

2023/2024 INTEGRATED DEVELOPMENT PLAN (IDP)

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



**MTHONJANENI
MUNICIPALITY**

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 Centre
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 -		Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
HCT	-	HIV/AIDS counselling and Testing
IDP	-	Integrated Development Plan
ISRD	-	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
PMTC	-	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 2022, 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 2023/24 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 2022/2023 (the Municipality is in the process of doing the 2022/2023 scorecard and Departmental SDBIPs. Once the plans shall have been finalised, same will be incorporated into the Draft IDP 2022/2023) 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 2023, 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.

**HIS WORSHIP THE MAYOR,
CLLR M N BIYELA**



Ngiyakhuleka ko Ndabezitha abakhele umasipala wakithi, Honourable Speaker of Council, Deputy Mayor, Executive Members and Honourable Councillors, Traditional Councils receive my humble greetings. To the community of Mthonjaneni, I greet you all.

In 2021/2022 we started our term as the Council of Mthonjaneni after the elections which were held in November 2021. Since that day we were sworn in and the council inaugurated it has not been an easy journey, but we take comfort when we look at the service delivery that we have managed to render in our community.

Chapter 4 of the Municipal Systems Act 32 of 2000 makes community participation in the affairs, programmes and activities of the municipality a legal obligation. It is in light of the above legislation prescript that we are engaging our communities in reviewing this document. This IDP is therefore the culmination of a lengthy process of consultation with the local community. Accordingly, this IDP carries the aspirations of the masses of our community which the 2023/24 Financial Year must seek to finance. Therefore, this IDP must be seen as a beacon of hope that will continue to guide us over the next 4 years in our collective endeavors of building a better life for all our communities.

We remain committed to the realization of the National Key Performance Areas of municipalities, being the following:

- Good Governance and Public Participation
- Municipal Transformation and Organisational Development
- Basic Infrastructure and Service Delivery
- Local Economic Development
- Municipal Financial Viability and Management

This IDP together with its projects and implementation focus relates more strongly to the capital budget. Our IDP will go a long way in improving the quality of life of our community by broadening accessibility and alleviating poverty.

We are fortunate that we were taught that self-reliance is the key, therefore we are creating a safety-net that will sustain the livelihood of the people and create job opportunities, this program will be led by our Local Economic Development Unit. As our vision says we are a responsive municipality, therefore we ought to strategize to cushion the vulnerable and support entrepreneurs that could employ others. We will also strengthen our operational maintenance of our facilities

Ngyathokoza.

HIS WORSHIP, THE MAYOR

MUNICIPAL MANAGER'S FOREWORD

MR ZS MTHETHWA



As the Accounting Officer of Mthonjaneni Municipality, I thank the Council for entrusting me with the great opportunity to prove myself to serve in this great institution, I would like to thank the Management and Staff for their commitment in executing their duties which are primarily rendering service delivery to our communities.

I also thank the community for participating in the reviewing of this IDP document and would like to take this opportunity to introduce the Draft IDP for the financial year 2023/2024 for your inputs.

This Integrated Development Plan focuses on the organisational development aimed at improving service delivery efforts in the municipality through organisational performance management, improving workforce skills and innovative service delivery initiatives. I believe that this IDP truly reflects the direction that we are taking as the Municipality

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.;

We are again urging all our stakeholders to make valuable inputs on this document

I thank you.

ZS MTHETHWA

MUNICIPAL MANAGER

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SECTION A:EXECUTIVE SUMMARY

1. WHO ARE WE?

Melmoth is a small municipality situated in the north coast of KZN with a population of 83563 (CS: 2016). The town was established in the 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 wattle bark factory was established in 1926. The is also planted with sugarcane and forestry on the outskirts of the town into surrounded 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.

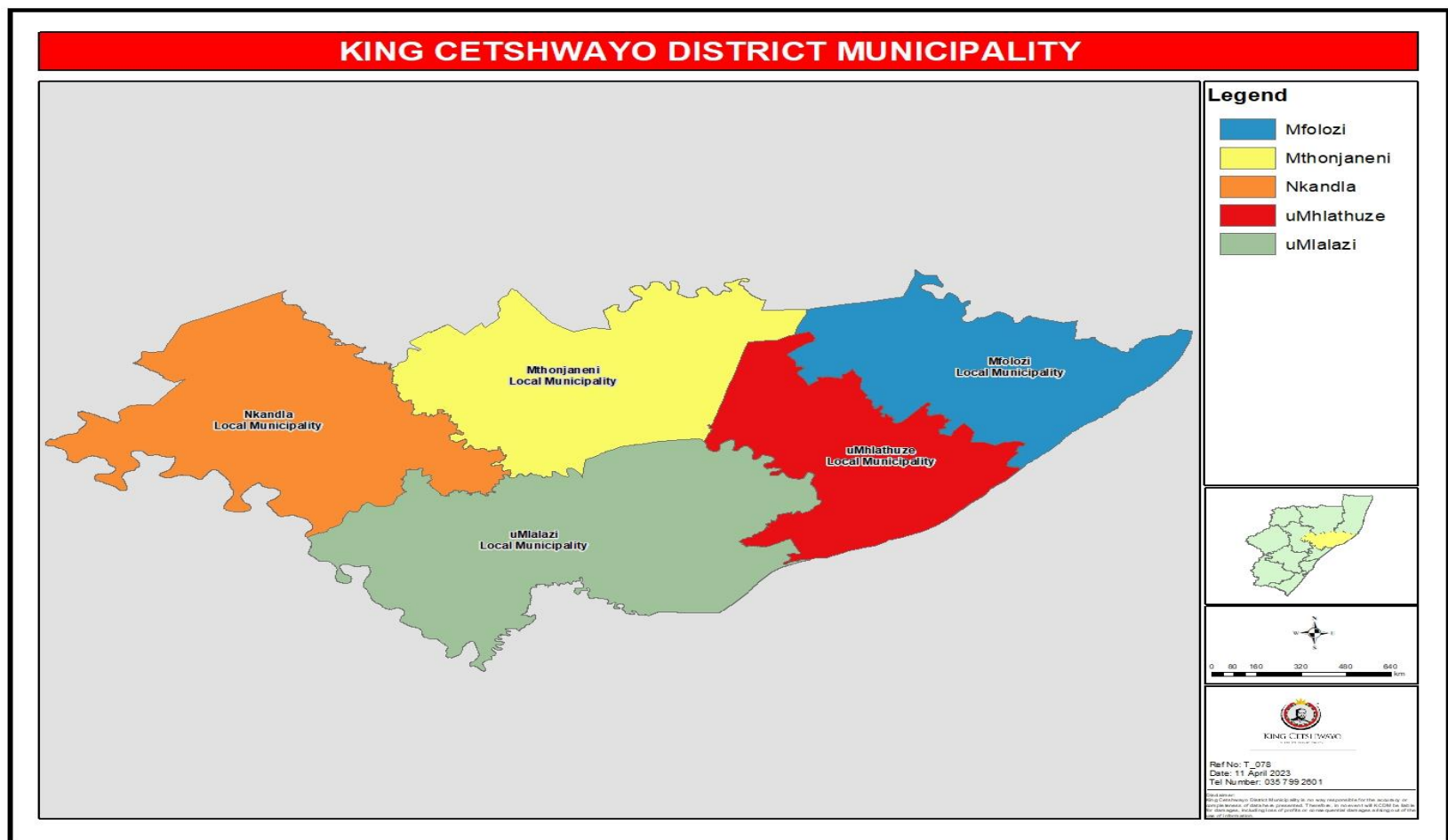
Mthonjaneni Municipality (KZ 285) is one of the five local municipalities that make up King Cetshwayo (KCD). The other locals that form King Cetshwayo District are Mfolozi (KZ 281), uMhlathuze (KZ 282), uMlalazi (KZ 284) and Nkandla (KZ 286). The Mthonjaneni Municipality consist of 13 wards as per the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

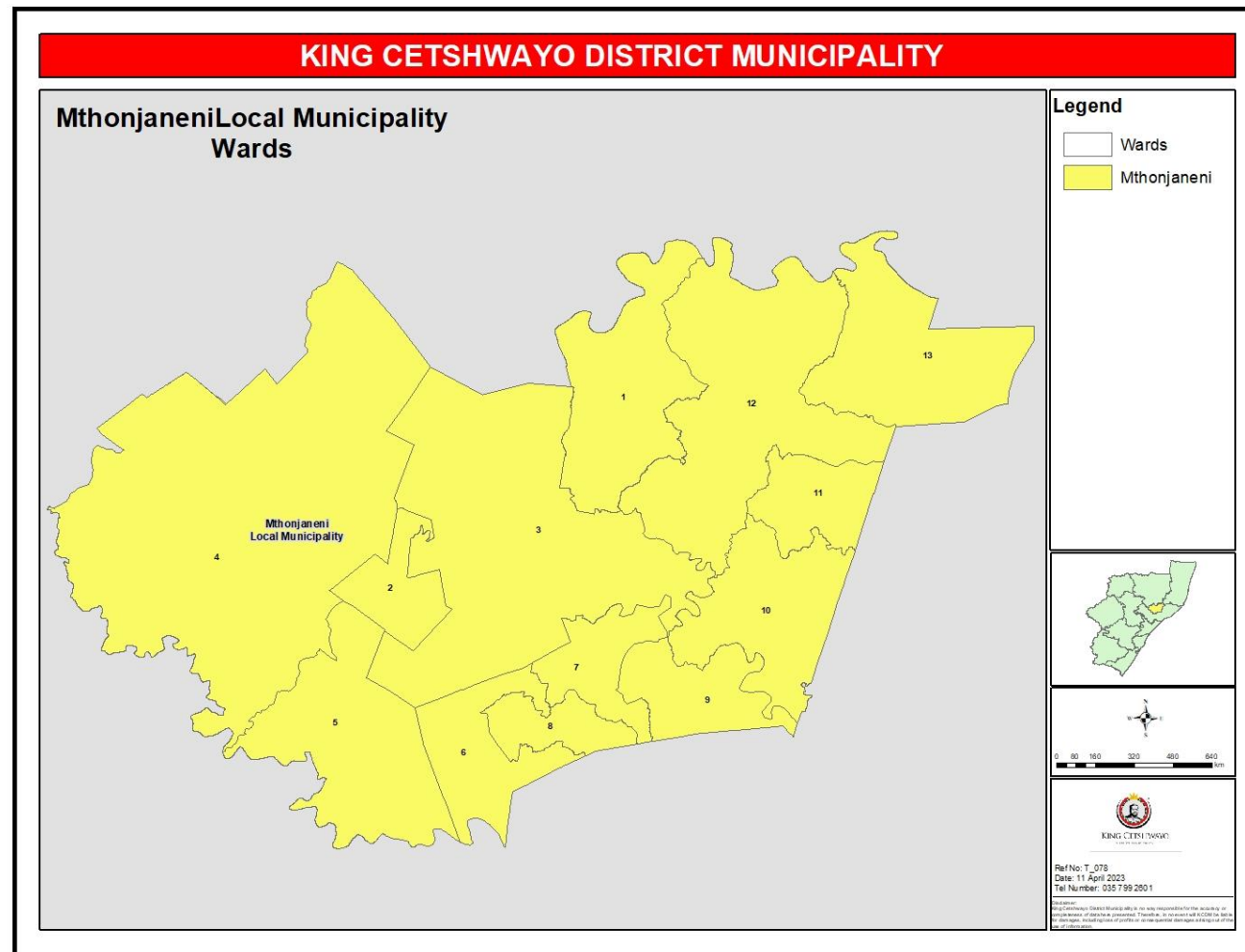
Mthonjaneni is a member of Tourism Association Agency Route 66 which comprises of all municipalities that are linked by R66 in their economic and tourism activities. Route 66 members include Gingindlovu, Eshowe, Mthonjaneni, Ulundi, Nongoma and Pongola. Mthonjaneni is the gateway to Mthonjaneni and major economic active provinces in RSA which is Mpumalanga Province and Gauteng through R66 route.

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.



Map 1- KCDM Locals

Map 2- Mthonjaneni Municipal Local 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.

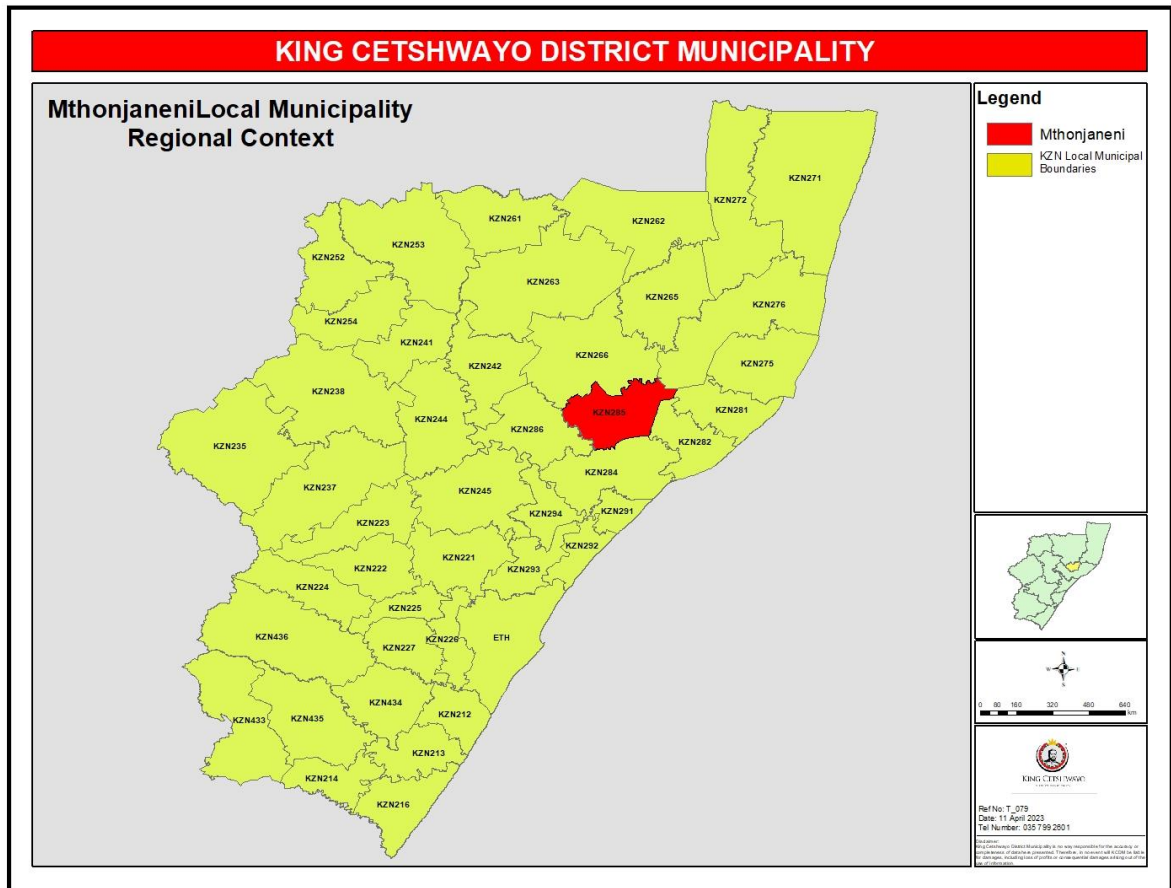
The Biyela-Obuka Traditional authority is located towards the East of the municipality and incorporates areas like Sqhomaneni, Upper Nseleni and other surrounding rural settlements.

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.

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 3- KCDM Regional Context



WHAT ARE OUR KEY CHALLENGES AND WHAT ARE GOING TO DO TO ADRESS THEM

CHALLENGES	WHAT ARE WE GOING TO DO TO ADRESS THESE CHALLENGES
<ul style="list-style-type: none"> ❖ Minimum Job Opportunities to the population with dependency on the agricultural sector for employment opportunities. Whilst there is opportunity to develop other development sectors including the service sector, Industry, and commercial sectors. ❖ Unresolved Land claims that impact on future development. ❖ Limited access to basic household and community services. ❖ Increased incidents of HIV/AIDS and communicable diseases. ❖ High rate of unemployment which leads to 	<ul style="list-style-type: none"> ❖ Implementation of EPWP programme and the food for waste programme, ❖ Implementing of Operation Sukuma Sakhe Initiatives ❖ Educational support to youth at tertiary level, ❖ Implementation of skills development programs, ❖ Youth empowerment through Local Economic Development. ❖ Focus will be made on Labour Intensive Capital Projects ❖ Engaging Department of Transport to extend the road or ban side tipper trucks from using R34/R66 ❖ Development of Human Resource Strategy. ❖ Engagement of Traditional Leaders regarding the Spatial Development and SPLUMA. ❖ Investor attraction and improve revenue collection. ❖ Usage of Community Facilities as Community

<p>poverty and low economic growth.</p> <ul style="list-style-type: none"> ❖ Depletion of infrastructure due to variations in climatic conditions. ❖ High rate of illiteracy resulting to majority of people employed as cheap labour. ❖ The projections indicate that approximately 3, 1 % of households (317) within the municipal area, are in the homeless and informal dwelling/shack category. ❖ The increased usage of the road by side tipper trucks resulting in high number of fatal accidents. ❖ Highly grant dependent municipality. ❖ Insufficient equitable share allocation after the municipality was merged with Ntambanana Municipality. ❖ Minimal revenue streams. ❖ Inability to attract and retain scarce skills due to the location and grading of the municipality. ❖ Lack of sufficient and sustainable water supply. ❖ Sluggish economic growth resulting in failure to attract investors. ❖ Scattered rural households ❖ High Basic Service Delivery backlogs 	<p>services centres.</p> <ul style="list-style-type: none"> ❖ Expand application to receive more grants by developing more business plans
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Table 1- Challenges and Actions to Address Challenges

2. 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:

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

Municipal Mission

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

3. DEMOGRAPHIC PROFILE

POPULATION

According to the latest census that was conducted in 2016 there was a total population of 83 563 people residing in municipal area of jurisdiction. According to the 2016 census there is an increase in the total population which is a result of the wards that were inherited from Ntambanana municipality. Males constitute 45.8% with 54.2 females. This reflects that the percentage of the females is 8.4% greater than that of the males.

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Ward 10	Ward 11	Ward 12	Ward 13	Total
Male	3 496	3 254	2 898	2 822	2 878	2 908	3 481	1 609	3 244	3 815	2 375	3 407	2 069	38 257
Female	4 427	3 607	3 414	2 948	3 263	3 483	4 041	1 963	3 758	4 693	2 778	4 439	2 489	45 306
Total	7 923	6 861	6 312	5 770	6 142	6 392	7 522	3 573	7 003	8 509	5 152	7 846	4 558	83 563

Table 2- Gender by population per ward.

StatSA: 2016

ECONOMIC PROFILE

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

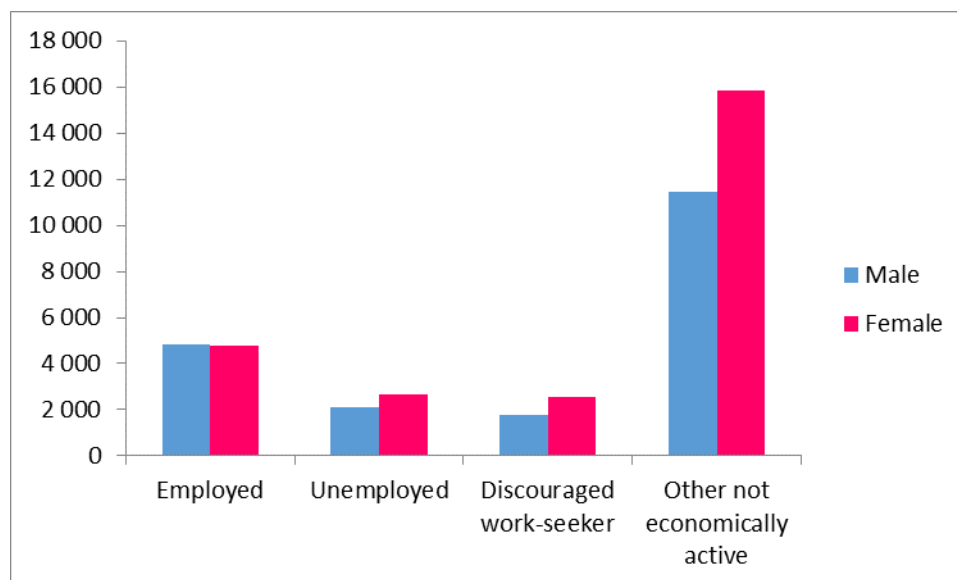


Table 3- Employment by Gender

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.

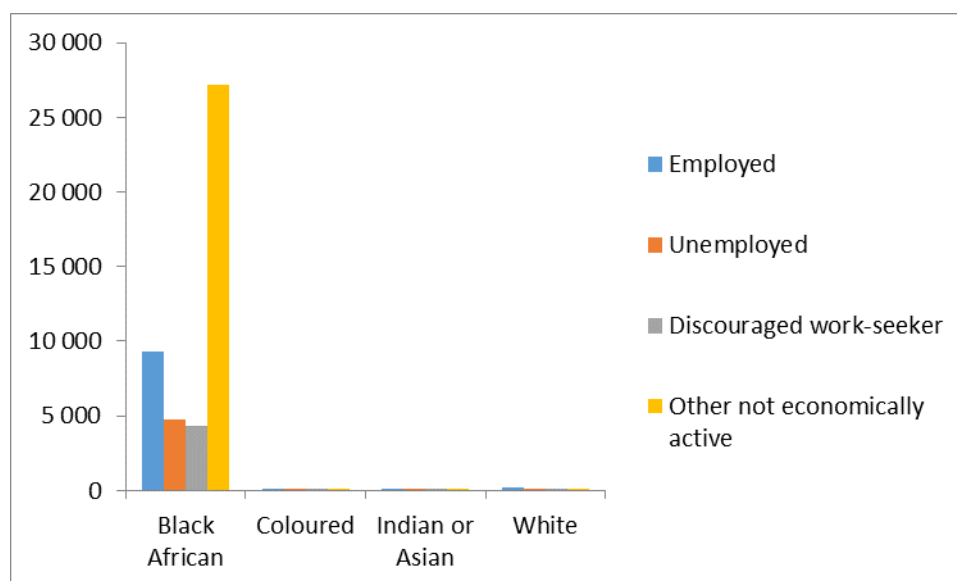


Table 4- Employment by Population group

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.

