizational Performance Management Framework & Policy	A1.2.4	Annual Performance Report	Number of Annual Performance Reports submitted to AG by deadline	1	1	1	1	1	1	R0,00
A1	A1.2	Goal 1: To ensure internal municipal excellence and effective organization	Increase performance & efficiency of Organization	Implement Organizational Performance Management Framework & Policy	A1.2.5	Oversight Report	Number of Oversight Report tabled to council for adoption	1	1	1	1	1	1	R0,00
A1	A1.2	Goal 1: To ensure internal municipal excellence and effective organization	Increase performance & efficiency of Organization	Implement Organizational Performance Management Framework & Policy	A1.2.6	s54/56 Performance Assessments	Number of Performance Assessments conducted	2	4	4	4	4	4	R0,00
A1	A1.3	Goal 1: To ensure internal municipal excellence and effective organization	Increase performance & efficiency of Organization	Implement Individual (Employees below s54/56 Managers) Performance Management Framework and Policy	A1.3.1	Individual Performance Management Policy	Number of IPMS policy reviews conducted	1	1	1	1	1	1	R0,00
KPA 2 : BASIC SERVICE DELIVERY														
B1	B1.1	Goal 2: To ensure the provision of Basic & Sustainable Services	To implement roadbuilding and infrastructure programs and improve rural	Construction of Roads	B1.1.1	Construction of gravel roads	Number of kilometres of Gravel Road constructed	11.3K M	10.5km	2.3km	7km	10km	10km	R5 316 091, 45

			accessibility											
B1	B1.2	Goal 2: To ensure the provision of Basic & Sustainable Services	To implement roadbuilding and infrastructure programs and improve rural accessibility	Rehabilitation and Maintenance of Roads.	B1.2.1	Maintenance of Urban Roads	Number of kilometres of urban roads upgraded/rehabilitated	2.1KM	2,1km	0	0	0	0	R0,00
B1	B1.2	Goal 2: To ensure the provision of Basic & Sustainable Services	To implement roadbuilding and infrastructure programs and improve rural accessibility	Rehabilitation and Maintenance of Roads.	B1.2.2	Maintenance of Gravel Access Roads	Number of kilometres of Gravel Access Roads Maintained	86KM	39km	85km	130km	130km	130km	R3 000 000,00
B2	B2.1	Goal 2: To ensure the provision of Basic & Sustainable Services	Improve service delivery and infrastructure development	Provision of Electricity	B2.1.1	Electricity infrastructure	Number of households constructed with electrification infrastructure	500	470	358	260	200	100	R13 700 000,00
B2	B2.2	Goal 2: To ensure the provision of Basic & Sustainable Services	Improve service delivery and infrastructure development	Provide Indigent Support	B2.2.2	Indigent: Free Basic Electricity	Number of households with access to Indigent electricity	3046	3046	3046	3046	3046	3046	R1 182 729,60
B2	B2.3	Goal 2: To ensure the provision of Basic & Sustainable Services	Improve service delivery and infrastructure development	Construction of community facilities	B2.3.1	Community Hall	Number of community halls constructed	New Project	1	1	1	1	1	R10 894 800,96