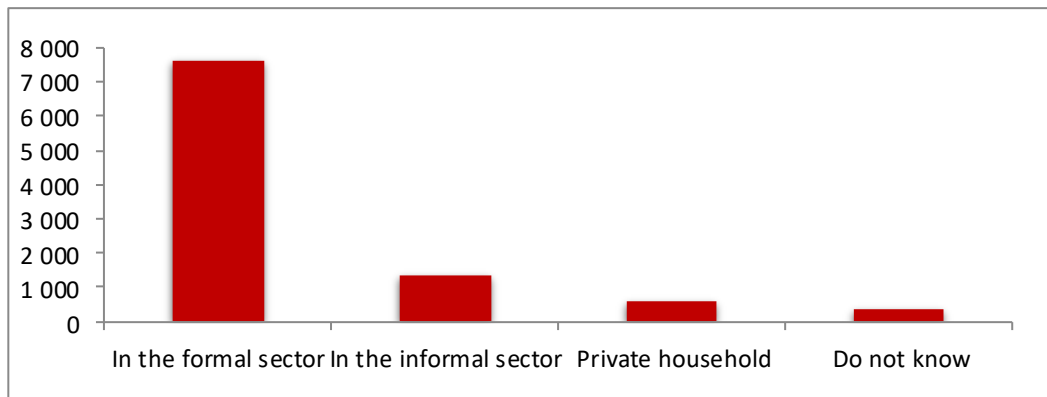
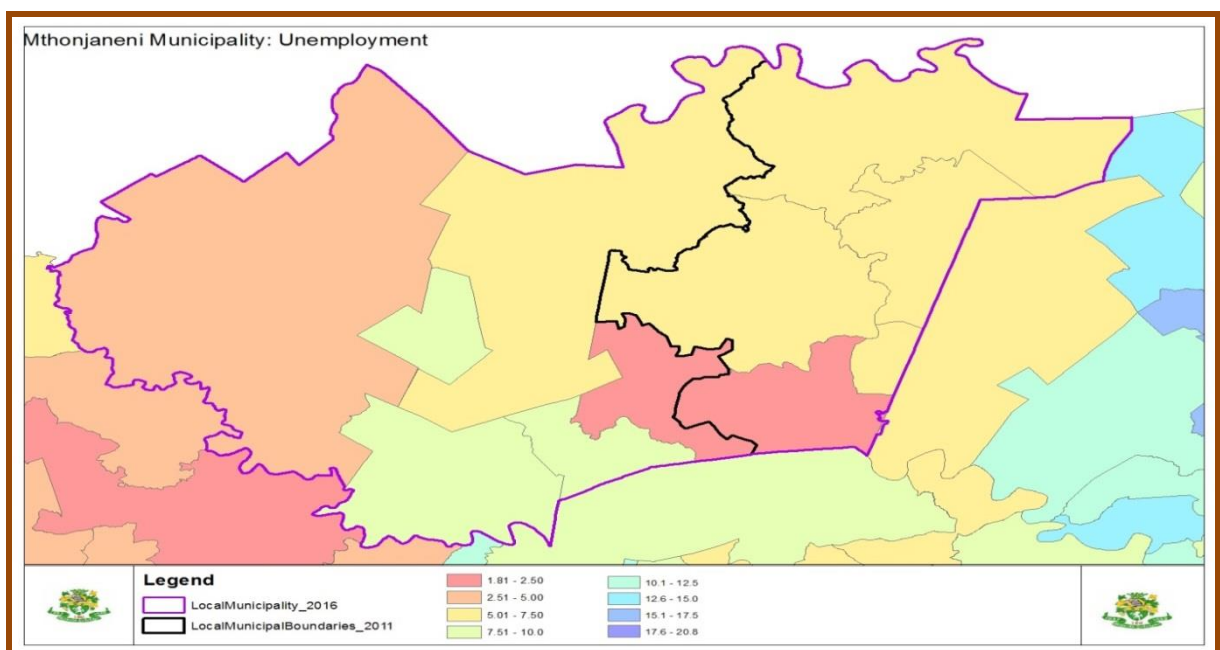


Table 5- Employment by Sector

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 4- Unemployment



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.

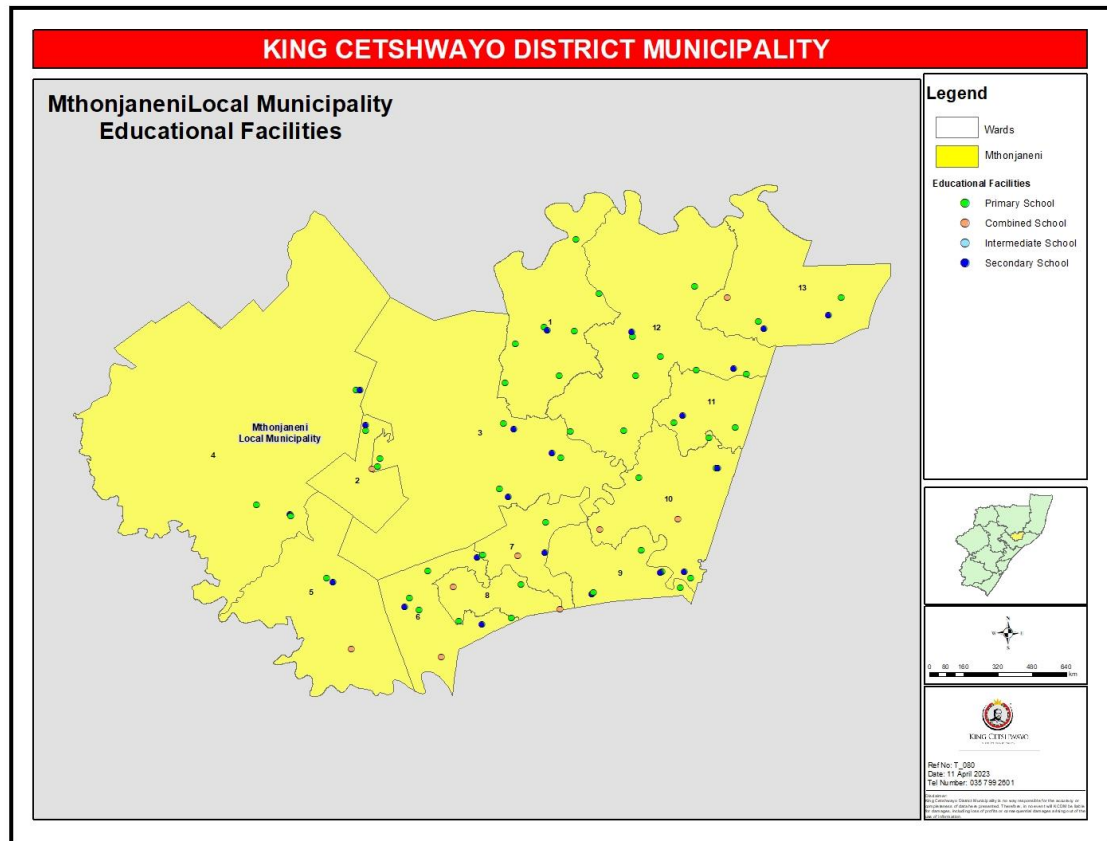
The South African Schooling Act (1996) made schooling compulsory for children aged 7-15 years, while education Laws Amendment Act (2002) set the age admission into grade 1 as the year which the child turns seven. Below a comparative overview of educational attainment and attendance by contributing factors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

The table below shows that the proportion of persons with no schooling is estimated at **10 623**, of which most of them are from the Black African (female) population. The proportion of individuals who have attained grade 12 is approximately **8 864** 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.

	Black African		Coloured		Indian or Asian		White	
	Male	Female	Male	Female	Male	Female	Male	Female
grade 0	1 728	1 586	2	2	9	2	4	1
grade 1/sub A	1 780	1 722	5	3	2	1	3	4
grade 2/sub B	1 809	1 935	7	2	3	4	2	1
grade 3/std 1/ABET 1/Kha Ri Gude; SANLI	1 861	2 189	1	2	1	1	0	0
grade 4/std 2	2 053	2 414	6	3	3	3	6	0
grade 5/std 3/ABET 2	1 943	2 036	7	7	2	1	0	1
grade 6/std 4	1 801	1 918	0	2	0	5	3	4
grade 7/std 5/ABET 3	2 168	2 273	6	5	6	1	1	1
grade 8/std 6/form 1	2 101	2 387	5	7	2	2	9	4
grade 9/std 7/form 2/ABET 4	1 968	2 225	2	3	1	5	5	1
grade 10/std 8/form 3	2 213	2 778	12	6	5	2	14	15
grade 11/std 9/form 4	2 124	2 964	1	7	8	5	1	6
grade 12/std 10/form 5	3 788	4 893	29	34	20	12	42	46
NTC I/N1/NIC/(V) Level 2	16	24	0	0	0	0	3	0
NTC II/N2/NIC/(V) Level 3	4	12	0	0	0	0	2	0
NTC III/N3/NIC/(V) Level 4	8	13	1	0	0	0	5	0
N4/NTC 4	14	16	0	0	0	0	3	2
N5/NTC 5	14	6	0	0	0	0	2	0
N6/NTC 6	15	19	1	0	0	0	0	1
certificate with less than grade 12/std 10	6	18	0	0	0	0	1	0
diploma with less than grade 12/std 10	11	23	0	0	1	0	2	4
certificate with grade 12/std 10	95	136	6	1	5	1	4	18
diploma with grade 12/std 10	117	127	0	2	2	1	7	1
Higher Diploma	68	130	0	1	0	0	11	17
Post Higher Diploma (Masters; Doctoral dip)	19	20	0	0	1	0	2	0
bachelors degree	87	113	1	1	1	1	10	8
bachelors degree and Post graduate diplom	19	30	0	0	1	0	3	0
honours degree	16	41	0	0	1	3	2	0
higher degree (masters; doctorate)	11	30	0	0	1	0	2	1
other	20	20	0	0	1	0	5	1
no schooling	3 859	6 719	11	6	6	4	7	11

Table 6- Highest Education by Sex

Map 5- Educational Facilities



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.

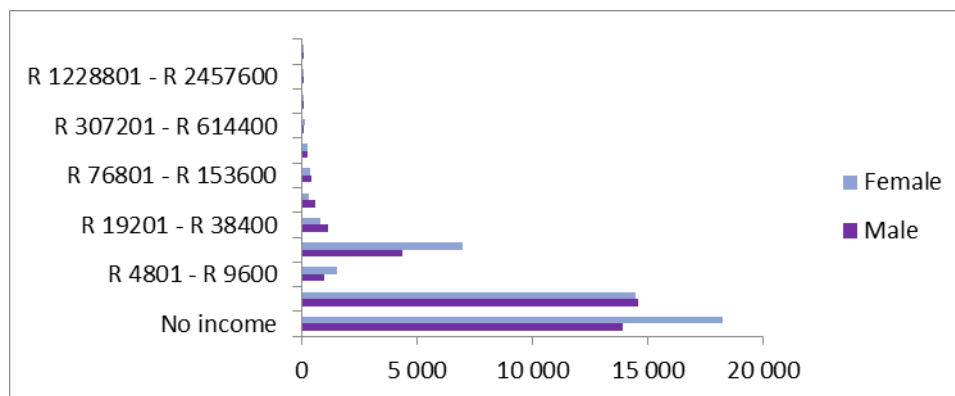


Table 7- Average Annual Income by Sex of the head of the household.

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.

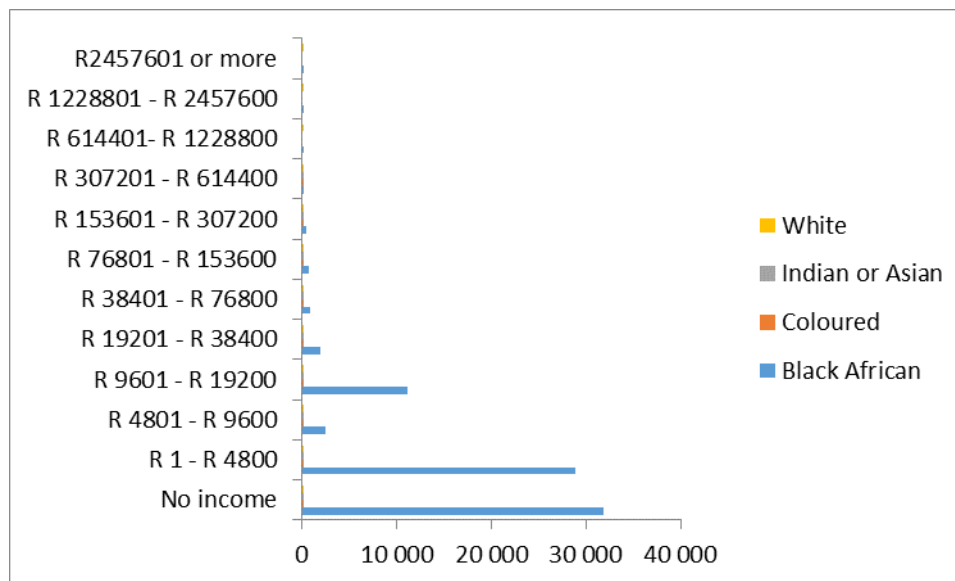


Table 8- Average annual Income by Population Group

Ward 2 is mostly dominated by a black community. Hence the high number of Black Africans in all income ranges per annum. There are many Black Africans with no income at all. The graph shows a sharp decrease at range R4801-R9600.

ACCESS TO WATER AND SANITATION

Mthonjaneni Local Municipality is not the Water Service Authority. King Cetshwayo municipality is a Water Service Authority and a Water Services Provider for all the areas under the Mthonjaneni Municipality. The King Cetshwayo Municipality 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 Municipality focuses on water services and on providing at least a basic level of service to consumers in its area of jurisdiction.

The aim of managing water resources is to safeguard human health through providing safe and adequate water for drinking purposes, whilst maintaining important environmental aquatic and terrestrial ecosystems. Freshwater is essential not only to the life and health of humankind, and the physiological processes of organisms, but also to ensuring economic sustainability by providing a key resource to the industry. It is therefore important to quantify the current state of and impacts on water and the environment and how these are changing over time.

Water related issues in the municipality includes the following:

- The ability of the Mhlathuze Catchment to meet the water needs of the municipality, especially in the dry season is an area of concern.
- Access to water is an area of concern particularly in Ndundulu and Kwa Yanguye. Water quality of rivers and streams may be negatively affected by run-off from commercial forestry and agriculture.
- Community access to water directly from rivers impacts on water quality and increases risks of contamination and spread of diseases.

Access to Water and Sanitation Services

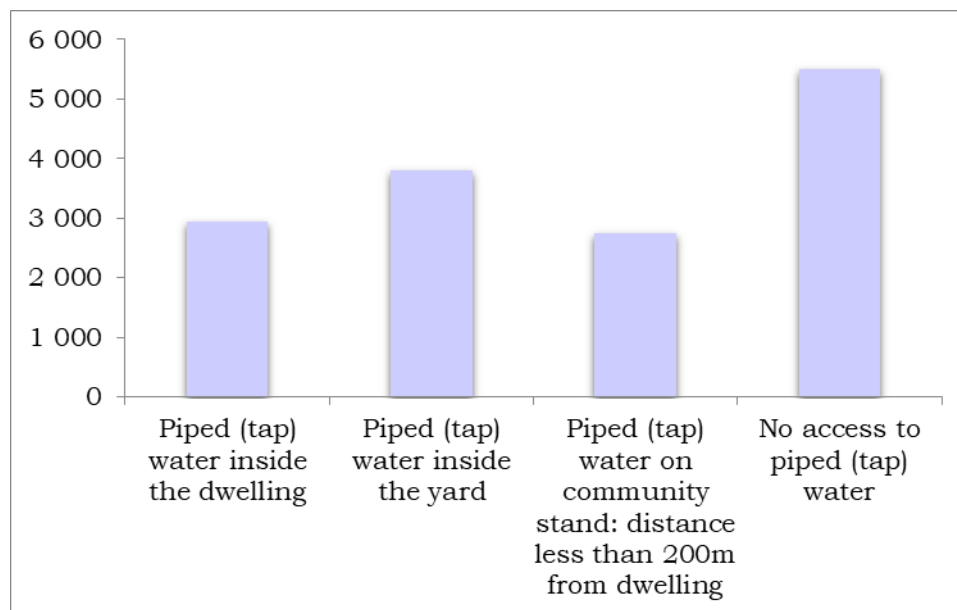
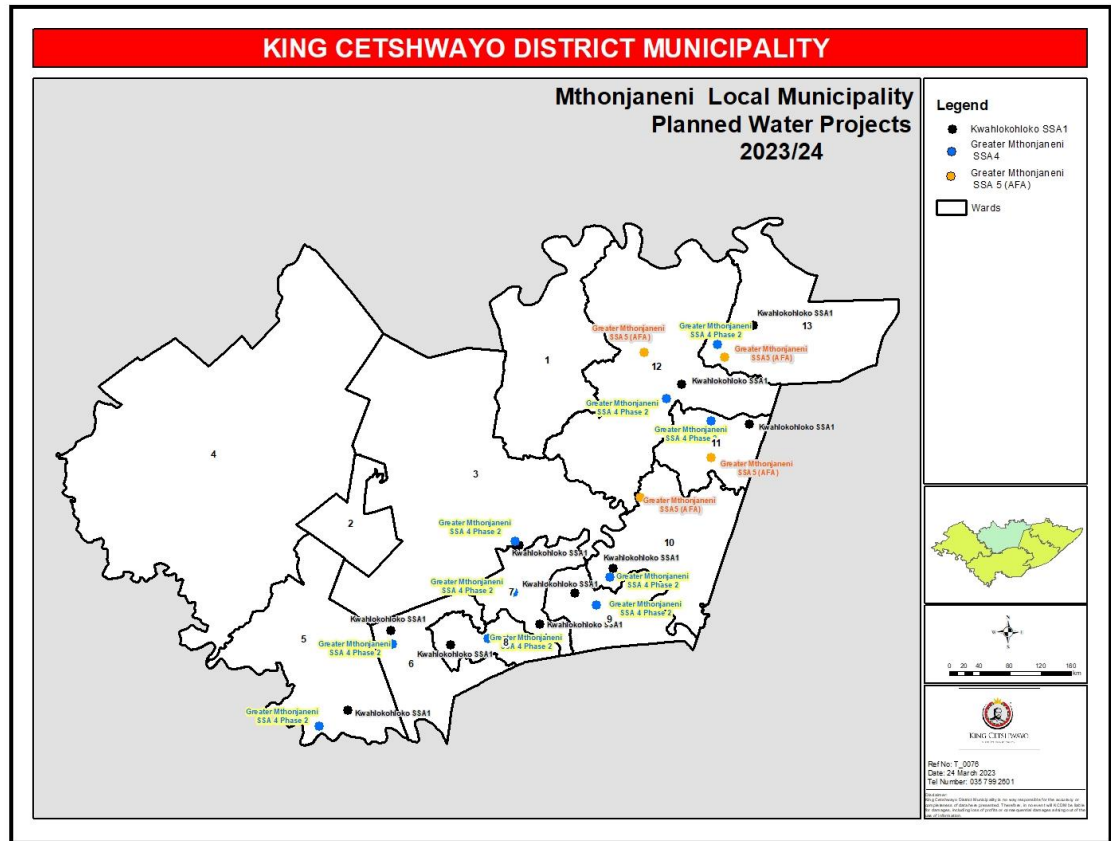


Table 9- Access to Water



Map 6- Planned Water Projects

PROJECTS UNDER CONSTRUCTION IN THE 2022/2023 FINANCIAL YEAR

NO	PROJECT NAME	PROJECT BUDGET	BRIEF SCOPE	WARDS	VILLAGES	HOUSEHOLDS	PROGRESS	COMPLETION DATE
1	Melmoth Sewer Upgrade	R24 529 252,38	KCDM/MIG/02/2021: Upgrade of Sewage Infrastructure in Melmoth - Remainder of Thubalethu	2	Thubalethu Township	685	94%	Jun-23
2	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	18%	Dec-23
3	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		58%	Jun-23
4	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	18%	Jan-24
5	Geza Spring	R3 976 393,99	Development of Geza Spring and Construction of Ogelweni Extension.	11	Geza and Ogelweni	55 and 134 Respectively	1%	Aug-23
6	Bhadaza Spring	R2 351 420,36	Development of Bhadaza Spring	3	Bhadaza	61	1%	Aug-23

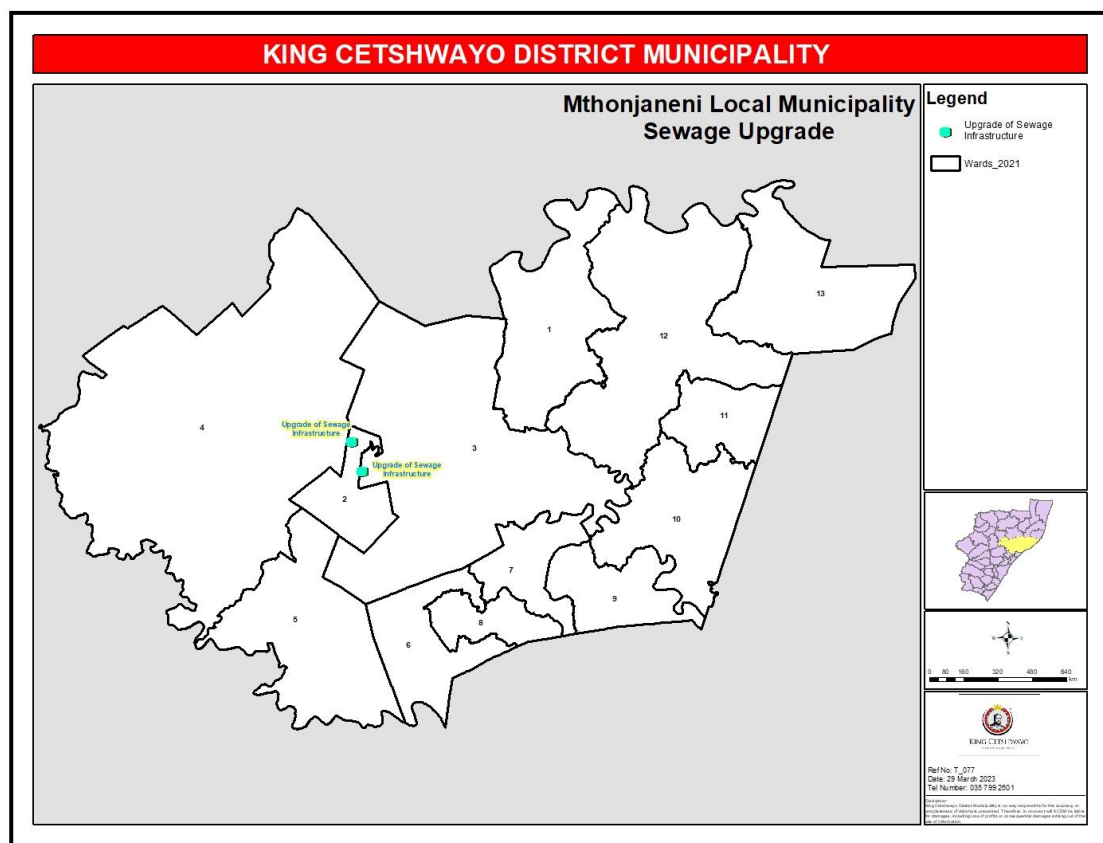
Table 10- Water Projects under construction

PROJECTS PLANNED FOR 2023/2024 FINANCIAL YEAR

NO	PROJECT NAME	BUDGET FINANCIAL YEAR 2023/2024	BRIEF PROJECT SCOPE	LM	WARDS	VILLAGES	HH
1	Kwahlokohloko SSA1 Water	R8 000 000,00	Upgrade of Phobane Plant from 20MI to 40MI/day – (Total Project Value: R 263 150 511.00)	Mthonjaneni LM	Mthonjaneni: Ward 3,5,6,7,8,9,10,11,12 and 13	uMthonjaneni LM: Makhasaneni), Mfanefile, Mgabhi,Ezingwenya ad Izimbube), Ekuthuleni, Edubeni), Ndundulu, Mabhungu,Mkhindini, Nomponjwana, Hawule, Stheku, Hlabathini,Ndundulu, Bedlane,Edubeni, Mabhungu, Mpevu, Nomponjwana, Gobihlahla, Mkhandlwini, eMaphukanqola and part of Odebe.	9584
2	Upgrade of Sewage Infrastructure for Melmoth - WWTW	R14 000 000,00	Thubalethu sewerage plant upgrade in Mthonjaneni local Municipality.	Mthonjaneni LM	Ward 2 and 3	Melmoth Town and Thubalethu	2500

Table 11- Water and Sanitation Projects Planned

NO	PROJECT NAME	BUDGET FINANCIAL YEAR 2023/2024	BRIEF PROJECT SCOPE	LM	WARDS	VILLAGES	HH
3	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.	Mthonjaneni LM	4, 10 and 13	Khathazo, Qomintaba and Debe	124
4	Greater Mthonjaneni SSA2 Phase 1B1	R23 075 000,00	Construction of DN315 bulk pipeline and construction of 500kl concrete reservoir.	Mthonjaneni LM	5	Mfanefile and KwaMagwaza	275
5	KCDM/RBIG/08/2022 - Mthonjaneni SSA 2 Phase 2A: Construction of Pipelines, 2,5ML Reservoir and Pumpstation.	R40 000 000,00	Construction of Pipelines, 2,5ML Reservoir and Pumpstation.	Mthonjaneni LM	5 & 4	Mfanefile and KwaMaGwaza	384



4. HOW WAS THIS PLAN DEVELOPED?

Mthonjaneni Municipality developed the IDP/Budget process plan which guides the development of this plan, the IDP.

THE PROCESS PLAN, APPROACH AND 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 Proces.
- Binding plans and planning requirements, i.e., policy and legislation

2022/2023 MTREF: Schedule of key deadlines for IDP, Budget, Quarterly Reports, Annual Reports, Performance Management Process and Service Delivery and Budget Implementation Plan

DATE		DETAILS	LEGISLATION	RESPONSIBILITY	
				OFFICIAL	COUNCILLO R
JULY -- 2022					
	IDP PROCESS				
	During July 2022	Submit 2022/23 Process Plan to COGTA	MSA 31 (1)(a)(b)(c)(d)	Manager IDP/PMS	
		Advertise Process Plan 2022/23		Manager IDP/PMS	
	PERFORMANCE MANAGEMENT PROCESS				
	During July 2022	Commencement of electronic system verification process after adoption			
	During July 2022	Draft 2021/22 Annual Performance Report to internal audit	MSA 41 (e) and MSA 46	Manager IDP/PMS	
	31 July 2022	Submission of Individual Performance Plans to MEC.	MSA 56/57	Manager IDP/PMS	
	SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN				
	During July 2022	Submit quarterly oversight report to EXCO for period Apr-June 2022	MFMA 52(d)	Manager IDP/PMS &	

				Internal Audit Manager	
AUGUST -- 2022					
	BUDGET PROCESS				
	31 August 2022	Submit schedule of key deadlines 2023/24 for preparing, tabling and approving the Budget and reviewing the IDP at least 10 months before the start of the budget year, to Council	MFMA 21(1)(b), 53(1)(b)	CFO & Manager IDP/PMS	
	PERFORMANCE MANAGEMENT PROCESS				
	13 August 2022	Submission of sec 57 Performance agreements and Disclosures of interest to the MEC	MSA Mun Perf Regs. Chap. 2 (4)5	Manager IDP/PMS	
	During August 2022	Submit framework community review, in line with the IDP Process	MSA S40 MSA Mun Planning and PM Regs Chap 3 (8)	Manager IDP/PMS	
	31 August 2022	Submit the 2021/22 audit report and recommendations on Organizational Performance to the Audit Committee and Council	Mun Plan and Perf Regs, 2001 14(1)c(ii) and 14(4) a(ii)-(iii)	Manager IDP/PMS, Internal Audit Manager & MM	
	31 August 2022	Submit 2021/22 Organizational scorecards to Auditor General	Municipal Systems Act Section 45	Manager IDP/PMS	
	SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN				
	During August 2022	Publish the Quarter 4 SDBIP Report on the Website	MFMA 75 (1) k	Manager IDP/PMS & Communications Officer	

ANNUAL REPORT PROCESS

02 August 2022	Departmental contributions to be requested from Clusters	MFMA guidance	Manager IDP/PMS	
20 August 2022	Departmental contributions to be received (Excluding AFS)	MFMA guidance	Manager IDP/PMS	

SEPTEMBER – 2022**BUDGET PROCESS**

September 2022	Strategic Budget Workshops Review of previous years' spending and commitments to inform 2022/2023 budget Discuss and adopt draft Budget Principles which will inform budget process and identify key priorities including strategic objectives for service delivery and addressing backlogs and prioritization Budget for program and projects (both capital and operating where feasible) in terms of the IDP 8-point plan and inputs from other stakeholders Budget prioritization discussion on capital and operating budgets	MFMA guidance	CFO/Manager IDP/PMS	
September 2022	Circular providing guidance in compiling the Staff Budgets		B.T.O /CFO	
September 2022	Annual review of budget related policies (Tariff, Credit Control & Debt Management, Rates etc.).	MFMA 21, 61(f)	C.F.O/ B.T.O.	

14 September 2022	Confirm with National and Provincial Governments for any adjustments to projected allocations for the next three years.	MFMA guidance	B.T.O/CFO	
28 September 2022	Broad Expenditure Parameters, Proposed Social Packages		B.T.O/ CFO	
30 September 2022	Update Operating MTREF on the System		B.T.O/CFO	
30 September 2022	Councilors to meet with Ward Committees to establish community priorities.	MFMA 23		Council
30 September 2022	Commence with the drafting of the Draft Estimate Report	MFMA guidance	B.T.O/CFO	
IDP PROCESS				
During September 2022	Alignment of the 2023/24 Process Plan with Budget, Annual Report Performance Management	MSA 34 21(2)(a) MFMA	Manager IDP/PMS & Manager Financial Planning	
September 2022	Prepare first draft 2023/24 IDP based on Strategic Issues Workshop	MSA 34	Manager IDP/PMS	
September 2022	Consultation with the community on the IDP with Business	MSA 34(a)(b)	Manager IDP/PMS	
PERFORMANCE MANAGEMENT PROCESS				

	September 2022	Commence with Organizational Scorecard Planning process for 2023/24		Manager IDP/PMS	
	September 2022	Finalization of Performance Assessments for Non-Section 57 Senior Management for 2022/23 period		HR/MM/Manager IDP/PMS	
	SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN				
	ANNUAL REPORT PROCESS				
	September 2022	Continue with preparation of the 2021/22 Annual Report	MFMA guidance	Manager IDP/PMS	
OCTOBER – 2022					
	BUDGET PROCESS				
	02 October 2022	Obtain proposed price increases from bulk service providers e.g., NERSA etc.	MFMA guidance	B.T.O/CFO	
	07 October 2022	Continue with the Strategic Budget Workshops with officials	MFMA guidance	B.T.O & Manager IDP/PMS	
	27 October 2022	Staff Budgets received from the Departments.		B.T.O	
	30 October 2022	Submit First Draft Capital Expenditure Budgets 2023/24 to 2025/26 to EXCO.	MFMA guidance	DTS/PMU	
	During October 2022	Budget workshop with politicians, reviewing input and impact on tariffs	MFMA guidance	B.T.O	
	During October 2022	Continue with the drafting of the Draft Estimate Report	MFMA guidance	B.T.O	

	IDP PROCESS				
	October 2022	Continuation the Consultation with the community on the IDP with Business	MSA 34(a)(b)	Manager IDP/PMS	
	PERFORMANCE MANAGEMENT PROCESS				
	October 2022	Commence Quarterly Individual performance reviews for current year (Verbal)		Manager IDP/PMS	
	October 2022	Commence with mid-term amendments process	Munic Perf. Reg 13(4) (a-b)	Manager IDP/PMS	
	October 2022	Submit quarterly report to Internal Audit	Mun Plan and PerfRegs, 2001 14(1)c(ii)	Manager IDP/PMS	
	SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN				
	October 2022	Extract SDBIP reports from the system for authorization by Plan Owners		Manager IDP/PMS	
	25 October 2022	Quarterly report to be adopted by EXCO for period July - Sept 2022	MFMA 52(d)	Manager IDP/PMS	
	ANNUAL REPORT PROCESS				
	October 2022	Continue with preparation of 2020/21 Annual Report	MFMA guidance	Manager IDP/PMS	
NOVEMBER – 2022					
	BUDGET PROCESS				
	09 November 2022	Continue updating line-item budgets on the system and capture all items.	Best Practice	B.T.O	

12 November 2022	Draft Operating Budget - First Pass	MFMA guidance	B.T.O	
20 November 2022	2nd Draft Capital Budget tabled at EXCO.	MFMA guidance	DTS/PMU	
23 November 2022	Operating budget - first round prioritization and cuts	Best Practice	B.T.O	
25 November 2022	Consultation on the Capital Budget with Business	MFMA 23	DTS/PMU	
27 November 2022	Draft summarized Operating budgets tabled at EXCO - update	MFMA guidance	B.T.O	
30 November 2022	3rd Draft Capital budget tabled at EXCO	MFMA guidance	CFO	
During November 2022	Continue with the drafting of the Draft Estimate Report	MFMA guidance	B.T.O	
During November 2022	Review of Budget Related Policies continues	MFMA 21, 61(f)	CFO	
IDP PROCESS				
During November 2022	Strategic engagements with Stakeholders	MSA (35) (1)(a)	Manager IDP/PMS	

During November 2022	Prepare first 2023/24 Draft IDP to EXCO, Council and for “Noting of Progress”	MSA 29(a) 30(a)(b)(c)	Manager IDP/PMS	
PERFORMANCE MANAGEMENT PROCESS				
November 2022	Draft KPI's for the 2022/23 period	MSA 41 (e)	Manager IDP/PMS	
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN				
November 2022	Update website with quarterly SDBIP Report	MFMA 53.3	Manager IDP/PMS & Communications	
November 2022	Hold meetings to discuss SDBIP discrepancies and commence with the finalization of the first draft	MFMA, Circular 13	Manager IDP/PMS	
ANNUAL REPORT PROCESS				
November 2022	Update and amend Annual Report		Manager IDP/PMS	
DECEMBER – 2022				
BUDGET PROCESS				
08 December 2022	Draft summarized Operating Budget tabled at EXCO		B.T.O	
08 December 2022	Draft summarized Operating budgets tabled at Council.		B.T.O	
08 December 2022	Capital Budget approved in principle by Council			Council
08 December	First draft of the Draft Estimate Report	MFMA guidance	CFO	

2022				
11 December 2022	Review of Budget Related Policies concluded	MFMA guidance	CFO	
IDP PROCESS				
During December 2022	Prepare first draft 2023/24	MSA 34	Manager IDP/PMS	
PERFORMANCE MANAGEMENT PROCESS				
December 2022	1st draft of the 2023/2024 scorecard received from Plan Owners	MSA 39 & 40	Manager IDP/PMS	
December 2022	Draft of mid-term amendments for 22/23 scorecard	Mun. Plan. And Perf. Reg.11. (1)(2)	Manager IDP/PMS	
ANNUAL REPORT PROCESS				
December 2022	Final Draft of the 2022/23 annual report to Municipal Manager	MSA 44	Manager IDP/PMS	
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN				
December 2023	1st Draft of new (2023/24) SDBIP received from plan owners	MFMA 54c	Manager IDP/PMS	
JANUARY – 2023				
BUDGET PROCESS				
During January 2023	Note Presidents "State of the Nation Address" for budget priorities	MFMA guidance		Council
January 2023	Commence with a series of meetings to review the Draft Operating Budgets and amendments/cuts made at line-item level	MFMA guidance	B.T.O	

25 January 2023	Mid-year Budget and Performance Assessment Report submitted to Finance and Procurement Committee/Council	MFMA 72	Municipal Manager	
January 2023	Update Operating budgets	MFMA guidance	B.T.O	
January 2023	Incorporate National and Provincial allocations to municipalities	MFMA guidance	B.T.O	
January 2023	Review and submit draft estimates report to senior management for perusal and comment		B.T.O	
January 2023	Second draft of the Draft Estimate Report	MFMA guidance	B.T.O	
27 January 2023	Adoption of amended budget related policies and update Council on the status of the budget	MFMA guidance		Council
January 2023	2022/23 Mid-year budget and performance assessment engagement with Provincial Treasury	Best Practice	B.T.O	
IDP PROCESS				
31 January 2023	Continue preparing second draft of 2022/23 IDP	MSA 34	Manager IDP/PMS	
PERFORMANCE MANAGEMENT PROCESS				
January 2023	Commence Mid-year Individual Performance Review	MSA-Reg 28 (2006), MSA 45	Manager IDP/PMS	
January 2023	Receive Mid-term Scorecard report from HOD's	MFMA 88(1)(a)	Manager IDP/PMS	
January 2023	Municipal Manager to access Performance of the Municipality and its entities for the first half of the financial year and submit report to Mayor, National Treasury and Provincial Treasury	MFMA 72, Reg.14 (1) (c) (i) (ii)	Manager IDP/PMS	

January 2023	Submit Mid-Year Performance Report to Internal Audit	MSA 45, Mun Plan and Perf Regs, 2001 14(1)c(ii)	Manager IDP/PMS	
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN				
24 January 2023	Submit quarterly performance report to EXCO for period Oct - Dec 2022	MFMA 52(d)	Manager IDP/PMS	
January 2023	Access 2022/23 Performance for the first half of the financial year and submit report to Mayor, National Treasury and Provincial Treasury	MFMA 72,MFMA Bud Regs 35	Municipal Manager	
January 2023	Commence with IDP and SDBIP Alignment for 2023/24		IDP/PMS	
January 2023 (Within 5 working days of 25 January)	The Municipal Manager must make the mid-year budget & performance assessment public by placing on the municipal website	MFMA Budget Reg.34 (1)(2)	Municipal Manager & Communication Officer	
By 31 January 2023	First draft of the new financial year SDBIP for review	n/a	Manager IDP/PMS	
31 January 2023	Submit draft SDBIP to IDP		Manager IDP/PMS	
ANNUAL REPORT PROCESS				
January 2023	Prepare for the public participation process of the annual report	MFMA 127	IDP/PMS Manager	
January 2023	Table at council the draft annual report (including entities) and post on website	MFMA 127(2)	Manager IDP/PMS / MM	
FEBRUARY – 2023				
BUDGET PROCESS				

February 2023	Review Draft Operating Budget 2023/24 and update	MFMA guidance	B.T. O	
February 2023	Consultation on the Operating Budget with Business	MFMA 23	B.T. O	
Not later than 28 February 2023	2022/23 Adjustments budget to Council	MFMA 28	CFO	
February 2023	Update the Draft Estimate Report	MFMA guidance	B.T. O	
IDP PROCESS				
February 2023	Meeting COGTA and Municipalities on IDP Submission and Assessment Process	MSA 31(a)(b)(c)(d)	Cogta & Manager IDP/PMS	
February 2023	Prepare First 2023 /2024 IDP draft based on public comment received from public participation	MSA 34	Manager IDP/PMS	
PERFORMANCE MANAGEMENT PROCESS				
February 2023	Finalization of Mid-term reviews for Senior Management	Performance Policy1	Manager IDP/PMS	
February 2023	Submit the Scorecard Mid-term amendment report to Treasury, for submission to council for adoption with the Adjustment Budget	Mun Plan and Perf Regulation 3 (3), MFMA (54)c	Manager IDP/PMS	
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN				
February 2023	Update Website with quarterly SDBIP Report	MFMA 53.3	Manager IDP/PMS & Communications	

	February 2023	Submit the SDBIP Mid-term amendment report to Treasury, for submission to council for adoption with the Adjustments Budget	Mun Plan and Perf Regulation 3 (3)	Manager IDP/PMS & CFO	
	ANNUAL REPORT PROCESS				
	February 2023	Make public the Annual Report and invite local communities to submit representations.	MFMA 127(5)(a)	Manager IDP/PMS	
	February 2023	Submit the Annual Report to the Auditor General, Provincial Treasury and COGTA.	MFMA 127(5)(b)	Manager IDP/PMS	
MARCH – 2023					
	BUDGET PROCESS				
	March 2023	Review Provincial and National legislation including DORA to establish any new reporting requirements	New/amended legislation	B.T. O	
	March 2023	Draft Estimate Report updated and submitted for approval to the DCM: Treasury.	MFMA guidance	CFO	
	March 2023	Arrange printing of Budget and other documents.		B.T. O	
	March 2023	Receive bulk resource providers price increases as tabled in Parliament/Provincial Legislature	MFMA 42	B.T.O	
	March 2023	Advertise in the local newspapers, the public hearings on the budget		B.T. O	
	17 March 2023	Engagement with Provincial Treasury		CFO	

31 March 2023	Table Annual Budgets 2023/24 – EXCO	MFMA 16(2), 17, 87(3)	CFO	
31 March 2023	Table Annual Budgets 2023/24- Council	MFMA 16(2), 17, 87(3)	CFO	
IDP PROCESS				
March 2023	Advertise first draft IDP in press for public comment	MSA 29(1)(b)	Manager IDP/PMS	
March 2023	First draft to be tabled at EXCO and Council for 'noting '	MSA 34	Manager IDP/PMS	
March 2023	First draft to be submitted to MEC for assessment	MSA 31(a)(b)(c)(d)	Manager IDP/PMS	
PERFORMANCE MANAGEMENT PROCESS				
March 2023	Publish adopted 2022/23 Scorecard Mid-term amendments on the website	MFMA 54 (3) MSA s25 (4)	Manager IDP/PMS/MM	
March 2023	Community KPI review	MSA 42	Manager IDP/PMS/MM	
March 2023	Submit reviewed 2022/23 KPIs and Targets to IDP Office	MSA 34	Manager IDP/PMS/MM	
ANNUAL REPORT PROCESS				
March 2023	Preparation of an Oversight Report on the Annual Report	MFMA guidance	Manager IDP/PMS	
March 2023	Council to adopt the Oversight Report after consideration of the 2021/22 Annual Report	MFMA 129(1)	Manager IDP/PMS	Council Committees
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN				

March 2022		Submit Draft 2023/24 SDBIP to Treasury, for submission to Mayor, to be tabled with Annual Budget	MFMA, Circular 13	Manager IDP/PMS/ Municipal Manager	
	Immediately after annual budget is tabled	Submit to National Treasury in both printed and electronic forms the draft SDBIP	Budget Regs S15	Manager IDP/PMS	
APRIL – 2023					
	BUDGET PROCESS				
	By 01 April 2023	Tabled Budget to be submitted to National Treasury in an electronic format and corresponding mSCOA data strings	MFMA 22	CFO	
		Draft Budget, Budget Related Policies and other budget documentation placed on the Website	MFMA 22	CFO	
		Advertise in the local newspapers, the public hearings on the budget & publish draft budget	MFMA 22	CFO	

	During April 2023	Public Hearings on the Budget, including meeting various Organs of State	MFMA 23, MFMA guidance		Mayor
	During April 2023	Regional hearings to be held on the Budgets	MFMA 23, MFMA guidance		Mayor
	During April 2023	2023/24 Tabled (Draft) Budget Assessments engagement with Provincial Treasury	Best Practice	CFO	
	During April 2023	Revise budget documents (DER) incorporating comments from National and Provincial Treasury and stakeholders	MFMA 68, MFMA guidance	CFO	
	During April 2023	Print and distribute all budget documents including draft SDBIP	MFMA guidance	CFO	
	Thursday, 29 April 2023	Budgets tabled at EXCO - update	MSA	CFO, MM, Manager IDP/PMS	
	During April 2023	Views of community and other stakeholders considered and amendments, if necessary, be made to budgets. Feedback to be incorporated into report prepared for EXCO	MFMA 68, MFMA 23(1), (2) MFMA guidance	Municipal Manager	
	IDP PROCESS				
	During April 2023	IDP Assessment by COGTA	MSA 31(a)(b)(c)(d)	Manager IDP/PMS	
		Sector Forums with National and Provincial Sector Departments	MSA 26 (d)	Manager IDP/PMS	
		Present First 2023/24 draft IDP/PMS/Budget at Cluster and regional meetings.	MSA 17(c)	Manager IDP/PMS	
	PERFORMANCE MANAGEMENT PROCESS				