B2	B2.3	Goal 2: To ensure the provision of Basic & Sustainable Services	Improve service delivery and infrastructure development	Construction of community facilities	B2.3.2	Mahehe Creche	Numbers of creches constructed	New Project	1	1	2	1	1	R4 547 107, 59
B2	B2.3	Goal 2: To ensure the provision of Basic & Sustainable Services	Improve service delivery and infrastructure development	Construction of community facilities	B2.3.3	Lwazilwethu Creche	Percentage constructed of Lwazilwethu Creche	New Project	N/A	100%	N/A	N/A	N/A	R3 580 000, 00
B2	B2.3	Goal 2: To ensure the provision of Basic & Sustainable Services	Improve service delivery and infrastructure development	Construction of community facilities	B2.3.4	Mfule Creche	Percentage constructed of Mfule Creche	New Project	N/A	100%	N/A	N/A	N/A	R3 160 000, 00
B3	B3.1	Goal 2: To ensure the provision of Basic & Sustainable Services	Improve Environmental Management	Refuse Removal and Waste Management	B3.1.1	Refuse Collection	Number of weekly refuse collection reports submitted to council	2	4	4	4	4	4	R800 000, 00
KPA 3: LOCAL ECONOMIC DEVELOPMENT														
C2	C2.1	Goal 3: To promote Local economic and Social Development	Promote Local Economic Development	Development & Implementation of the LED Strategy	C2.1.1	LED Strategy Initiatives	Number of approved LED Strategies	1	1	1	1	1	1	R1 360 000, 00
KPA 4: MUNICIPAL FINANCIAL VIABILITY														
D2	D2.1	Goal 4: To ensure financially viable and sustainable municipality	Improve expenditure management and SCM	Capital Budget Spending	D2.1.1	Capital Budget	Percentage spending of MIG	100%	100%	100%	100%	100%	100%	R20 758 000, 00

D2	D2.3	Goal 4: To ensure financially viable and sustainable municipality	Improve expenditure management and SCM	Implementation of the Procurement Plan	D2.3.1	Procurement Plans	Number of Procurement Plans Report submitted to National Treasury	1	1	1	1	1	1	R0,00
D3	D3.2	Goal 4: To ensure financially viable and sustainable municipality	Improve budget and strengthen financial governance	MFMA Compliance	D3.2.1	Budget Policies	Number of Budget Policies submitted to council for approval	5	5	5	5	5	5	R0,00
D3	D3.2	Goal 4: To ensure financially viable and sustainable municipality	Improve budget and strengthen financial governance	MFMA Compliance	D3.2.2	Budget Process Plan	Number of Budget Process Plans submitted to council	1	1	1	1	1	1	R0,00
D3	D3.2	Goal 4: To ensure financially viable and sustainable municipality	Improve budget and strengthen financial governance	MFMA Compliance	D3.2.3	2023/2024 Budget Approval	Number of 2023/24 Annual Budgets Approved by council by deadline	1	1	1	1	1	1	R0,00
D3	D3.2	Goal 4: To ensure financially viable and sustainable municipality	Improve budget and strengthen financial governance	MFMA Compliance	D3.2.4	2023/2024 Final Budget Submission to National Treasury and Provincial Treasury	Number of 2023/24 Annual Budgets Approved by council submitted to NT and Pt	1	1	1	1	1	1	R0,00
D3	D3.2	Goal 4: To ensure financially viable and sustainable municipality	Improve budget and strengthen financial governance	MFMA Compliance	D3.2.5	S71 Report	Number of s71 Report submitted to Mayor, Provincial Treasury and National Treasury	12	12	12	12	12	12	R0,00

D3	D3.2	Goal 4: To ensure financially viable and sustainable municipality	Improve budget and strengthen financial governance	MFMA Compliance	D3.2.6	s72 Mid-Year Reports	Number of s72 Mid Year Reports submitted to Mayor	12	12	12	12	12	12	R0,00
D3	D3.2	Goal 4: To ensure financially viable and sustainable municipality	Improve budget and strengthen financial governance	MFMA Compliance	D3.2.7	Tabling of S72 Reports to Council	Number of s72 Mid Year Reports tabled to Council	1	1	1	1	1	1	R0,00
D3	D3.2	Goal 4: To ensure financially viable and sustainable municipality	Improve budget and strengthen financial governance	MFMA Compliance	D3.2.8	Submission of s72 Mid-Year Reports to National Treasury and Provincial Treasury	Number of s72 Mid Year Reports submitted to National Treasury and Provincial Treasury	1	1	1	1	1	1	R0,00
D3	D3.2	Goal 4: To ensure financially viable and sustainable municipality	Improve budget and strengthen financial governance	MFMA Compliance	D3.2.9	Annual Financial Statements	Number of AFS submitted to AG by deadline	1	1	1	1	1	1	R0,00
D3	D3.2	Goal 4: To ensure financially viable and sustainable municipality	Improve budget and strengthen financial governance	MFMA Compliance	D3.2.10	AG Report	Number of AG Report tabled to council	1	1	1	1	1	1	R0,00
KPA 5: GOOD GOVERNANCE														
E1	E1.1	Goal 5: To provide a democratic and accountable government for local	Promote broaden local democracy	Ward Committee Governance	E1.1.2	Ward Committee Functionality	Percentage of ward committee functionality	93%	100%	100%	100%	100%	100%	R1 595 200,00