During April 2023	Development of new KPI's for S57 employees		Manager IDP/PMS	
During April 2023	Publication of 2022/23 Performance Information aligned to IDP Process	MSA 42, 44	Manager IDP/PMS	
During April 2023	Quarterly report to Internal Audit	Mun Plan and Perf Regs, 2001 14(1)c(ii)	Manager IDP/PMS	
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN				
23 April 2023	Submit quarterly oversight report to EXCO for period Jan - Mar 2023	MFMA 52(d)	Manager IDP/PMS	
ANNUAL REPORT PROCESS				
01 April 2023	Adopted Oversight Report to be made public, 7 days after adoption and submit to Provincial Legislative	MFMA 129(3), 132(2)	Manager IDP/PMS	
MAY – 2023				
BUDGET PROCESS				
26 May 2023	Approval of final budgets 2023/24 – Tabled at EXCO	MFMA (16)(1),24(2),53(1)(C)(1)		EXCO
26 May 2023	Approval of final budgets 2023/24– Tabled at Council			Council

	Immediately after annual budget is tabled	Submission of approved budgets 2023/24 to National and Provincial Treasury in electronic formats and corresponding mSCOA data strings	MFMA 24(3)	CFO	
	Immediately after annual budget is tabled	Approved Annual Budget placed on website.	MFMA 71(a), (b)	CFO	
IDP PROCESS					
	During May 2023	Draft 2023/24 IDP Process Plan	MSA 28 (1)	Manager IDP/PMS	
		Commence fourth 2023/24 IDP draft based on public comment from Regional/Cluster hearings and COGTA assessment feedback	MSA 34	Manager IDP/PMS	
		IDP Festival / Roadshows	MSA 21	Manager IDP/PMS	
		Second draft 2023/24 IDP review to be completed	MSA 25(1)	Manager IDP/PMS	
		Reviewed IDP draft 4 to be tabled at EXCO	MSA 32 (1) (a)(b)(c)	Municipal Manager	
		Reviewed IDP draft 4 to be tabled at Council for adoption	MSA 28 (1)	Municipal Manager	
PERFORMANCE MANAGEMENT PROCESS					
	Within 14 days after approval of the budget	Accounting officer to submit 2023/24 draft annual performance agreements to MSA S57 to the Mayor	MFMA S69 (3)	Accounting Officer	
	Within 28 days after the approval of the annual budget	The mayor must ensure that the annual performance agreements are concluded in accordance with MSA S57	MFMA 53 (1)(c)	Manager IDP/PMS	Mayor

ANNUAL REPORT PROCESS					
	No entry				
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN					
Within 14 days after the approval of the annual budget	Submit the 2023/24 SDBIP to the Mayor	MFMA S69(3)(a)	Municipal Manager		
Within 28 days after the approval of the annual budget	Approval of 2023/24 SDBIP by Mayor	MFMA S53(1)(c)(ii)	Municipal Manager		
JUNE – 2023					
BUDGET PROCESS					
During June 2023	Update and finalize Budget Working Paper Files		B.T. O		
IDP PROCESS					
During June 2023	Submit 2023/24 IDP to MEC	MSA 32 (1) (a)(b)(c)	Manager IDP/PMS		
PERFORMANCE MANAGEMENT PROCESS					
During June 2023	Performance agreements made public (website) within 14 days after approval of SDBIP - Copies must be submitted to the council and the MEC for local government in the province.	MFMA 53(3)(b)	Manager IDP/PMS		

	SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN				
	Within 10 working days after approval of SDBIP	Annual budget, supporting documentation, and resolutions are to be made public (SDBIP)	MFMA Budget Reg18	Manager IDP/PMS	
	Within 10 days of approval of the Annual budget by Council	Within 10 days of approval of the plan by Mayor, submit to National Treasury in both printed and electronic forms the approved SDBIP	MFMA s24(3) Budget Regs S20(2) b	Manager IDP/PMS	
	28 June 2023	Appoint and budget for a performance audit committee.	MSA Reg 14(2)	Municipal Manager & CFO	
	ANNUAL REPORT PROCESS				
		No entry			

Table 12- Key deadlines for IDP and 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

Abbreviations: IDP - Integrated Development Plan; MFMA - Local Government: Municipal Finance Management Act, No. 56 of 2003; MSA - Local Government: Municipal Systems Act, No. 32 of 2000, as amended; MTBPS - National Treasury annual publication, Medium Term Budget and Policy Statement; NT - National Treasury; PT - Provincial Treasuries; SDBIP - Service Delivery and Budget Implementation Plan

Table 13- Time Schedules

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 assists 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.

IDP /BUDGET ROADSHOWS

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 to the communities and will now embark on the second round which is mainly for the presentation of Budget and IDP to the communities and traditional authorities

Dates	Venue	Time
26 July 2022	Ngqungqu Creche	10H00
28 July 2022	Mawanda Sportfield	10H00
29 July 2022	Ncasaza Creche	10H00
30 July 2022	Nkosithandile Sportfield	10H00

2 August 2022	Maphukanqola Creche	10H00
3 August 2022	Mphemeni Hall	10H00
4 August 2022	Oviceni Creche	10H00
5 August 2022	Ntombokazi Community Hall	10H00
17 November 2022	EMgabhi	10H00
18 November 2022	EMazule Creche	10H00
23 November 2022	Mfanefile Sports Ground	10H00
25 November 2022	KwaMahlokoza- Othini	10H00

Table 14- Round One IDP Roadshows Schedule

Second Round of IDP Roadshows

The Municipality started the second round of roadshows on the 28th of March 2023, the main aim was to present to the communities and traditional authorities the draft IDP and Draft Budget for the 2023/2024 Financial years. All 3 Traditional Houses were visited Ubukhosi baso Ntembeni, Obuka and Kwa Sanguye. oNdabezitha and Izinduna were presented with the opportunity to make inputs in these Municipal Strategic Documents. It must be noted that amongst other issues that were raised by oNdabezitha, the burning and concerning issue is around the killings of people in their area of jurisdiction.

Dates	Venue	Time
28 March 2023	Melmoth Town Hall: Town Residents Budget Evening	18H00
29 March 2023	Thubakethu: Thubalethu Residents Budget Evening	18H00
30 March 2023	Indoor Sports Centre: Ward Committee IDP/Budget Presentation	10H00
04 April 2023	Indoor Sports Centre: Traditional Leaders	10H00
11 April 2023	EThembeni Tribal Court	10H00
19 April 2023	Obuka Tribal Court	10H00
3 May 2023	Sanguye Tribal Court	10H00

Table 15- Round Two IDP Roadshows Schedule

MEC COMMENTS FOR 2021/22

Mthonjaneni Municipality acknowledges with appreciation the MEC Comments and recommendations on the 2022/23 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.

MEC COMMENTS FOR 2022/23 ACTION PLAN

KPA	2022 MEC COMMENTS	MUNICIPAL RESPONSE	TIMEFRAME	RESPONSIBLE DEPARTMENT
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	<ul style="list-style-type: none"> Develop Human Resource Strategy since the current one was once adopted in 2017. 	<p>The HRM and Skills Development Strategy is on draft stage currently. The Document will be submitted to the Management Committee and other Committees for approval. It will also be workshopped to Manco and HR Unit.</p>	30 June 2023	Corporate Services
	<ul style="list-style-type: none"> Provide more information on the implementation of Recruitment & Selection and Succession and Retention Policies 	<p>Recruitment and Selection Policy was reviewed and aligned to Staff Regulations of September 2021, on the 19 May 2022. The Policy is adhered to, however the user-friendly guide on Recruitment and Selection will be developed.</p> <p>The Retention Policy was reviewed on 19 May 2022.</p> <p>The Succession Plan was earmarked as one of the gaps that need to be attended to. The potential impact of</p>	<p>30 August 2023</p> <p>30 August 2023</p>	

		not having a Succession Plan is that the Municipality end up recruiting external and have subsequent unhappiness from the current employees.		
LOCAL ECONOMIC DEVELOPMENT	<ul style="list-style-type: none"> Review LED Strategy to show clear deliverables when it concerns Ease of doing business/ Red tape reduction 	The LED Strategy will be reviewed	31 March 2023	Community Services
	<ul style="list-style-type: none"> Factor clear strategic economic analysis and strategic programme responses, the strategy does not clearly align the involvement or projects of Traditional Authority 	The LED Strategy will be reviewed	31 March 2023	
	<ul style="list-style-type: none"> Strengthen Value Chain Analysis in a way that will identify untapped economic opportunities in the Municipality and the region 	The LED Strategy will be reviewed	31 March 2023	Technical Services
BASIC SERVICE DELIVERY	<ul style="list-style-type: none"> Reflect status of District Plans on water and sanitation for implementation of the Infrastructure Development Management System (IDMS) 	Information will be sourced from King Cetshwayo District Municipality and will be attached in the IDP.	31 March 2023	ADTS

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	<ul style="list-style-type: none"> Improve issues of Electricity/ Energy by including Eskom bulk infrastructure plans, providing information on the Operations and Maintenance of electricity infrastructure 	Will be included in the IDP	31 March 2023	ADTS
	<ul style="list-style-type: none"> Provide details of existing and planned transport infrastructure, the overall condition, and the length of gravel and of blacktop roads 	Information will be sourced from the District Municipality through the Rural Roads Asset Management System (RRAMS), and will be attached in the IDP	31 March 2023	ADTS
	<ul style="list-style-type: none"> The Municipality is also reminded of the requirements in terms of the National Land Transport Act of 2009 to develop Land Integrated Transport Plan 	KCDM has set aside budget to develop this plan in the 2023/2024 Financial Year	31 March 2024	Technical Services
FINANCIAL VIABILITY & MANAGEMENT	<ul style="list-style-type: none"> Provide sound narrative on investments 	Narrative on investment was provided	31 March 2023	Finance Services
	<ul style="list-style-type: none"> Attach Revenue Enhancement Strategy 	Revenue Enhancement strategy will be attached as an annexure on the IDP	31 March 2023	
	<ul style="list-style-type: none"> Report on Debtors Age Analysis 	Report on Debtors Age Analysis will be included in the IDP	31 March 2023	

	<ul style="list-style-type: none"> ▪ Attach Procurement Plan 	It will be attached in the IDP	31 March 2023	
GOOD GOVERNANCE & PUBBLIC PARTICIPATION	<ul style="list-style-type: none"> ▪ To Develop Batho Pele Policy and Service Delivery Charter 	<ul style="list-style-type: none"> ▪ The Batho Pele Policy and Service Delivery Charter is on the development stage, Draft will be attached in the IDP 	31 March 2023	Corporate Services
	<ul style="list-style-type: none"> ▪ It is not clear if the IGR reports are tabled to council 	<ul style="list-style-type: none"> ▪ The IGR/DDM reports will be tabled to Council quarterly 	Quarterly	Corporate Services
	<ul style="list-style-type: none"> ▪ List and statuses of all the adopted and promulgated bylaws 	The List will be included in the IDP	31 March 2023	Corporate Services
	<ul style="list-style-type: none"> ▪ Link and flow not evident in Chapter A, the good governance status quo, the Good Governance Chapter, Good Governance SWOT Analysis and Challenges identified 	The alignment of chapters will be observed	31 March 2023	Corporate Services

CROSS CUTTING INTERVENTIONS	<ul style="list-style-type: none"> SDF Public Participation process should be separate from IDP Roadshows in the next development. 	Noted – Will separate the process in the next development of SDF	2026	Technical Services
	<ul style="list-style-type: none"> Municipality is encouraged to gazette the SDF in the next review 	In the process of Gazetting the SDF	September 2023	
	<ul style="list-style-type: none"> In the next reviews, evidence, and outcomes of the Public Participation for the SDF should be produced 	<p>Achieved</p> <p>Evidence to be produced in the IDP</p>	31 March 2023	
	<ul style="list-style-type: none"> Municipality should establish contextual environmental tools such as the Environmental Management Plan and the Strategic Environmental Assessment as the District Environmental Management Framework is high level 	Municipality do not have an Environmental Management plan and strategic Environmental assessment.	July 2024	
	<ul style="list-style-type: none"> Municipality advised to ensure that the objectives and the strategies in the SDF are contextual to the Municipality's status quo. 	Achieved	31 March 2023	

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		Evidence to be produced in the IDP		
	<ul style="list-style-type: none"> Municipality is encouraged to develop Environmental tools and consider hiring environmental personnel 	The municipality will budget and develop environment personnel on the organogram	2024	Technical Services
STRATEGIC THRUSTS OF THE 6 KPAS AND THE SDBIP	<ul style="list-style-type: none"> The Municipality did not indicate whether the performance of previous years was considered in the formulation of the IDP. The Municipality is encouraged to clearly indicate and incorporate areas of underperformance of the previous performance cycles and the Municipality's response to these areas in the form of corrective measures and align this to its strategies. 	<ul style="list-style-type: none"> Areas of the performance have been included in the IDP AG Action Plan was also included. 	31 March 2023	MMs office
	<ul style="list-style-type: none"> The Goals, Objectives, and Strategies in the IDP are incomplete as the Goals, Objectives and Strategies in the IDP are for only KPA: Basic Services. The municipality must ensure to include the set of Goals, Objectives and Strategies (also indicators) in the IDP and ensure that 	<ul style="list-style-type: none"> The IDP Strategic Framework from KPA 1 to KPA 6 has been developed and included in the IDP. 	31 March 2023	MMs office

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	these are fully aligned to the SDBIP. It is recommended that the municipality follow the standard, best practice approach to definitions and understanding of Objectives, strategies and indicators and attempt to align its indicators with the approach as per Municipal Finance Management Act (MFMA).			
	<ul style="list-style-type: none"> Departmental (lower) layer SDBIPs are attached to the IDP, the top layer SDBIP is however not attached. The Objectives and strategies in the IDP are incomplete and not aligned with the (departmental) SDBIPs 	<ul style="list-style-type: none"> The SDBIP was not separated into two layers. It is now separated as lower and top layer as per MFMA Circular 13. 	31 March 2023	MMs office
	<ul style="list-style-type: none"> A clear alignment between Municipal Objectives and B2B is included in the IDP however SDBIP linkage is not included/clear 	<ul style="list-style-type: none"> The (B2B) Back to Basic Pillars has been included in the SDBIP. 	31 March 2023	MMs office

Table 16- MEC Comments Action Plan

2021/22 AUDITOR GENERAL'S FINDINGS, MANAGEMENT RESPONSE AND AG ACTION PLAN

MTHONJANENI LOCAL MUNICIPALITY – AUDIT ACTION PLAN 2021/2022 FINANCIAL YEAR

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

Type of Opinion Previous Year (2020/2021) : 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.

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.

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
1. Receivables from non-exchange transactions not compliant with GRAP 108	<p>A review of the receivables from non-exchange transactions as disclosed in note 3 to the AFS revealed the following for the R7 347 285 reported:</p> <ol style="list-style-type: none"> No evidence of risk assessing the non-exchange receivables based on the risk profile of the debtors into the categories as per the credit control policy was evident. The minimum considerations required in GRAP 104 for impairment were not considered in the determination of the impairment loss. There was no consideration of determining the present value of future cash flows which includes the amount and timing of cash flows for the purposes of impairment; The impact of the time value of money was not considered for the purposes of determining the recoverable amount at reporting date Management has not provided detailed clarity on assumptions, such as why is only debtors over 120 days used, how was the 40% and 10% discount factor determined No evidence that the impact of the VAT effect on the impairment was considered Please refer to the stepwise process below which provides detailed clarity as to why AGSA disagrees with management's calculation of impairment losses. 	<p>Inspections of Municipality policy. Review of policy and submit to council for approval by March 2023. Implementation of GRAP 108 requirements. Attend GRAP trainings facilitated by Provincial Treasury and SAICA. GRAP 108 will be applied in the interim Financial Statements</p>	<p>Person : NM Myeni</p> <p>Position : CFO</p> <p>By when: 31 March 2023- Policy to council and Interims financial Statement</p>

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
2.Impairment of receivables from exchange transactions not compliant with GRAP 104	<p>A review of the receivables from non-exchange transactions as disclosed in note 5 to the AFS revealed the following for the R2 412 122 reported:</p> <ol style="list-style-type: none"> 1. No evidence of risk assessing the change receivables based on the risk profile of the debtors into the categories as per the credit control policy was evident. 2. The minimum considerations required in GRAP 104 for impairment were not considered in the determination of the impairment loss. 3. There was no consideration of determining the present value of future cash flows which includes the amount and timing of cash flows for the purposes of impairment. 4. The impact of the time value of money was not considered for the purposes of determining the recoverable amount at reporting date 5. Management has not provided detailed clarity on assumptions, such as why is only debtors over 120 days used, how was the 40% and 10% discount factor determined 6. No evidence that the impact of the VAT effect on the impairment was considered 7. Please refer to the stepwise process below which provides detailed clarity as to why AGSA disagrees with management's calculation of impairment losses. <p>In informing an impairment for receivables a stepwise approach would need to be undertaken to determine the impairment loss. A general provision/ratio (ie. 40% and 10%) is not an appropriate methodology for the impairment loss. Suggested for your understanding is an indication of how the impairment loss/expected loss should be determined:</p>	<p>Inspections of Municipality policy. Review of policy and submit to council for approval by March 2023. Implementation of GRAP 104 requirements.</p> <p>Attend GRAP trainings facilitated by Provincial Treasury and SAICA</p> <p>GRAP 104 will be applied in the interim Financial Statements</p>	<p>Person: NM Myeni</p> <p>Position: CFO</p> <p>By when: 31 March 2023- Policy to council and Interims financial Statement</p>

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
3. Invoices were paid after 30 days period lapsed	During the audit of operating expenditure, it was noted that the municipality did not pay the supplier the amount due within 30 days from the date the invoice was received by the municipality, contrary to section 65(2)(e) of the MFMA. Please refer to the table below regarding the differences:	The municipality has reviewed cost containment policy and there will be more stricter measures in place. Monitoring of payments in done on a regular basis and this is reported on quarterly. Also we are in the process to appoint a debt collector to assist with revenue collection which will allow for suppliers to be paid timeously. The late payment to suppliers was due to cashflow encountered however the municipality has taken a decision to restrict orders issued	Person: Mr N.M Myeni Position: CFO By when: 31 March 2023- Policy Ongoing- Cost containment 30 November 2022- Debt Collector
4. Operational Costs – Classification misstatements	Issue 1: During the audit of IT expenses it was noted that the below were in relation to CCG, of which the municipality has a contract with. Issue 2: Expenditure transactions are incorrectly classified as consumables in the financial statements: Issue 3: The below classification discrepancies were identified in relation to operational costs	Inspect accounts to confirm classification. Propose journals to better classify transaction per their individual line items. Adjust the AFS to better account for classification. Monthly general ledger review, to identify and assess transactions to accounts.	Person: NM Myeni Position: CFO When: 31 March 2023

Nature of Audit Query	Audit Query	Audit Response	Action owner and date						
		Ensure that all transaction are submitted to budget officer to ensure correct vote classification and budget allocation.							
5.Contractd services – Classification misstatements	<p>A high level overview of note 36 contracted services on page 61 of the AFS notes the following:</p> <table><tr><th>Expe nse item</th><th>Amount per note 36</th><th>Auditors comment</th></tr><tr><td>Cateri ng servic es</td><td><p>R3 156 135 (Under outsourced services)</p><p>R1 660 626 (Under consultants and professional fees)</p></td><td>As per the above definition catering services does not fall under the classification of “Outsourced services” and “Consultants and professional services” or as a contracted service as a whole.</td></tr></table>	Expe nse item	Amount per note 36	Auditors comment	Cateri ng servic es	<p>R3 156 135 (Under outsourced services)</p> <p>R1 660 626 (Under consultants and professional fees)</p>	As per the above definition catering services does not fall under the classification of “Outsourced services” and “Consultants and professional services” or as a contracted service as a whole.	<p>Management has revisited the entire population of operational costs and contracted services to ensure that line items are classified correctly</p> <p>Inspect the accuracy of line items disclosed in the AFS for contracted services.</p> <p>Ensure that transactions submitted to budget officer to ensure correct vote classification and budget allocation.</p>	<p>Perso n: NM Myeni</p> <p>Positi on: CFO</p> <p>Date: 31 March 2023</p>
Expe nse item	Amount per note 36	Auditors comment							
Cateri ng servic es	<p>R3 156 135 (Under outsourced services)</p> <p>R1 660 626 (Under consultants and professional fees)</p>	As per the above definition catering services does not fall under the classification of “Outsourced services” and “Consultants and professional services” or as a contracted service as a whole.							
6.Procurement and contract management: Competitive bidding processes not followed and invalid deviation recorded	<p>Upon inspection of the tender documentation and discussions held with management, there was no supporting deviation form and approval for the awards in question. It was concluded that the basis upon which the deviations from the competitive bidding process was not done under any of the above acceptable circumstances from which a deviation would be valid.</p> <p>Based on the above, it was concluded that the application of regulation 36(1)(a) was invalid and therefore competitive bidding processes should have been followed.</p>	These were turnkey appointments done through regulations 36. The municipality will not be procuring through turnkey basis.	<p>Perso n: Mr N Myeni</p> <p>Positi on: CFO</p> <p>Date: 31 Marcg 2023</p>						
7. Procurement and Contract Management:	During the audit of procurement and contract management relating to the construction contracts awarded the following issues were identified:	Expenditure incurred has been transferred from regulation 36 deviations to irregular	Perso n: Mr						