		communities												
E2	E2.1	Goal 5: To provide a democratic and accountable government for local communities	Strengthen Corporate governance	Improved Audit Opinion	E2.1.1	AG Action Plan	Percentage of AG Findings resolved	70%	100%	100%	100%	100%	100%	R0,00
E2	E2.1	Goal 5: To provide a democratic and accountable government for local communities	Strengthen Corporate governance	Improved Audit Opinion	E2.1.3	Audit Committee Report	Number of Audit Committee Reports tabled to council	4	4	4	4	4	4	R145 340,00
E3	E3.1	Goal 5: To provide a democratic and accountable government for local communities	Strengthen Intergovernmental relations	Implementation of IGR Resolutions	E3.1.3	DDM Reports	Number of DDM Reports tabled to council	4	4	4	4	4	4	R0,00
E4	E4.1	Goal 5: To provide a democratic and accountable government for local communities	Improve Municipal planning	Credible IDP	E4.1.1	2023/2024 Adoption of IDP	Number of IDP adopted by deadline	1	1	1	1	1	1	R2 100 000,00
E4	E4.3	Goal 5: To provide a democratic and accountable government for local communities	Improve Municipal planning	SDBIP	E4.3.1	Approval of 2023/2024 SDBIP	Number of SDBIPs approved by the Mayor by deadline	1	1	1	1	1	1	R0,00
KPA 6: CROSS CUTTING INTERVENTION														

F4	F4.2	Goal 6: To promote Social Responsibility and Cohesion through sustainable development initiatives	Improve implementation of Sukuma Sakhe programme	Implementation of special programmes	F4.2.6	Community Bursaries	Number of Community bursaries issued	76	75	75	75	75	75	R360 000, 00
F4	F4.2	Goal 6: To promote Social Responsibility and Cohesion through sustainable development initiatives	Improve implementation of Sukuma Sakhe programme	Implementation of special programmes	F4.2.7	Mayoral Drivers Licence Program	Number of Mayoral Drivers licences issued	76	75	75	75	75	75	R400 000, 00
F5	F5.1	Goal 6: To promote Social Responsibility and Cohesion through sustainable development initiatives	Reduce impact of Natural and other disasters with Municipality	Implementation of the Disaster Management Plan	F5.1.1	Disaster Management Plan	Number of Disaster Management Plan Reviews conducted and approved by council	1	1	1	1	1	1	R600 000, 00
F5	F5.1	Goal 6: To promote Social Responsibility and Cohesion through sustainable development initiatives	Reduce impact of Natural and other disasters with Municipality	Implementation of the Disaster Management Plan	F5.1.4	Community Awareness on Disaster Management	Number of community awarenesses on disaster management conducted	4	4	4	4	4	4	R0,0 0

Table 86- 5 Year Implementation Player

SECTION H.3: BACK TO BASICS PROGRAMME

H.3.1 OPMS – BACK TO BASICS

The OPMS (Organisational Scorecard/ SDBIPs) are aligned to the B2B pillars. The Organisational Scorecard/ SDBIPs are annexed hereto for ease of reference. The B2B programme has been prioritised by the Municipality and the IDP has clearly shown how the B2B Program is being implemented.

The B2B alignment is contained in Section D in the IDP Framework. All SDBIP Programs are aligned to B2B pillars

SECTION J – AUDITOR GENERAL REPORT

REFER TO ANNEXURE A1



**AUDITOR - GENERAL
SOUTH AFRICA**

Auditing to build public confidence

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