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
Construction contracts awarded to supplier with a CIDB grading lower than the grading specified for the tender.	<p>1. A contract was awarded to a service provider who had a CIDB grading that was lower than the specified minimum CIDB grading for the tender award. As a result, it was concluded that the contract was awarded to a supplier who did not meet the minimum requirements as they did not have the relevant minimum contractor grading for the specific tender.</p> <p>2. A contract was awarded to a service provider who did not provide the proof of registration with the CIDB showing the contractor grading and as a result there was no evidence that the supplier was assessed if they met the requirements before they were awarded the tender.</p> <p>A search was conducted on the CIDB website to obtain the CIDB registration certificate on behalf of the service provider to verify if they have the minimum required grading, however it was noted that no proof of registration was obtained from the CIDB and the supplier did not appear to be registered with the CIDB.</p> <p>As a result, it was concluded that the contract was awarded to a supplier who did not provide the relevant proof of registration with the CIDB.</p>	expenditure	<p>N Myeni</p> <p>Position: CFO</p> <p>By when: 31 March 2023</p>
8. Procurement and Contract Management: Procurement from panel of service providers not competitive	<p><u>Issue 1</u> During the current year audit of procurement and contract management it was identified that contracts were awarded to consultants who form part of the municipality's panel of consultants without following competitive bidding processes.</p> <p>Competition between the contractors in the panel, should occur by requesting quotations either from all the contractors in the panel, or from the contractors selected on a rotational basis based on the relevant requirements of the municipality's SCM policy or other criteria stipulated on the specific framework contract. Rotation referred to above refers to rotating suppliers from whom quotations will be requested. It does not refer to rotating the allocation of work.</p> <p>The usage of a panel of consultants by the municipality should not prevent, restrict or distort competition.</p> <p>Further, in order to demonstrate compliance with the PPPF Act, the evaluation criteria for selecting suppliers from the panel must include price and B-BBEE status level as per the requirements of the Preferential Procurement Regulations.</p>	These were turnkey appointments done through regulations 36. The municipality will not be procuring through turnkey basis.	<p>Person: Mr N Myeni</p> <p>Position: CFO</p> <p>By when: 31 March 2023</p>

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
	<p><u>Issue 2</u></p> <p>The scope of work for tender M26 – 2020/21(appointment of a panel of civil engineering consultants for MIG projects for a period of 36 months) per the tender document reads as follows:</p> <p>The services required will include the following:</p> <p>1.1 Phase one (Before approval of MIG registration)</p> <ul style="list-style-type: none"> Complete MIG registration forms and facilitate the submission thereof to the Provincial MIG office. After all agreement on the project details has been finalised, the consultant must complete technical reports which will be sent with the registration forms. The consultant will have to attend to all MIG registration process and information type queries. <p>1.2 Phase two (After approval of MIG registration)</p> <ul style="list-style-type: none"> Do design; draft tender and construction drawings as well as tender documents to allow the municipality to invite bids.... Evaluation of mainly the technical aspects of the tenders received. The consultants will have to include the supply chain policy sections to show prospective tenderers how their bids will be evaluated. The consultants must make sure that they evaluate the bids and submit the report to the Bid Evaluation Committee for completion purposes. Project management/Contract administration services inclusive of regular inspections, regular progress reports and site meetings, including the payment of certificates as well as liaison with relevant stakeholders. The normal practice for all civil engineering projects as per ECSA guidelines will be followed. The normal projects management function which must be done by the service provider including but is not limited to the following: <ul style="list-style-type: none"> 1.Financial management and reporting 2.Human resource management 3.Scope management 		

Nature of Audit Query	Audit Query	Audit Response	Action owner and date																												
	<p>4.Time management</p> <p>5.Quality management</p> <p>As noted above, the scope of work does not include the performance of construction projects.</p> <p>During the audit, it was identified that the panel of civil engineering consultants was utilised to perform work which is outside of their scope as follows</p> <table> <tr> <th>Tender Number</th><th>Description</th><th>Order amount</th><th>Winning supplier</th></tr> <tr> <td>M01 – 2021/2022</td><td>Mahehe Creche - Ward 1</td><td>R2 521 523,94</td><td>Izinga Holdings</td></tr> <tr> <td>M02 – 2021/2022</td><td>Njomelwane Community Hall - Ward 3</td><td>R3 373 755,00</td><td>Izinga Holdings</td></tr> <tr> <td>M03 – 2021/2022</td><td>Ndundulu Gravel Road - Ward 7</td><td>R7 130 463,45</td><td>BI Infrastructure</td></tr> <tr> <td>M04 – 2021/2022</td><td>Makhubalo Gravel Road - Ward 9</td><td>R3 467 688,21</td><td>Ilifa Africa Engineers</td></tr> <tr> <td>M05 – 2021/2022</td><td>Ntilingane Gravel Road - Ward 12</td><td>R4 845 180,00</td><td>Izinga Holdings</td></tr> <tr> <td>M14 – 2021/2022</td><td>Supply, Delivery and Installation of Park home</td><td>R639 825,01</td><td>ACB Group</td></tr> </table>	Tender Number	Description	Order amount	Winning supplier	M01 – 2021/2022	Mahehe Creche - Ward 1	R2 521 523,94	Izinga Holdings	M02 – 2021/2022	Njomelwane Community Hall - Ward 3	R3 373 755,00	Izinga Holdings	M03 – 2021/2022	Ndundulu Gravel Road - Ward 7	R7 130 463,45	BI Infrastructure	M04 – 2021/2022	Makhubalo Gravel Road - Ward 9	R3 467 688,21	Ilifa Africa Engineers	M05 – 2021/2022	Ntilingane Gravel Road - Ward 12	R4 845 180,00	Izinga Holdings	M14 – 2021/2022	Supply, Delivery and Installation of Park home	R639 825,01	ACB Group		
Tender Number	Description	Order amount	Winning supplier																												
M01 – 2021/2022	Mahehe Creche - Ward 1	R2 521 523,94	Izinga Holdings																												
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M14 – 2021/2022	Supply, Delivery and Installation of Park home	R639 825,01	ACB Group																												

Nature of Audit Query	Audit Query				Audit Response		Action owner and date								
	M17 – 2021/2022	Urban Roads Upgrade - Thubalethu	R7 466 918,08	ACB Group	Turnkey										
	<p>Being that the services being procured were different from those the panel was established to perform, the municipality should have procured these services through a competitive bidding process in line with the terms of the municipality’s SCM policy and SCM regulations.</p> <p>Consequently, the above awards amount to a non-compliance with SCM reg 19(a) and are therefore irregular.</p> <p><u>Issue 3</u></p> <p>The Mthonjaneni Municipality Supply Chain Management Policy does not allow/provide for Turn key appointments. Therefore, there is no defined process and the circumstances under which such appointments need to be done.</p>														
9.Irregular expenditure not prevented	<p>As disclosed in note 49 of the annual financial statements, the municipality incurred irregular expenditure amounting to R22 714 401 (2021: R23 793 678).</p> <p>The breakdown of irregular expenditure is as follows:</p> <table><tr><td>Transgression</td><td>Total expenditure for the year</td></tr><tr><td>Improper composition of Bid Adjudication Committee</td><td>14 409 193</td></tr><tr><td>Non-compliance with local content requirements</td><td>7 866 262</td></tr><tr><td>Non-compliance with tax regulations</td><td>438 945</td></tr></table>				Transgression	Total expenditure for the year	Improper composition of Bid Adjudication Committee	14 409 193	Non-compliance with local content requirements	7 866 262	Non-compliance with tax regulations	438 945	<p>All existing contract that result to irregular expenditure due to the composition of bid documents will be advertised and follow normal SCM process.</p> <p>Local Content-All contracts has expired and new procurement relating to local production is advertised as per threshold requirement.</p>		<p>Person: Mr Nathi Myeni</p> <p>Position: CFO</p> <p>By when: 30 June 2023</p>
Transgression	Total expenditure for the year														
Improper composition of Bid Adjudication Committee	14 409 193														
Non-compliance with local content requirements	7 866 262														
Non-compliance with tax regulations	438 945														
10.Unauthorised expenditure not prevented	<p>As disclosed in note 48 of the annual financial statements, the municipality incurred unauthorised expenditure amounting to R20 450 974.</p>				<p>Budget votes for non-cash items like depreciation and debt impairment to be reviewed</p>		<p>Person: Mr Nathi</p>								

Nature of Audit Query	Audit Query	Audit Response	Action owner and date										
	<p>The unauthorised expenditure was attributable to the following key categories:</p> <ul style="list-style-type: none">• Depreciation and amortisation• Debt write off• Security services• Hire		<p>Myeni</p> <p>Position: CFO By when: 30 June 2023</p>										
11. Fruitless and wasteful expenditure not prevented	<p>As disclosed in note 48 of the annual financial statements, the municipality incurred fruitless and wasteful expenditure amounting to R235 466 (2021: R201 340).</p> <p>Fruitless and wasteful expenditure comprises of interest on overdue accounts.</p> <p>This has resulted in material non-compliance with section 62(1)(d) of the MFMA.</p>	<p>To prepare and implement the cash flow forecast to be more stricter as well as implementation of cost containment regulations.</p>	<p>Person: Mr Nathi Myeni</p> <p>Position: CFO By when: 1/07/2023</p>										
12.Unauthorised, Irregular and Fruitless and wasteful Expenditure (UIFW) incurred in the prior year not investigated by the relevant committee or recovered from liable persons	<p>Issue 1: Unauthorised, irregular as well as fruitless and wasteful expenditure investigation not conducted by a municipal council (MPAC)</p> <p>Review of the “Municipal public accounts committee report” dated 23 August 2022 revealed that the report was actually compiled by the CFO and submitted to MPAC. The report was only in relation to irregular expenditure from prior years as below:</p> <table><tr><th>Category</th><th>2012/2013</th><th>2013/2014</th><th>2014/2015</th><th>2015/2016</th></tr><tr><td>Irregular expenditure</td><td>R24 822 826</td><td>R7 959 605</td><td>R9 023 826</td><td>R20 368 288</td></tr></table> <p>Issue 2: No investigation was thus conducted by the council committee to determine if any persons were liable or monies were to be recovered from the liable persons for the UIFW.</p>	Category	2012/2013	2013/2014	2014/2015	2015/2016	Irregular expenditure	R24 822 826	R7 959 605	R9 023 826	R20 368 288	<p>The UIFW report will be tabled on all MPAC sittings for consideration with recommendation for investigation.</p>	<p>Person: Mr N Myeni</p> <p>Position: CFO Date: 30 June 2023</p>
Category	2012/2013	2013/2014	2014/2015	2015/2016									
Irregular expenditure	R24 822 826	R7 959 605	R9 023 826	R20 368 288									

Nature of Audit Query	Audit Query					Audit Response	Action owner and date
13. Invoices recorded in incorrect accounting period	The below invoices were noted to have an invoice date relating to the 2020/2021 financial year, however disclosed as irregular expenditure for the 2021/2022 financial year.					Irregular expenditure will be recorded on invoices based on accrual basis	Person: Mr N Myeni Position: CFO Date: 31 December 2023
	Account Description	Tran Description	Date of payment	Invoice date	Reference		
	BROCKWELL AUTO ENG.						
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	14 June 2021	6070068		
	SIGCINUBUNYE FUNERAL SERVICES						
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	12 June 2021	6070025		
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	11 June 2021	6070027		
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	03 June 2021 and 12 June 2021	6070028		
	PAYMENT	CRED S/T PAYEMENT	2021/08/06	21 May 2021	10153		
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	29 June 2021	9910		
	MAGUBANE PLANT AND CONTR.						
	PAYMENT	CRED S/T PAYEMENT	2021/07/09	14 June 2021	10012		
	SNOBHO (PTY) LTD						
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	24 June 2021	9864		
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	31 May 2021	9874		

Nature of Audit Query	Audit Query					Audit Response		Action owner and date
	SIGCINUBUNYE FUNERAL SERVICES							
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	03 and 12 June 2021	9990	R14 125		
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	03 June 2021	9992	R14 650		
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	03 and 12 June 2021	60700 25	R16 282		
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	11 June 2021	60700 27	R15 320		
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	03 June 2021 and 12 June 2021	60700 28	R15 952		
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	05 May 2021	9881	R13 132		
	PAYMENT	CRED S/T PAYEMENT	2021/07/09	03 June 2021	9998	R15 054		
	PAYMENT	CRED S/T PAYEMENT	2021/07/09	03 June 2021	9996	R15 510		
	PAYMENT	CRED S/T PAYEMENT	2021/07/09	25 June 2021	9997	R3 007		
	PAYMENT	CRED S/T PAYEMENT	2021/07/09	25 June 2021	10001	R8 252		
	DOLPHIN COAST WASTE MANAGEMENT:							
	PAYMENT	CRED S/T PAYEMENT	2021/07/30	30 June 2021	10064	R67 903,93		
	LEAF TECHNOLOGIES							
	PAYMENT	CRED S/T PAYEMENT	2021/07/06	26 June 2021	9983	R13 543,22		
	SHANTIS ELECTRICAL							
	PAYMENT	CRED S/T PAYEMENT	2021/	19 June	10071	R1 246 894,52		

Nature of Audit Query	Audit Query					Audit Response		Action owner and date
			07/30	2021				
	PAYMENT	CRED S/T PAYEMENT	2021/07/30	15 June 2021	10056	R1 040 826,02		
	Consequently, this results in the current year irregular expenditure being overstated and the prior year understated, additionally no prior period error was disclosed.							
14.Unrecognised contractual commitments incorrectly reported	GRAP 1.124(d)(i) only refers to those contractual commitments that are required to be disclosed in terms of other specific GRAPs, for example: Contractual commitments for the acquisition of property, plant and equipment (GRAP 17.86). The contractual commitments are unrecognised because they represent amounts that will be incurred in future. Audit was provided with a schedule of commitments, which was incomplete upon recalculation thereof. Tabulated below is an understatement of note 41 to the financial statements in an amount of R11,187 million for the sample that was audited.					Adjust AFS Capital Commitment Disclosure and submit and updated Capital Commitment Register Ensure that list of commitments are signed for the Director Technical Services to ensure completeness and accuracy.		Person: NM Myeni Position: CFO By when: 30 June 2023
15.Operating lease commitments	The amount of the municipality's operating lease commitments as disclosed in note 41 of the Annual Financial Statement contains the following misstatement as recalculated by the auditors. The differences are as follows:					Review lease agreements and ensure accurate disclosure and calculation of lease commitments.		Person: NM Myeni Position: CFO By when: 31 March 2023
	Lessor	Lease duration (Months)	Lease expiration	Remainder				
	Wesbank	36	10-Jan-19					
	Konica Minolta	36	28-Feb-24					
	Intermediate Data Technologies(IDT)	36	31-Mar-25					
	LEAF Technologies	12	07-Jun-17					

Nature of Audit Query	Audit Query				Audit Response	Action owner and date
	Audtor recalculation					
	Lessor	Total remaining	< 12 months	> 12 months		
	Wesbank	0	0		0	
	Konica Minolta	566832,63	323904,36		242928,27	
	Intermediate Data Technologies(IDT)	1155657,69	420239,16		735418,53	
	LEAF Technologies	0	0		0	
	AFS					
		Total remaining	< 12 months	> 12 months		
	Wesbank	0	330469,2		991407	
	Konica Minolta	566832,63	323904,36		971713	
	Intermediate Data Technologies(IDT)	1155657,69	638789,4		920397,15	
	LEAF Technologies	0	0		0	
	Difference					
			< 12 months	> 12 months		
			-330469,2		-991407	
			0		-728784,73	
			-218550,24		-184978,62	

Nature of Audit Query	Audit Query		Audit Response		Action owner and date												
		0		0	overstatement												
		-549019,44		-1905170,35													
	As a result, the operating lease commitments disclosed are overstated by R 2 454 189,79																
16.Financial risk management note not agreeing with face of AFS and prior year final AFS – Financial Instruments	Issue 1: The comparative (2021) amount as disclosed in note 40 for Payables from exchange transactions does not agree to the final audited prior year AFS. Difference is as follows: <table><tr><td>Prior year AFS (adjusted)</td><td>24 761 570</td></tr><tr><td>Current year AFS comparative as per note 40</td><td>29 178 566</td></tr><tr><td>Difference</td><td>- 4 416 996</td></tr></table> Issue 2: The amount per the financial risk management note (note 40) differs from amount presented on the face of the financial statements as follows: <table><tr><td>AFS Note 40</td><td>30 626 497</td></tr><tr><td>Statement of Financial Position (aligned with note 12)</td><td>44 014 904</td></tr><tr><td>Difference</td><td>- 13 388 407</td></tr></table>		Prior year AFS (adjusted)	24 761 570	Current year AFS comparative as per note 40	29 178 566	Difference	- 4 416 996	AFS Note 40	30 626 497	Statement of Financial Position (aligned with note 12)	44 014 904	Difference	- 13 388 407	The difference were due to late adjustments and we will ensure that proper adjustments is done.		Person: Mr MN Myeni Position: CFO By when: 30 March 2023
Prior year AFS (adjusted)	24 761 570																
Current year AFS comparative as per note 40	29 178 566																
Difference	- 4 416 996																
AFS Note 40	30 626 497																
Statement of Financial Position (aligned with note 12)	44 014 904																
Difference	- 13 388 407																

Nature of Audit Query	Audit Query	Audit Response	Action owner and date												
	<p>Issue 3: The comparative (2021) amount as disclosed in note 40 for Trade and Other Receivables from exchange transactions does not agree to the final prior year AFS. Difference is as follows:</p> <table><tr><td>Note 40 comparative in current year AFS</td><td>8 571 047</td></tr><tr><td>Comparative as per the Statement of Financial Position</td><td>7 832 513</td></tr><tr><td></td><td>738 534</td></tr></table> <p>Issue 4: The comparative (2021 FY) amount as disclosed in note 40 for other receivables from non-exchange transactions does not agree to the final prior year AFS. Difference is as follows:</p> <table><tr><td>Note 40 comparative in current year AFS</td><td>22 748 932</td></tr><tr><td>Comparative as per the Statement of Financial Position</td><td>24 380 127</td></tr><tr><td></td><td>- 1 631 195</td></tr></table> <p>As a result, the financial statements are misstated due to the inconsistencies identified.</p>	Note 40 comparative in current year AFS	8 571 047	Comparative as per the Statement of Financial Position	7 832 513		738 534	Note 40 comparative in current year AFS	22 748 932	Comparative as per the Statement of Financial Position	24 380 127		- 1 631 195		
Note 40 comparative in current year AFS	8 571 047														
Comparative as per the Statement of Financial Position	7 832 513														
	738 534														
Note 40 comparative in current year AFS	22 748 932														
Comparative as per the Statement of Financial Position	24 380 127														
	- 1 631 195														
17.Financial risk management note not agreeing with face of AFS – Risk Management	<p>The amount per disclosure note 44 to the financial statements does not agree to the amount disclosed in the Statement Financial Position for Payables from exchange transaction. Difference is as follows:</p> <table><tr><td>Note 44</td><td>30 626 497</td></tr><tr><td>Statement of Financial Position</td><td>44 014 904</td></tr><tr><td>Difference</td><td>- 13 388 407</td></tr></table> <p>As a result, the financial statements are misstated.</p>	Note 44	30 626 497	Statement of Financial Position	44 014 904	Difference	- 13 388 407	The difference were due to late adjustments and we will ensure that proper adjustments is done	Person: Mr NM Myeni Position: CFO Date: 30						
Note 44	30 626 497														
Statement of Financial Position	44 014 904														
Difference	- 13 388 407														

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
			March 2023
18. Incorrect classification of other assets	<p>A high-level overview of the fixed asset register, other assets, identified the following:</p> <p>a. The class of other assets on the AFS and FAR does not meet the requirements of GRAP 17 as it is not a grouping of assets of a similar nature of function in an entity's operations.</p> <p>b. There are items relating to other assets that should have been classified within other classification categories as per the fixed asset policy</p>	Inspection of FAR, Inspection of AFS (disclosure grouping), and scrutiny of the changes required on FAR or AFS.	<p>Person: NM Myeni</p> <p>Position: CFO</p> <p>By when: 30 March 2023</p>
19. Reported achievement does not agree to supporting schedule	<p>- Processes to evaluate performance at the end of a service delivery period".</p> <p>The audit of performance information against predetermined objectives for the selected development priority "Basic service delivery and infrastructure development" as presented in the annual performance report (APR), revealed that reported achievements in the APR did not agree with the evidence provided</p>	<p>The Municipality will ensure that thorough review of Quarterly Performance Reports is conducted each quarter. The Municipality to follow APR reporting standard as per s46 of the Municipal Systems Act of 2000.</p> <p>The Annual Performance Report will be developed and be submitted to MANCO, Internal Auditor and Audit Committee prior the AG Submission</p>	<p>Person: L Nyawose</p> <p>Position: IDP/P MSM</p> <p>By when: 30 June 2023</p>
20. Indicator included in the initial planned strategic objective as per approved service delivery and budget implementation plan (SDBIP) but not in the annual	The audit of the reported performance information against predetermined objectives (AoPO) revealed the indicators in the approved initial service delivery and budget implementation plan (SDBIP) and was not included in the revised SDBIP and not reported on in annual performance report (APR):	The Municipality will ensure that thorough review of Quarterly Performance Reports is conducted each quarter. The Municipality to follow APR reporting standard as per s46 of the Municipal Systems Act of 2000.	<p>Person: L Nyawose</p> <p>Position: IDP/P MSM</p> <p>By when:</p>

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
performance report (APR)		The Annual Performance Report will be developed and be submitted to MANCO, Internal Auditor and Audit Committee prior the AG Submission	30 June 2023
21. Portfolio of evidence not relevant to the indicator	During the planning stage of the audit the below description was provided by management as part of the business process regarding "Prepare and submit 11 reports annually for electricity meter auditing to Manco, portfolio, exco and council by 30 June 2022." – This was provided as part of request for information 07 issued on 07 issued on 31 August 2022.	<p>The Municipality will ensure that thorough review of Quarterly Performance Reports is conducted each quarter. The Municipality to follow APR reporting standard as per s46 of the Municipal Systems Act of 2000.</p> <p>The Annual Performance Report will be developed and be submitted to MANCO, Internal Auditor and Audit Committee prior the AG Submission</p>	<p>Person: L Nyawose</p> <p>Position: IDP/P MSM</p> <p>By when: 30 March 2023</p>
22. AoPO: Performance indicator not verifiable	indicators that were identified as being not being verifiable:	<p>The Municipality will ensure that when developing indicators Framework for Managing Programme Performance Information 3.2 is considered to ensure that indicators meet the minimum criteria.</p> <p>The Municipality will also ensure that during the Revision of the SDBIP all core functions are included in the SDBIP considering Municipal Systems Act, in the manner that will be commensurate with the</p>	<p>By whom: By whom: L Nyawose</p> <p>Position: IDP/P MSM</p> <p>Person: By when: 30 June 2023</p>

Nature of Audit Query	Audit Query				Audit Response	Action owner and date
					municipality resources	
23. AOPO: Performance indicators not well-defined	each target of the indicator collectively gives meaning to the indicator as it specifies what level of performance the auditee will strive to achieve. One cannot exist without the other. It addresses some of the core components that enable an indicator to be well-defined				<p>The Municipality will ensure that when developing indicators Framework for Managing Programme Performance Information 3.2 is considered to ensure that indicators meet the minimum criteria.</p> <p>The Municipality will also ensure that during the Revision of the SDBIP all core functions are included in the SDBIP considering Municipal Systems Act, in the manner that will be commensurate with the municipality resources</p>	By whom : L Nyawose Person: Position: IDP/PSM By when: 30 June 2023
24. Consistency – Reported achievement not consistent with planned and reported indicator and targets	inconsistency between the reported achievement and planned target and indicator				<p>The Municipality will ensure that thorough review of Quarterly Performance Reports is conducted each quarter. The Municipality to follow APR reporting standard as per s46 of the Municipal Systems Act of 2000.</p> <p>The Annual Performance Report will be developed and be submitted to MANCO, Internal Auditor and Audit Committee prior the AG Submission</p>	
25. Performance indicator does not have an	Reported indicators per APR	Planned targets per annual	Planned targets	Reported actual achievement per	The Municipality will ensure that thorough review of Quarterly Performance Reports is	By whom : L

Nature of Audit Query	Audit Query				Audit Response	Action owner and date
achievement on APR		planning document	per APR	APR	<p>conducted each quarter. The Municipality to follow APR reporting standard as per s46 of the Municipal Systems Act of 2000.</p> <p>The Annual Performance Report will be developed and be submitted to MANCO, Internal Auditor and Audit Committee prior the AG Submission</p>	<p>Nyawose</p> <p>By when: 30 November 2022</p>
	Provide affordable Services to Indigent Community by ensuring that 2000 households have access to Free basic electricity services in terms of the Indigent Policy by 30 June	2000 Unit of measurement in the SDBIP states "number of households"	2000 Unit of measurement in the SDBIP states "number of households"	Annual achievement column not filled in.		
26. A comparison of the performances with targets set for performances in the previous financial year not included in the current APR	<p>Comparison of the audited 2020/2021 annual performance report (APR) against the 2021/2022 approved service delivery and budget implementation plan (SDBIP) and 2021/2022 APR revealed that indicators in the prior year that were not achieved have not been included in the current year SDBIP and APR.</p>				<p>The Municipality will ensure that thorough review of Quarterly Performance Reports is conducted each quarter. The Municipality to follow APR reporting standard as per s46 of the Municipal Systems Act of 2000.</p> <p>The Annual Performance Report will be developed and be submitted to MANCO, Internal Auditor and Audit Committee prior the AG Submission</p>	<p>By whom: L Nyawose Person: Position: IDP/P MSM</p> <p>By when: 30 November 2022</p>
27. Reported achievements cannot be confirmed	<p>Issue 1: During the testing of the POE submitted, further discrepancies were identified in addition to the findings relating to consistency, measurability and presentation and disclosure as communicated in Comaf 26, which materially affects the accuracy, validity, and completeness of the reported</p>				<p>The Municipality will ensure that thorough review of Quarterly Performance Reports is conducted each quarter. The</p>	

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
	<p>achievement.</p> <p>Issue 2: Verification of consultants work and implementation of controls</p> <p>a. For the above projects, it was identified that none of the progress reports and design reports had any indication that the work complete was verified by the municipality, such as being signed and dated by the technical director.</p> <p>b. During the audit process, it was noted that supporting schedules are kept by the consultants, indicating that management is not actively being aware of matters such as, which households has already been energised by Eskom, which specific households have been energised and when. Schedules should be updated and confirmed to be valid by the municipality when applicable.</p> <p>As much as it is noted that these projects are handled by the consultants, the projects are still municipal projects. Budgeted allocation, amounts paid should be compared against work conducted and verifying the work conducted.</p> <p>c. The identification of households needing electricity connections is conducted during the pre-marketing stage, however, there is no evidence to support this, such as forms being filled in by the household owner, etc.</p>	<p>Municipality to follow APR reporting standard as per s46 of the Municipal Systems Act of 2000.</p> <p>The Annual Performance Report will be developed and be submitted to MANCO, Internal Auditor and Audit Committee prior the AG Submission</p>	
<p>28.Non-compliance with indigent policy and Reported achievement of "Provide affordable Services to Indigent Community by ensuring that 2000 households have access to Free basic electricity services in terms of the Indigent Policy by 30 June" cannot be confirmed</p> <p>1.</p>	<p>Issue 1: Non-compliance with indigent policy</p> <p>As per the indigent policy, all indigent consumers shall receive the allocated 50kwh Free Basic Electricity per month as determined by National Government, however during the planning stage of the audit it was identified that that in areas where the municipality provides electricity FBE is not provided to the applicable indigents.</p> <p>Issue 2: Indigent register contains indigents from ESKOM which are not municipal approved</p> <p>During the audit of performance indicators Provide affordable Services to Indigent Community by ensuring that 2000 households have access to Free basic electricity services in terms of the Indigent Policy by 30 June, it was identified that indigents as per Eskom's supporting schedule are included in the municipal indigent register.</p>	<p>Issue 1- All customers within ward 2 and ward 3 where the municipality provides electricity households are provided with FBE</p> <p>Issue 2: The municipality will consider sourcing out a vendor to do vetting for all customers in the registeris in the process</p> <p>Issue 3: Review the 122 ID Isuee</p> <p>Issue 4-5: Appoint service provider to review indigent register</p>	<p>By whom : NM Myeni Person: Position: CFO By when: 1- Ongoing Issue 2 -30 June</p>

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
	<p>The municipality does not have the applicant forms for these indigents nor are the approved by the municipality or inspected against municipal indigent criteria.</p> <p>Issue 3: Individuals receiving FBE not on indigent register</p> <p>In assessing the validity, accuracy and completeness of the reported achievement for indicator: Provide affordable Services to Indigent Community by ensuring that 2000 households have access to Free basic electricity services in terms of the Indigent Policy by 30 June, the following was executed and identified.</p> <p>Compared the Eskom schedule IDs to the indigent register and noted that 112 ID's do not appear Compared the Eskom schedule IDs to the indigent register and noted that 112 ID's do not appear.</p> <p>Issue 4: Indigent application discrepancies</p> <p>Issue 5: Other discrepancies identified</p> <p>a. The indigent register nor the application forms state the municipal account numbers, where a the policy states that "A copy of the most recent municipal account of the property or the correct account number and meter numbers where applicable".</p> <p>This limits the auditor in confirming where other aspects of the indigent policy is adhered to – adherence to property rates and refuse removal. Additionally, ID numbers could not be used to trace to the debtors schedule – Please refer to Comaf 17 relating to debtors IDs.</p> <p>b. All of the above application forms were from 2017/2018, there is no indication that the register is being updated year as per section 10 of the indigent policy "Indigent relief support beneficiaries register shall be reviewed and approved by the council yearly to eliminate all unqualifying beneficiaries as identified during that particular year and to add any new qualifying beneficiaries to the register"</p> <p>Consequently, all of the above results in material misstatement of the scoped development priority - Basic service delivery and infrastructure development</p>		<p>2023</p> <p>Issue 3-30 March 2023</p> <p>Issue 4-5: 30 June 2023</p>

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
30. Presentation and disclosure discrepancies identified in the Annual Performance Report	A review of the annual performance report (APR) revealed that there are targets that are not achieved and measures to improve performance have been disclosed adequately and/or supporting evidence to corroborate these measures has not been provided to the auditors.	<p>The Municipality will ensure that thorough review of Quarterly Performance Reports is conducted each quarter. The Municipality to follow APR reporting standard as per s46 of the Municipal Systems Act of 2000.</p> <p>The Annual Performance Report will be developed and be submitted to MANCO, Internal Auditor and Audit Committee prior the AG Submission</p>	By whom : L Nyawose Position: IDP/PM Manager
31. Indicators for core functions discrepancies 2.	<p>Review of the APR and SDBIP identified that the municipality included the below indicators:</p> <ol style="list-style-type: none"> 1. Provision of waste collection in Mthonjaneni Area. 2. Provide affordable Services to Indigent Community by ensuring that 2000 households have access to free basic electricity services in terms of the Indigent Policy by 30 June <p>Management has included the relevant indicator in the SDBIP, the unit of indicator/unit of measurement is based on a number and not percentage over total number of households.</p>	<p>The Municipality will ensure that when developing indicators Framework for Managing Programme Performance Information 3.2 is considered to ensure that indicators meet the minimum criteria.</p> <p>The Municipality will also ensure that during the Revision of the SDBIP all core functions are included in the SDBIP considering Municipal Systems Act, in the manner that will be commensurate with the municipality resources</p>	By whom : L Nyawose Position: IDP/PM Manager

Nature of Audit Query	Audit Query				Audit Response	Action owner and date
31. 32. Annual Financial Statements (AFS) high level overview findings	32. a) Index page includes abbreviation for items that are not relevant to Mthonjaneni Local Municipality:				A proper review of AFS will be done before submission to AG	Person: Mr NM Myeni Position: CFO By when: 30 March 2023
		Abbreviation	Description	Auditors comment		
		SA GAAP	South African Statements of General Accepted Accounting Practice	The applicable financial reporting framework for municipalities is GRAP therefore, SA GAAP is not relevant		
		DBSA	Development Bank of South Africa	The abbreviation/description is not used in the AFS therefore is not relevant		
		mSCOA	Municipal Standard Chart of Accounts	The abbreviation/description is not used in the AFS therefore is not relevant		
	b) Amount as per prior year AFS does not agree to current year comparative c) Prior year contingent liability not disclosed d) Incorrect classification in AFS in relation to Employee benefit obligation e. Incorrect classification in AFS in relation to revenue – Licences and permits f) No disclosure for change in estimate note: Upon examination of the fixed asset register (FAR) and conditional assessment performed by management and the consultants, it was identified that numerous assets were reassessed to have a change in useful life, however, there is no change in estimate note in the AFS. g) New GRAP requirements not disclosed It was noted that the municipality did not disclose New standards and interpretations, which includes: i. Standards and interpretations effective and adopted in the current year and ii. Standards and interpretations issued, but not yet effective Some standards and interpretations issued, but not yet effective would include: • GRAP 25 (as revised): Employee Benefits • iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction • GRAP 104 (as revised): Financial Instruments iGRAP 21: The Effect of Past Decisions on Materiality					

Nature of Audit Query	Audit Query	Audit Response	Action owner and date																												
33. Incomplete information pertaining the useful life of assets on the fixed asset register- Community assets (additions)	Issue 1: During the audit of the property, plant and equipment, it was identified that for the below newly acquired assets the useful life was not stated.	Proper review of AFS will be done	30 March 2023																												
	<table><tr><th>No.</th><th>Assets description</th><th>Asset Barcode</th><th>Purchase date</th></tr><tr><td>1.</td><td><ul style="list-style-type: none">Mpevu hall- Main building hall</td><td>MPE00001E</td><td>2022/06/0</td></tr><tr><td></td><td><ul style="list-style-type: none">Ntombokazi hall- Main building</td><td>NT0000005</td><td>2022/06/1</td></tr></table>			No.	Assets description	Asset Barcode	Purchase date	1.	<ul style="list-style-type: none">Mpevu hall- Main building hall	MPE00001E	2022/06/0		<ul style="list-style-type: none">Ntombokazi hall- Main building	NT0000005	2022/06/1																
	No.			Assets description	Asset Barcode	Purchase date																									
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				<ul style="list-style-type: none">Ntombokazi hall- Main building	NT0000005	2022/06/1																									
	Issue 2: Inspection of note 1.7, page 16 of the annual financial statements as at 30 June 2022 and pages 17-22 of annexure A of the municipality's fixed asset policy, identified differences in the remaining useful life as per the policy and the AFS.																														
	<u>Annual financial statements</u>																														
	<u>Accounting Policies</u>																														
	<hr/>																														
	1.7 Property, plant and equipment (continued)																														
<hr/>																															
<table><tr><th>Item</th><th>Depreciation method</th><th>Average useful life</th></tr><tr><td>Land</td><td></td><td>Indefinite</td></tr><tr><td>Buildings</td><td>Straight-line</td><td>15- 30 Years</td></tr><tr><td>Machinery and equipment</td><td>Straight-line</td><td>10 Years</td></tr><tr><td>Furniture and fixtures</td><td>Straight-line</td><td>2-15 Years</td></tr><tr><td>Transport Assets</td><td>Straight-line</td><td>7 Years</td></tr><tr><td>Computer equipment</td><td>Straight-line</td><td>3- 5 Years</td></tr><tr><td>Infrastructure</td><td>Straight-line</td><td>10- 15 Years</td></tr><tr><td>Community</td><td>Straight-line</td><td>25 Years</td></tr><tr><td>Other property, plant and equipment</td><td>Straight-line</td><td>30 Years</td></tr></table>		Item	Depreciation method	Average useful life	Land		Indefinite	Buildings	Straight-line	15- 30 Years	Machinery and equipment	Straight-line	10 Years	Furniture and fixtures	Straight-line	2-15 Years	Transport Assets	Straight-line	7 Years	Computer equipment	Straight-line	3- 5 Years	Infrastructure	Straight-line	10- 15 Years	Community	Straight-line	25 Years	Other property, plant and equipment	Straight-line	30 Years
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Infrastructure	Straight-line	10- 15 Years																													
Community	Straight-line	25 Years																													
Other property, plant and equipment	Straight-line	30 Years																													
<u>Accounting policy - NB below are examples and not all differences identified</u>																															

Nature of Audit Query	Audit Query	Audit Response		Action owner and date							
	Electrical infrastructure										
	A. INFRASTRUCTURE ASSETS										
	◆ Electrical Infrastructure										
	LV Networks		10 - 50								
	MV Networks		10 - 50								
	HV Switching Stations		10 - 50								
	HV Transmission Conductors		10 - 50								
	MV Switching Stations		10 - 50								
	Power Plants		10 - 50								
	HV Substations		10 - 50								
MV Substations		10 - 50									
	Road infrastructure										
34. Misstatements identified relating to property, plant and equipment write-off	<p>Issue 1: During the business process of the property, plant, and equipment, it was identified that the asset stated below was reported stolen and removed from the FAR without a written instruction by the CFO and approval by Council. Additionally, inspection of the statement of financial performance of the annual financial statements identified that the write-off was not accounted for.</p> <table><tr><th>No.</th><th>Assets description</th><th>Amount</th><th>Asset Barcode</th></tr><tr><td>1.</td><td><ul style="list-style-type: none">Dell Vostro 5501 laptop -stolen</td><td>R19499.00</td><td>07956</td></tr></table>	No.	Assets description	Amount	Asset Barcode	1.	<ul style="list-style-type: none">Dell Vostro 5501 laptop -stolen	R19499.00	07956	<p>Inspection of FAR, Inspection of Assets Lost during the year, and scrutiny of the changes required on FAR or AFS. Assets to be written off will be submitted to council for write off</p>	<p>By whom Person: NM Myeni Position: CFO By when: 30 June 2023</p>
No.	Assets description	Amount	Asset Barcode								
1.	<ul style="list-style-type: none">Dell Vostro 5501 laptop -stolen	R19499.00	07956								

Nature of Audit Query	Audit Query			Audit Response	Action owner and date								
	Issue 2: A write-off schedule was not provided/maintained by the municipality. Consequently, we are unable to confirm the completeness of the FAR and other write-offs				Write offs- March 2023								
35.Movable asset purchased during the 2021/2022 financial year not depreciated Audit Finding	During the audit of the property, plant and equipment, it was identified that the asset stated below which was purchased during the 2021/2022 financial year was not depreciated and resulted in no change of the asset's book value. <table><tr><th>N o.</th><th>Assets description</th><th>Amount</th><th>Asset Barcode</th></tr><tr><td>1.</td><td><ul style="list-style-type: none">Dell Vostro core 15 Computer equipment</td><td>R18857.00</td><td>08568</td></tr></table> Consequently, this results in the closing balances of PPE being overstated			N o.	Assets description	Amount	Asset Barcode	1.	<ul style="list-style-type: none">Dell Vostro core 15 Computer equipment	R18857.00	08568	Inspection of FAR, Inspection of depreciation for all assets, and make necessary adjustments	By whom Person: NM Myeni Position: CFO By when: 30 March 2023
N o.	Assets description	Amount	Asset Barcode										
1.	<ul style="list-style-type: none">Dell Vostro core 15 Computer equipment	R18857.00	08568										
36.Assets barcode number on the assets doesn't agree to barcode number on the Fixed asset register- Electrical Infrastructure assets and other assets -	During the audit of property, plant and equipment, it was identified that the assets barcode number of the electrical infrastructure assets does not agree to the barcode number on the fixed asset register			Inspection of FAR and all assets will be barcoded or marked/painted with barcode number for identification	By whom : Person: NM Myeni Position: CFO By when: 30 June 2023								
37. Incorrect presentation of working in progress on annual financial statements note 9	During a high level overview of PPE disclosure note 9, the following was identified: a. <table><tr><th>Financial statement item</th><th>Auditors comment</th></tr><tr><td></td><td></td></tr></table>			Financial statement item	Auditors comment			Resolved Inspection of FAR (WIP disclosure), and scrutiny of the changes required on FAR or AFS. Will ensure consistence disclosure in the interims and AFS	By whom : Person: NM Myeni Positi				
Financial statement item	Auditors comment												

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
	<p>Property, plant and equipment – work in progress</p> <p>Disclosure note is not in accordance with GRAP 17, work in progress is incorrectly presented as a class of asset.</p> <p>In terms of the GRAP 17(87)(a) requirements ,WIP must not be shown as a PPE class on the main note.</p> <p>i.e. an entity should not present land, buildings, vehicles, infrastructure, work-in-progress, etc. The work-in-progress should be allocated to the asset classes it relates to.</p> <p>The work-in-progress information can be presented in different ways e.g. a sub-note on the cumulative carrying values of capital work-in-progress at reporting date, a separate line in the reconciliation of carrying values per class of assets for the current year work-in-progress costs, etc.”</p>		<p>on: CFO By when: 30 March 2023</p>
	<p>b. Reconciliation of Work-in-Progress 2022 on page 48 of the AFS includes the transfer of R10 149 655 in electrical infrastructure rather than community assets as per the FAR and main note.</p>		

Nature of Audit Query	Audit Query	Audit Response	Action owner and date																														
	<div>Reconciliation of Work-in-Progress 2022</div> <table><thead><tr><th></th><th>Included within Electrical Infrastructure</th><th>Included within Community Assets</th><th>Included within Road Infrastructure</th><th>Included within Other Assets</th><th>Total</th></tr></thead><tbody><tr><td>Opening balance</td><td>42 019 127</td><td>9 431 885</td><td>9 145 419</td><td>-</td><td>60 596 431</td></tr><tr><td>Additions/capital expenditure</td><td>18 368 934</td><td>4 936 298</td><td>17 768 657</td><td>-</td><td>41 073 889</td></tr><tr><td>Transferred to completed items</td><td>(10 149 655)</td><td>-</td><td>-</td><td>-</td><td>(10 149 655)</td></tr><tr><td></td><td>50 238 406</td><td>14 368 183</td><td>26 914 076</td><td>-</td><td>91 520 665</td></tr></tbody></table> <div>c. The reconciliation further contains an error in that the heading suggest that the WIP amount has been included in the asset class balances in the main note which is not the case. Currently, WIP has been disclosed separately and not included within any asset class.</div> <div>Consequently, this results in a material classification misstatement.</div>		Included within Electrical Infrastructure	Included within Community Assets	Included within Road Infrastructure	Included within Other Assets	Total	Opening balance	42 019 127	9 431 885	9 145 419	-	60 596 431	Additions/capital expenditure	18 368 934	4 936 298	17 768 657	-	41 073 889	Transferred to completed items	(10 149 655)	-	-	-	(10 149 655)		50 238 406	14 368 183	26 914 076	-	91 520 665		
	Included within Electrical Infrastructure	Included within Community Assets	Included within Road Infrastructure	Included within Other Assets	Total																												
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Transferred to completed items	(10 149 655)	-	-	-	(10 149 655)																												
	50 238 406	14 368 183	26 914 076	-	91 520 665																												
38. Property, plant and equipment – Inconsistency in disclosure note	<div>Issue 1: Inspection of note 9, Reconciliation of property, plant and equipment – 2022 on page 46 versus Reconciliation of property, plant and equipment – 2021 on page 47, identified that “Other changes, movements” does not appear in the Reconciliation of property, plant and equipment – 2022 on page 46.</div> <div>This has resulted in the Solid waste infrastructure (Transfer station) rehabilitation provision adjustment of R223 626 being incorrectly disclosed as an addition.</div> <div>Reconciliation of property, plant and equipment – 2022 on page 46</div>	<div>Resolved:Adjust AFS</div> <div>Review line items and FAR</div>	<div>By whom : Person: Mr NM Myeni Position: CFO By when: 30 June 2023</div>																														
39. Property, plant and equipment – Overstatement of	<div>During the audit of management experts, property, plant and equipment and cash flow statement, it was identified that the closing balance of R913 767, in relation to solid waste infrastructure is overstated.</div> <div>The interest cost of R163 338 from the expert report as at 31 June 2021 was not expensed but rather</div>	<div>Review of FAR and Disclosure Note, recalculate amounts to be Resolved:included in disclosure</div>	<div>By whom :</div>																														

Nature of Audit Query	Audit Query	Audit Response	Action owner and date								
solid waste infrastructure	added to the asset. M	note and update AFS. Action will be reviewed during interim financial statementsw	Person: Mr NM Myeni Position: CFO By when: 30 March								
40. Employee cost – Employee not included in terminations listing	<p>The employee below was terminated in March/April 2022, however, was not included in the list of terminations as of 30 June 2022.</p> <table><tr><th>Details</th><th></th></tr><tr><td>Name</td><td>WB DUBE</td></tr><tr><td>Employee number</td><td>2017596</td></tr><tr><td>Position</td><td>IDP manager</td></tr></table>	Details		Name	WB DUBE	Employee number	2017596	Position	IDP manager	Resolved The termination list will be updated as employees resign from the municipality.	By whom : Person: Nonto Mathe Position: Direct or Corporate Services By when: 30 January 2023
Details											
Name	WB DUBE										
Employee number	2017596										
Position	IDP manager										
41. Job advertisement states that employee is entitled to travel allowance however this is not included in the employment contract	Inspection of the job advertisement of the below employee, noted that the job was advertised with a travel allowance, additionally paragraph 3, page 3, of the municipalities car allowance policy states that all managers are entitled to a car allowance. However, inspection of the employee contract revealed that it does not stipulate that the employee is entitled to a car allowance.	Check all employment contracts that there is consistency in information contained.	By whom : Person: Nonto Mathe Position:								

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
			on: Direct or Corporate Services By when: 30 June 2023
42. Standby allowance not as per municipal policy	During the audit of employee cost allowances, it was noted that for the below employee, a set standby allowance of R3000 per month was provided for effective from 01 March 2021, as per the internal memo provided. This contravenes the collective agreement above. The internal memo does not stipulate the terms and conditions of the standby allowance nor an end date, additionally, there is no indication of how the amount of R3000 a month was determined.	To review the Standby Allowance Policy	By whom : Person: Mrs Nonto Mathe Position: Direct or Corporate Services By when: 30 May 2023
43. Remuneration of councillors not as per Government Gazette No. 43246 issued on 24 April 2020	Issue 1: Based on the auditors recalculation, the municipality is a grade 3, however on page 1 of the annual financial statements, it is disclosed that the municipality is a grade 1. Issue 2: During the completeness testing of councillors, it was identified that the below councillor is not disclosed on the AFS, page 1.	Issue 1: Management notes the finding; however Management disagrees. In accordance with the Government Gazette No. 43246 issued on 24 April 2020, councillors remuneration grading calculation is based on	Name: NM Myeni Position: CFO

Nature of Audit Query	Audit Query						Audit Response	Action owner and date
		Name	Surname	Position	Committee Designation		the allocation of the total number of points with regards to the municipal status, income and total population formula. These are then utilized to determine the grade grouping of the councillors remuneration. Supporting calculations and approval by the MEC will be provided to the Auditor General.	Date: Issue 2 March 2023
		Msawenkosi James	Xulu	PR	Exco member & Technical and Planning Services Portfolio Committee	Aug-16	Full time	
							Issue 2: Management notes and agrees with the finding. Management will ensure that the erroneous omission is rectified. Proof of evidence will be submitted to the Auditor General	
44.EMPLOYEE COSTS: Employee contract and appointment letter not signed by the directors	During the audit of employee cost, the below discrepancies were identified:						Inspection of all employment contracts. Investigation of contracts not signed. Sign contracts where identified not to be signed	By whom Person: NB Mathe Position: Direct or Corporate By when: 29 February 2023
	Employee no.	Employee name	Appointment date	Occupation	Department / section	Auditor		
	2021 631	SR Mhlongo	01/07/2021	Budget Officer	Financial Services	Employed by the		
45.Procurement and contract	Issue 1: The initial contract with CCG was from 01 December 2016 to 30 June 2020. The contract with CCG was extended for a 2 year period commencing 01 July 2020 and ending 30 June 2022. However						Municipality will have one consolidated register which will	By whom

Nature of Audit Query	Audit Query						Audit Response	Action owner and date												
management: Incomplete contract register	<p>upon inspection of the contract register as at 30 June 2022 for all the contracts that were effective from 01 July 2021 to 30 June 2022, it was noted and confirmed that the contract with CCG was not recorded on the contract register.</p> <p>This results in an incomplete contract register, which may affect management's ability to effectively manage contracts.</p> <p>Details of the outstanding contract</p> <table><tr><th>Transversal Contract No:</th><th>Supplier name</th><th>Extension commencement date</th><th>Contract end date</th><th>Contract Duration</th><th>Order amount (including VAT)</th></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>						Transversal Contract No:	Supplier name	Extension commencement date	Contract end date	Contract Duration	Order amount (including VAT)							include current and expired contracts	: Person: Mr N Myeni Position: CFO By when: 30 March 2023
Transversal Contract No:	Supplier name	Extension commencement date	Contract end date	Contract Duration	Order amount (including VAT)															

Nature of Audit Query	Audit Query						Audit Response	Action owner and date
	RT25-2016	CCG Systems (Pty) Ltd	01 July 2020	30 June 2022	24 months	R 3 3 2 5 8 2 5		
46.Internal control deficiency: Recommended party not on list of suppliers who submitted quotations	During the inspection of the evaluation report for quotation with bid reference No: M014 - 2021/2022, it was noted that bids submitted by the services providers were evaluated of which the appropriate bidder was selected and provided with the award letter.						Ensure all capturing reviewing of all SCM quotation information	By whom Person: Mr M.N Myeni Position: CFO By when: 28 February 2023
47.DTI not notified of successful bidder for local production and content procurement	During the audit of local production and content, it was noted that the Department of Trade and Industry (DTI) was not notified of the successful bidder and the value of the contracts for local production and content bids awarded. The municipality also did not submit the copies of the contracts and the SBD 6.2 certificate of the successful bidder to the DTI.						All local content procurement will be reported to DTI	By whom Person: Mr Myeni Position: CFO By when: 30 March 2023

Nature of Audit Query	Audit Query	Audit Response	Action owner and date								
48.Procurement and contract management: Overstatement on the deviations amount disclosed on the Annual Financial Statements for the year ended 30 June 2022.	<p>Upon further inspection of the details relating to the order number PO09916 for the purchase of Microsoft 365 Business Standard communication from ECC Technologies CC it was noted that the status of the purchase was "not processed" as at 07 November 2022 and as a result it was confirmed that the goods were not ordered and were not paid for and the expenditure was therefore not incurred as at 30 June 2022.</p> <p>This resulted in a misstatement on the total amount of the deviations and as a result the amount of R31 367 750 disclosed under note 51 to the Annual Financial Statements for the year ended 31 June 2022, was overstated by an amount of R297 377,47.</p> <p>Details of the misstatement</p> <table border="1"> <thead> <tr> <th>Supplier Name</th><th>PO Number</th><th>PO Status</th><th>Description</th></tr> </thead> <tbody> <tr> <td>ECC Technologies</td><td>PO09916</td><td>Not Processed</td><td>Microsoft 365 Business Standard</td></tr> </tbody> </table>	Supplier Name	PO Number	PO Status	Description	ECC Technologies	PO09916	Not Processed	Microsoft 365 Business Standard	<p>Resolved:The amount of the disclosure note for regulation 36 deviations will be corrected</p> <p>Review deviations register</p>	<p>By whom : Person: Mr N Myeni Position: CFO By when: 30 March 2023</p>
Supplier Name	PO Number	PO Status	Description								
ECC Technologies	PO09916	Not Processed	Microsoft 365 Business Standard								
49.Invoices not stamped to confirm date of receipt	During the audit of operating expenditure, it was noted that the municipality did not pay the supplier the amount due within 30 days from the date the invoice was received by the municipality, contrary to section 65(2)(e) of the MFMA. Please refer to the table below regarding the differences:	Inspection of invoices received. Random monthly testing of invoices to ensure they are date stamped. Inspection and investigation of invoices not paid within 30 days.	By whom Person: NM Myeni Position: CFO By when: Ongoing								
50.Bad debt assessment by service provider not validated by the municipality	During the test of bad debts written off the following deceased debtors date of death are invalid, as the date of death precedes the date of birth	Resolved: Management will Review the discrepancies identified	By whom : Person: NM Myeni Position:								

Nature of Audit Query	Audit Query					Audit Response	Action owner and date
							CFO By when: 31/03/2023
51.Municipality policy for writing of bad debtors was not implemented.	Issue: During the bad debts write off detailed testing it was established that the recovery efforts to recover debt from debt customers prior to decision to write off were not performed, although the reasons for write off were reasonable, the collection processes were not followed as per their policy, thus the write off of R 9 651 776 is a non-compliance with the municipalities policy					Management will ensure that evidence is kept for each customer for the implementation of credit control.	By whom : Person: NM Myeni Position: CFO By when: 31/03/2023
52.Debtor discrepancies	Issue 1: The debtors Masterfile was reviewed utilising computer aided auditing techniques (CAATS) which highlighted the following exceptions					We will review the CAATS data and take remedial action where necessary	By whom : Person: NM Myeni Position: CFO By when: 31/03/2023
53.Invoice was dated 16 November 2021 but was received or stamped by Expenditure on the 07 January 2021	Invoice number 018 was received by expenditure department on the 07 January 2021,but invoice was dated 16 November 2021 which makes the received date before the issued date and the payment date was 30 December 2021.					Management will double check the Stamp dates on invoices submitted on the payment voucher before actual payment	By whom : Person: Mr N Myeni Position:
	Account Description	Tran Description	Date	Reference	Amount		
	MAGUBANE PLANT AND CONTR.						

Nature of Audit Query	Audit Query						Audit Response	Action owner and date
	PAYMENT	CRED S/T PAYEMENT	2021/12/30	10949	R150 420		on: CFO By when: Ongoing	
54.Opening balance as per irregular expenditure register not broken down into specific suppliers	<p>A review of the irregular expenditure register submitted revealed that the opening balance of R85 785 171 is not broken down into each specific supplier, in order to confirm that all the payments made to suppliers whose bids were adjudicated by BAC which was not properly constituted was included in the opening balance.</p> <p>Consequently, we are unable to determine each specific supplier opening and closing amounts. This results in limitation of scope in confirming accuracy of the amounts relating to prior year payments, additionally we unable to determine if there is duplication in the opening balance or prior year amounts disclosed in the current year.</p>						Resolved Each year has a breakdown of irregular expenditure per supplier	By whom : Person: Mr N Myeni Position: CFO By when: ongoing
55.Unauthorised expenditure – Disclosure requirement of MFMA section 125(2) not met	<p>The audit of unauthorised expenditure, revealed the following:</p> <p>a) An enquiry and inspection of documents did not indicate the steps taken by the accounting officer to prevent unauthorised expenditure, as required by section 62(d) of the MFMA;</p> <p>b) No evidence was provided of the internal control measures and steps taken by the management committee to prevent unauthorised expenditure as required by section 78(1)(c) of the MFMA;</p> <p>c) The accounting policy applied in the current period is inconsistent with the prior period</p>						Corrective action as per above stated will be implemented. Management will also review and make adequate budget provisions for non-cash items like depreciation & amortisation and debt write offs	By whom Person: NM Myeni Position: CFO By when: 30 June 2023
56.VAT Receivable – Amount of Vat receivable per AFS does not equal to amount as per SARS Statement of	<p>During the audit of VAT receivables, it was noted that the amount of Vat receivable as disclosed in the Annual Financial Statement (AFS) does not equal to amount as per SARS Statement of account.</p>						Management will send reconciliation of differences identified during the audit process for review by the Auditor General	By whom Person: NM Myeni Position:
	Details per SARS Statement				Details			

Nature of Audit Query	Audit Query					Audit Response		Action owner and date
account	VAT Period	VAT Input	VAT Output	Net VAT Refund	VAT receivable	Management will ensure that a review is done on VAT		on: CFO By when: 30 June 2023
	Jun-22	3 291 518.92	236 362.30	3 055 156.62	630 2 413	(641 526.62)		
57. Statutory receivables discrepancies	A high level review of the annual financial statements identified the following: Issue 1: Note 3: receivables from non-exchange transactions statutory receivables discrepancies Issue 2: Note 17 statutory receivables discrepancies a. Property rates amount does not agree to note 3 gross balance (as detailed above) b. Vat receivables amount as per note 17 does not agree to note 17: VAT receivable (Current and comparative) c. Traffic fines comparative does not agree to note 3 gross balance					Resolved Inspection of disclosure note. Review of calculation made. Correctly disclose amounts on the AFS.		By whom Person: NM Myeni Position: CFO By when: 30 November 2022
58. Provisions – Incorrect classification in AFS in relation to Employee benefit cost provision		AFS line item	Auditor's comment		Resolved Management review expert report.		By whom Person: NM Myeni Position: CFO By when:	
		Provisions – Employee benefit costs	a. Inspection of the expert report identified that the municipality disclosed the entire obligation of R2 293 214 as non- current liabilities where the expert report differentiates between the he long term and short-term obligation as below. Current liabilities = R106 830 Non-current liabilities = R2 186 384 b. Whilst still a liability, the long service award relates to an employee		Make necessary adjustments			

Nature of Audit Query	Audit Query				Audit Response	Action owner and date
			benefit obligation but is being disclosed as a provision			
			c. Key assumptions have not been disclosed in the AFS			
	1.	Employee benefit obligation	Key assumptions as per the AFS does not agree to the expert report			
			AFS:			
			Key assumptions used			
			Assumptions used at the reporting date:			
			Discount rates used	11,97 %	11,97 %	
			Medical cost trend rates	9,25 %	8,76 %	
			Expected increase in salaries	1,00 %	1,00 %	
			Expected pension increases	7,75 %	7,26 %	
			Expert report:			
			Assumption	30 June 2021	30 June 2022	
			Discount rate (D)	11.97%	12.25%	
			Consumer price inflation (C)	7.26%	7.75%	
			Health care cost inflation (H)	8.76%	9.25%	
			Net discount rate $((1+D)/(1+H)-1)$	2.95%	2.75%	
59. Overstatement of trade payables balance for the financial year 2021/22	During the audit of payables from exchange transactions, it was noted that suppliers who were paid before 30 June 2022 were included in the payables and accrual listing of the municipality for the period 1 July 2021- 30 June 2022 .Please refer to the table below:				Submit Proof of Evidence a	By whom : Person: NM Myeni Positi
	Contractor/ Consultant	Invoice no	Invoice date	Payment date		

Nature of Audit Query	Audit Query				Audit Response		Action owner and date
					amount		on: CFO By when: 18 November 2022
	ZM Green solutions	2205MTH	2022/05/06	2022/05/27	R87793.82		
	Bay General supplies (pty) ltd	718	2022/06/01	2022/06/10	R18745.00		
	Consequently, the inclusion of the amounts above results in a projected misstatement of R479 473,84						
60. Invoices were paid after 30 days period lapsed	During the audit of payables from exchange transactions, it was noted that the municipality did not pay the supplier the amount due within 30 days from the date the invoice was received by the municipality, contrary to section 65(2)(e) of the MFMA. Please refer to the table below regarding the differences:				Management will review the SCM/ Expenditure processes to ensure that all invoices are paid within 30 days.		By whom : Person: Mr N Myeni Position: CFO By when: Ongoing
61 Bulk Purchases - No accrual raised for electricity purchases between last billing date and year-end	During the audit of Bulk purchases it was noted that no accrual was raised in the 2020/2021 financial year from electricity consumption for in June 2021 and in the 2021/2022 financial year for electricity consumption for June 2022				We have been reporting on 12 months and have contacted NERSA and Eskom for technical advise.		By whom : Person: NM Myeni Position: CFO By when: 30 June 2023
	Invoice received in July 2022 for June 2022:						
	Date	Description	Invoice No				
	2022-07-07	ESKOM BULK JULY 2022	990339549063				
	Invoice received in July 2021 for June 2021						

Nature of Audit Query	Audit Query	Audit Response	Action owner and date								
	<table> <tr> <th data-bbox="365 338 663 379">Date</th><th data-bbox="663 338 1104 379">Description</th><th data-bbox="1104 338 1429 379">Invoice No</th><th data-bbox="1429 338 1709 379">Amount</th></tr> <tr> <td data-bbox="365 379 663 432">2021-07-08</td><td data-bbox="663 379 1104 432">ESKOM BULK 9904631015</td><td data-bbox="1104 379 1429 432">990201134654</td><td data-bbox="1429 379 1709 432">R2 273 765,09</td></tr> </table>	Date	Description	Invoice No	Amount	2021-07-08	ESKOM BULK 9904631015	990201134654	R2 273 765,09		
Date	Description	Invoice No	Amount								
2021-07-08	ESKOM BULK 9904631015	990201134654	R2 273 765,09								
62. Prior year error discrepancies	<p>During the audit of prior period errors, the following was noted:</p> <ol style="list-style-type: none"> Payables from exchange transactions The total correction of error amount of R1 414 119 is made up as follows: <ul style="list-style-type: none"> i) R436 173 - invoice not recorded for purchase of PPE, ii) R76 983 - reversal of revenue incorrectly recognised iii) R1 017 - reversal of Vat output. iv) R59 095.05 - misallocation <p>The sum of the above equals R573 268.05.</p> <p>Issue 1: The amount as per the supporting schedule for PPE is R436 058,2, whilst the AFS and invoice is R436 173.</p> <p>Issue 2: The remaining amount of R 840 850.95 (R218 408 from receivables from exchange transactions + R622 558 from Comaf 1) relating to the reclassification of debtors with credit balances is incorrectly disclosed as a correction of error rather than Re-classification.</p> Receivables from exchange transactions An amount of R622 558 as per comaf 1 was not included in prior period errors, management has accepted this finding, however, no supporting documentation was provided to support the error. Remuneration of Councillors and employee related cost As per management's explanation obtained, an amount of R988 324, was incorrectly recognised in employee related costs in prior year and was reclassified to remuneration of councillor's account. 	<p>Inspection and review of the AFS to ensure accuracy of disclosures.</p>	<p>By whom Person: NM Myeni Position: CFO By when: 30 March 2023</p>								

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
	<p>However, no supporting approved journal was provided supporting the reclassification.</p> <p>4. Operational related costs and employee related cost As per management's explanation obtained an amount of R103 976 was incorrectly recognised in employee related costs in prior year and was reclassified operational costs account.</p>		
<p>63.The accounting officer did not develop a consultancy reduction plan on consultants.</p> <p>35.</p>	<p>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.</p> <p>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</p>	Management will develop a detailed plan for the reduction of reliance on consultants services.	<p>By whom : Person: Mr ZS Mthethwa Position: Municipal Manager By when: June 2023</p>
<p>64.Could not confirm that the contract price is not above the tendered price.</p>	<p>During supply chain management testing it was noted that the contract register did not include the CCG contract, thus incomplete. Under consultants testing further could not confirm whether the total payments/expenditure made under the contract up to date did not exceed the original contract price plus further approved extensions to the contract.</p> <p>Municipality might end up paying for services not part of the agreement or some work may be paid for, but the actual service not delivered therefore there might be a loss if money was paid for work that was not performed.</p>	We will consolidate the contract register and include the expired contracts under one folder	<p>By whom : Person: Mr N Myeni Position: CFO By when: 30</p>

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
			June 2023
65. Contract extension not in accordance with legislation	<p><u>Issue 1</u></p> <p>National Treasury issued a letter all RT25-2016 appointed vendors dated 15 May 2019 which stated the following:</p> <p>“The notification serves to remind you that section 15.2 of the Special Conditions of Contract allowed the duration of the service level agreements entered into by yourselves and the municipality to be for a period not exceeding 60 (sixty) months from date of signing the service level agreement. Subject to the provisions of Section 33 of the MFMA.</p> <p>It is therefore an expectation that all service level agreements emanated from the RT25-2016 transversal contract from the last quarter of 2016 will run up to the year 2021. Any service level agreements from 2017 to 2018 will run up to 2022 and 2023 respectively. Therefore no municipality that has participated on RT25-206 should have a need to procure a new system, but should implement the service level agreement until expiry of the aforementioned periods.”</p> <p>It is this communication on which the extension of the CCG contract was made.</p> <p>During the audit it was identified that the Service Level Agreement between Mthonjaneni and CCG systems became effective 1 December 2016. Applying the parameters on extensions as contained in the National Treasury communication, since the Service Level Agreement between Mthonjaneni Municipality and CCG system became effective on 1 December 2016 (being the last quarter of 2016), this Service Level Agreement should have been extended (at the most) to 30 November 2021 (60 Months).</p> <p>The Service Level Agreement of the Municipality has been extended up until (based on addendum 2), 30 June 2022. Therefore exceeding the parameters of the communication on which the extension was based.</p> <p>Consequently, all expenditure on the contract with CCG system from 1 December 2021 is irregular.</p> <p><u>Issue 2</u></p> <p>The National Treasury letter further states that the extension of the Service Level Agreements are</p>	<p>Management will develop a compliance checklist to be used when signing contract. It will also be used on monitoring the performance of the service providers. This will include consultation with municipal legal representative for review of our contracts. All contract expenditure with CCG from 1 December 2021 to 30 June 2022 will be disclosed as irregular expenditure as recommended. The municipality will advertise for financial reporting.</p>	<p>By whom : Person: Mr N Myeni Position: CFO By when: 30 March 2023</p>

Nature of Audit Query	Audit Query	Audit Response	Action owner and date
	<p>Subject to the provisions of Section 33 of the MFMA.</p> <p>During the audit it was identified that the requirements of section 33 of the MFMA were not complied with in that:</p> <ol style="list-style-type: none"> The municipal manager did not meet with council for the contract extension to be approved The municipal manager did not make public the draft contract and an information statement summarising the municipality's obligations in terms of the proposed contract The municipal manager did not invite the local community and other interested persons to submit to the municipality comments or representations in respect of the proposed contract. <p>The extension of the Service Level Agreement beyond the initial Service Level Agreement term was therefore not in compliance with the provisions of Section 33 of the MFMA.</p> <p>Consequently, all expenditure on the extended contract with CCG systems (Addendum 1 and 2) is irregular.</p> <p><u>Issue 3</u></p> <ul style="list-style-type: none"> Inspection of the appointment letter for CCG, dated 11 November 2016, noted the contract value of R6 416 191. Section 4 relating to fees in the SLA between CCG and the municipality states that the mSCOA project conversion fee will be R2 514 695, excluding accounting support and disbursements. Page 2 of 3 as per addendum 1, signed in 2018, states that the contract cost shall increase by R2 143 399,65 of the amount stated in the initial agreement to an amount of R7 578 890,65. The increase was for extended services for the preparation of a GRAP compliant fixed asset register as well as audit readiness. Annexure B – Assessment of external service providers, in the APR submitted for audit on 31 August 2022, states that the value for the contract awarded on 01 December 2016 is R3 832 250 <p>Based on the above, the contract value and precise services in relation to the SLA/contract cannot be determined.</p>		
66. Service charges: Electricity distribution losses above the norm	The municipality is licensed by the National Electricity Regulator of South Africa to distribute electricity within the proclaimed areas of Mthonjaneni Townlands, Melmoth TLC and Thubalethu township phase	Investigate fluctuations beyond the norm. Introduce mitigating factors to account for increase in losses. Align budget to aging	By whom : Perso

Nature of Audit Query	Audit Query							Audit Response	Action owner and date																					
	<p>III, IV and V.</p> <p>While evaluating electricity distribution losses in "note 50" to the financial statements submitted on 31 August 2021, it was noted that the electricity losses are 10,13%, which is above the national treasury acceptable range of 10%.</p> <p>Management states that the electricity distribution losses are mainly due to aging infrastructure, technical losses and illegal connections, however, reasonable steps should have been taken to ensure that the electricity losses are within the range</p> <p>Consequently, this results in non-adherence to National Treasury MFMA circular 71</p>							infrastructure needs to decrease electricity losses	n: NM Myeni Position: CFO By when: 30 June 2023																					
67. Suppliers in service of the state	<p>During our performance of CAATS tests around Supply Chain Management, the following supplier with whom the municipality had transactions with during the 2021/22 financial year were identified as being in service of the state:</p> <table><tr><th>SUPPLIER NO</th><th>SUPPL_NAME</th><th>SUPPLY AMT</th><th></th><th>EMPL_NAME</th><th>EMPL APPOINT DATE</th><th>EMPL</th></tr><tr><td>JUD001</td><td>Judy Magwaza Trading Enterprise</td><td>106170,47</td><td></td><td>HERIA MAGWAZA</td><td>01.02.2014</td><td>South Broad Corp</td></tr><tr><td>AMA003</td><td>Amazwi JN Trading</td><td>29365</td><td></td><td>ZS NSIBANDE</td><td>20180801</td><td>KZN:</td></tr></table>							SUPPLIER NO	SUPPL_NAME	SUPPLY AMT		EMPL_NAME	EMPL APPOINT DATE	EMPL	JUD001	Judy Magwaza Trading Enterprise	106170,47		HERIA MAGWAZA	01.02.2014	South Broad Corp	AMA003	Amazwi JN Trading	29365		ZS NSIBANDE	20180801	KZN:	<p>The above service providers have been contacted to verify if they are indeed in the service of the state.</p> <p>Judy Magwaza Trading Enterprise and Amaciko Magazine have responded to confirm that they are not in the service of the state. Amazwi JN no response has been received a follow up will be done.</p>	By whom : Person: Mr N Myeni Position: CFO By when: 30 March 2023
SUPPLIER NO	SUPPL_NAME	SUPPLY AMT		EMPL_NAME	EMPL APPOINT DATE	EMPL																								
JUD001	Judy Magwaza Trading Enterprise	106170,47		HERIA MAGWAZA	01.02.2014	South Broad Corp																								
AMA003	Amazwi JN Trading	29365		ZS NSIBANDE	20180801	KZN:																								

Nature of Audit Query	Audit Query							Audit Response	Action owner and date
	A M A 0 0 3 8	AMACIKO MAGAZINE (PTY) LTD	47 60 96 ,5		IRVIN XOLIL E SIHLO PHE	10.06.2 005	South African Broadcasting Corporation		
68. Inconsistencies between quarterly targets in SDBIP and APR	Inspection of the APR and revised SDBIP identified that whilst the annual target remained the same, differences in the quarter targets							<p>The Municipality will ensure that thorough review of Quarterly Performance Reports is conducted each quarter. The Municipality to follow APR reporting standard as per s46 of the Municipal Systems Act of 2000.</p> <p>The Annual Performance Report will be developed and be submitted to MANCO, Internal Auditor and Audit Committee prior the AG Submission</p>	<p>By whom : L Nyawose Person: Position: IDP/P MSM By when: 30 November 2022</p>
69. Inadequate review of the 2021-2022 Integrated development plan	During a high level overview of the 2021-2022 final reviewed integrated development plan (IDP) internal control deficiencies were identified:							MTSF 19/24 will be factored in the 2023/24 IDP	<p>By whom : L Nyawose Person: Position: IDP/P MSM: By</p>

Nature of Audit Query	Audit Query			Audit Response		Action owner and date
						when: 31 May 2023
70. Inadequate review of the 2021-2022 Annual performance report (APR)	During a high level overview of the 2021-2022 APR the following internal control deficiencies were identified			<p>The Municipality will ensure that thorough review of Quarterly Performance Reports is conducted each quarter. The Municipality to follow APR reporting standard as per s46 of the Municipal Systems Act of 2000.</p> <p>The Annual Performance Report will be developed and be submitted to MANCO, Internal Auditor and Audit Committee prior the AG Submission</p>		By whom : L Nyawose Person: Position: IDP/MSM By when: 30 June 2023
71. Indigent discrepancies	FINDING	CAATS reference	Number of exceptions		Data Review of the indigent has started to verify accuracy and completeness of indigent beneficiaries	By whom : NM Myeni Person: Position: CFO By when: 30 March 2023
	1	Indigents listed as a deceased person on the NPR database.	267 Records		Annexure B	
	2	Indigents where the ID number could not be found on the NPR database.	41 Records		Annexure C	
	3	Indigents in the employment of one or another government department or organisation	315 Records		Annexure D	
	4	Indigents that has an interest in suppliers of government and/or municipalities.	1 Records		Annexure E	
	5	Indigents with an ID Number duplicated on the indigent register.	8 Records		Annexure F	

Nature of Audit Query	Audit Query			Audit Response		Action owner and date
	6	Spouses of Indigents in the employment of one or another government department or organisation.	6 Records		Annexure G	
	7	Spouses of indigents that has an interest in suppliers of government and/or municipalities.	1 Records		Annexure H	
	Due to the possible invalid indigent status of debtors above, there is a possible material understatement of revenue and understatement of receivables to the municipality due to the invalid rebates granted to consumers. The municipality should determine the total of the rebates applied to invalid indigents and ensure that the appropriate remedy is instituted to recover lost monies.					

Table 17- Auditor General Action Plan

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.

5.5.1 Municipal Goals, Strategic Objectives, Programmes, Projects, and Budget 2023/2024

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

COMMUNITY DEVELOPMENT NEEDS AND PRIORITIES 2022/23 – 2026/27

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.

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

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

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

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

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

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

WARD 7

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

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

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

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	Qomintaba
7	Noziphiva Electrical Project	Noziphiva
8	Noziphiva Gravel Road	Noziphiva
9	Ndulinde Gravel Road	Nduliende
10	Maqweha Gravel Road	Maqweeha
11	Qondindlela Gravel Road	Qondindlela
12	Sivananda Gravel Road	Sivaneanda
13	Ndulinde Creche	Nduliende
14	Sithinta creche	Sithinta
15	Nhlude creche	Nhludee
16	Noziphiva creche	Noziphiva
17	Sivananda water line Installation	Sivaneanda
18	Ncemane Water line Installation	Ncemaene
19	Community Hall	Sthinta
20	Creche	Mpempeni
21	Creche	Nomponjwana

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

WARD 12

NO.	COMMUNITY CHALLENGES	AREA
1	Creche	Mpentsheni
2	Access road	Mpentsheni
3	Creche	Keteza
4	Sport Field	keteza
5	Sport Field	Maphukangola
6	Access Road	Emkhandlwinini

7	Creche	Emkhandlwini
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

MUNICIPAL BUDGET 2023/2024

The Municipality's Budget for 2023/2024 – Refer to Annexure A

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 is able to 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 PROGRAMME

This section is addressed in section 8.2

DEVELOPMENT OF NEW AND REVIEW OF SECTOR PLANS

This section is addressed in section 5.9

HOW WILL OUR PROGRESS 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.

This is the first review since the development of the 5yr plan.

6. LEGISLATIVE FRAMEWORK TOWARDS ACHIEVING IDP OBJECTIVES

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 social 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 have to 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

DISASTER MANAGEMENT ACT (NO 53 OF 2002)

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.

STRATEGIC PLANS



Table 18- NDP-PGDS/P – DGDP-IDP: Alignment

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

INTERNATIONAL POLICY DIRECTIVES: SUSTAINABLE DEVELOPMENT GOALS

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.

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.

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.

NATIONAL OUTCOME DELIVERY AGREEMENTS

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.
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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 advise 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	<p>Develop and promote the agricultural potential of KZN</p> <p>Enhance sectoral development through trade investment and business retention</p> <p>Enhance spatial economic development</p> <p>Improve the efficiency, innovation, and variety of government-led job creation programmes</p> <p>Promote SMME and entrepreneurial development</p> <p>Enhance the Knowledge Economy</p>
2. HUMAN RESOURCE DEVELOPMENT	<p>Improve early childhood development, primary and secondary education</p> <p>Support skills development to economic growth</p> <p>Enhance youth and adult skills development and life-long learning</p>
3. HUMAN COMMUNITY DEVELOPMENT AND	<p>Eradicate poverty and improve social welfare services New Wording</p> <p>Enhance health of communities and citizens</p> <p>Safeguard and enhance sustainable livelihoods and food security New Wording</p> <p>Promote sustainable human settlements</p>

	<p>Enhance safety and security</p> <p>Advance social cohesion and social capital New Wording</p> <p>Promote youth, gender and disability advocacy and the advancement of women</p>
4. INFRASTRUCTURE DEVELOPMENT	<p>Development of seaports and airports New Wording</p> <p>Develop road and rail networks</p> <p>Develop ICT infrastructure</p> <p>Ensure availability and sustainable management of water and sanitation for all</p> <p>Ensure access to affordable, reliable, sustainable and modern energy for all</p> <p>Enhance KZN waste management capacity</p>
5. ENVIRONMENTAL SUSTAINABILITY	<p>Enhance resilience of ecosystem services New Wording</p> <p>Expand the application of green technologies</p> <p>Adapt and respond climate change</p>
6. GOVERNANCE AND POLICY	<p>Strengthen policy, strategy coordination and IGR</p> <p>Build government capacity</p> <p>Eradicate fraud and corruption</p> <p>Promote participative, facilitative, and accountable governance</p>
7. SPATIAL EQUITY	<p>Enhance the resilience of new and existing cities, towns, and rural nodes, ensuring equitable access to resources, social and economic opportunities</p> <p>Ensure integrated land management use across the province, ensuring equitable access to goods and services, attracting social and financial investment</p>

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.

THE STATE OF THE NATION ADDRESS 2023

President Cyril Ramaphosa delivered the State of the Nation Address (SoNA) on Thursday, 9 February 2023 at 7pm. The address took place before a joint sitting of the two houses of Parliament.

National State of Disaster

A national state of disaster has been declared to address the social and economic effects of the electricity crisis and to reduce the severity of load shedding.

Growing the Economy and Jobs

The president said they have laid a firm foundation based on the commitments we made for faster growth through our investment drive, economic reforms, public employment programmes and an expanding infrastructure programme.

Freeing Small businesses

To drive economic growth and increase employment opportunities, government is supporting small-and medium-sized enterprises, and making it easier for entrepreneurs to start businesses

Skills for growing the economy

The most effective and sustainable way to build an economy is to equip people with the skills and know-how to drive it. The National Skills Fund is providing R800 million in 2023 to develop skills in the digital and technology sector through an innovative model that links payment for training to employment outcomes.

Building Better Lives

Government recognises that education is an investment in the future of our country, and our objective is to provide quality education that prepares young people for current challenges and future opportunities. We are also undertaking measures to address the rising cost of living and combat poverty and hunger by providing various forms of support, basic services and assistance to households and individuals. The support and planning mechanisms that government has put in place is finally delivering increased public investment in infrastructure.

Making Communities Safer

The government are strengthening the police to prevent crime and improving the capacity of the National Prosecuting Authority and courts to ensure perpetrators are brought to justice. This includes putting more police on the streets and setting up specialised teams that will focus on specific types of crime

Fighting Corruption

Government has zero tolerance for corruption and is working to rebuild the capacity of law enforcement agencies and other institutions that were weakened by state capture and corruption.

Making Government Work

As part of efforts to build a capable state, government is taking measures to minimise the scope for political interference in state-owned enterprises by adopting a centralised model. It is also taking action to transform the public service into a professional and ethical sector.

7.11 MEDIUM TERM STRATEGIC FRAMEWORK (MTSF)

The MTSF 2019-2024 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

Table 19- Seven Priorities

THE STATE OF THE PROVINCE ADDRESS 2023

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-GOVERNMENTAL 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

INTEGRATED DEVELOPMENT PLANNING

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 and 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

ALIGNMENT WITH GOVERNMENT PRIORITIES

Sustainable Development Goals

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

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

Government Priorities

National Plan Priorities	Alignment with Mthonjaneni Municipality
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 communities
Quality education	To provide a democratic and accountable government for local communities
Quality healthcare	To provide a democratic and accountable government for local communities
Build a capable state	To ensure internal municipal excellence and effective organization and Equitable Municipal Governance
Fight corruption	To promote Social Responsibility and Cohesion through sustainable development initiatives
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 development initiatives
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 development initiatives
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 communities
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 communities
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 development initiatives
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 initiatives
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 initiatives

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 communities
Spatial Equity	To promote Social Responsibility and Cohesion through sustainable development initiatives

7.20.3 Alignment with Back to Basics

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

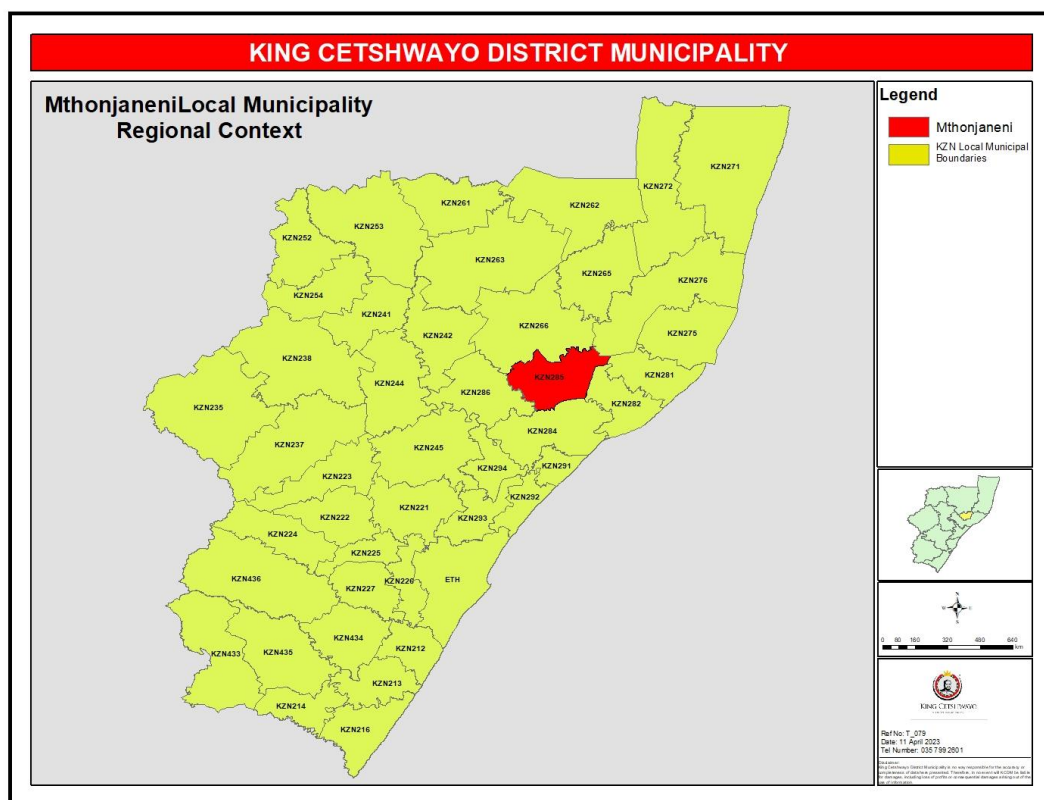
7. SITUATIONAL ANALYSIS

MTHONJANENI 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.

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.

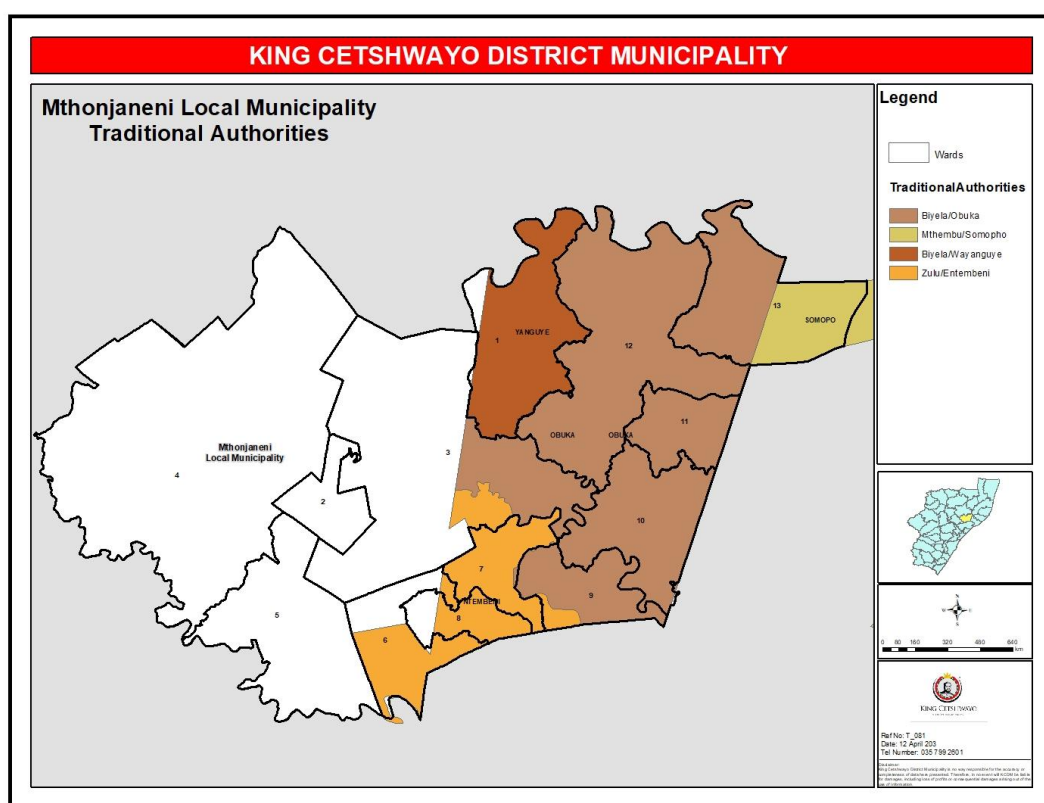
Map 8 Regional Context



ADMINISTRATIVE ENTITIES

Mthonjaneni was established in the year 1888 after the invasion of the area by white settlers. It comprises of a Melmoth which is a town named after Melmoth Osborn. It also has Thubalethu Township which and a large number of surrounding rural areas. 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.

Map 9- Traditional Authorities



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.

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. The Mthonjaneni's desired spatial outcomes for all nodes are shown in the tables below:

PRIMARY NODE: MELMOTH

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.

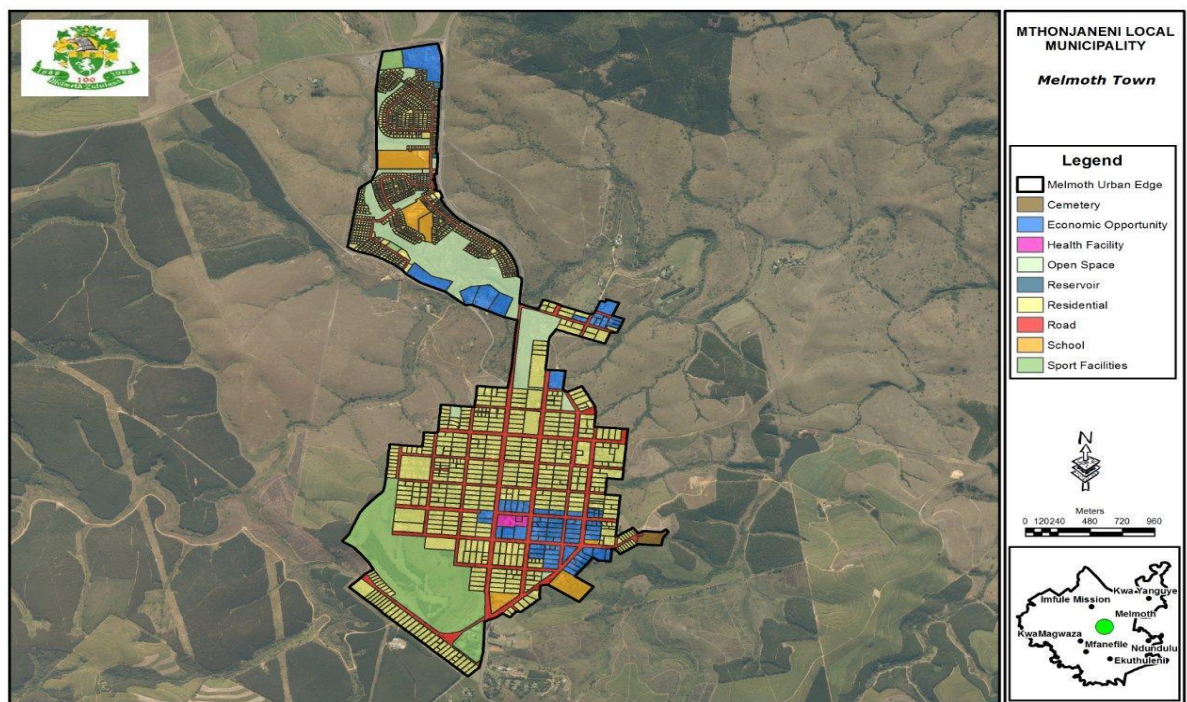
Table 20- Primary Node – Melmoth

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 stores and shops.

(Mthonjaneni Draft IDP 2012/13 to 2019/20). Melmoth has an existing Town Planning 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 10- Melmoth/Mthonjaneni Town

SECONDARY NODES

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.

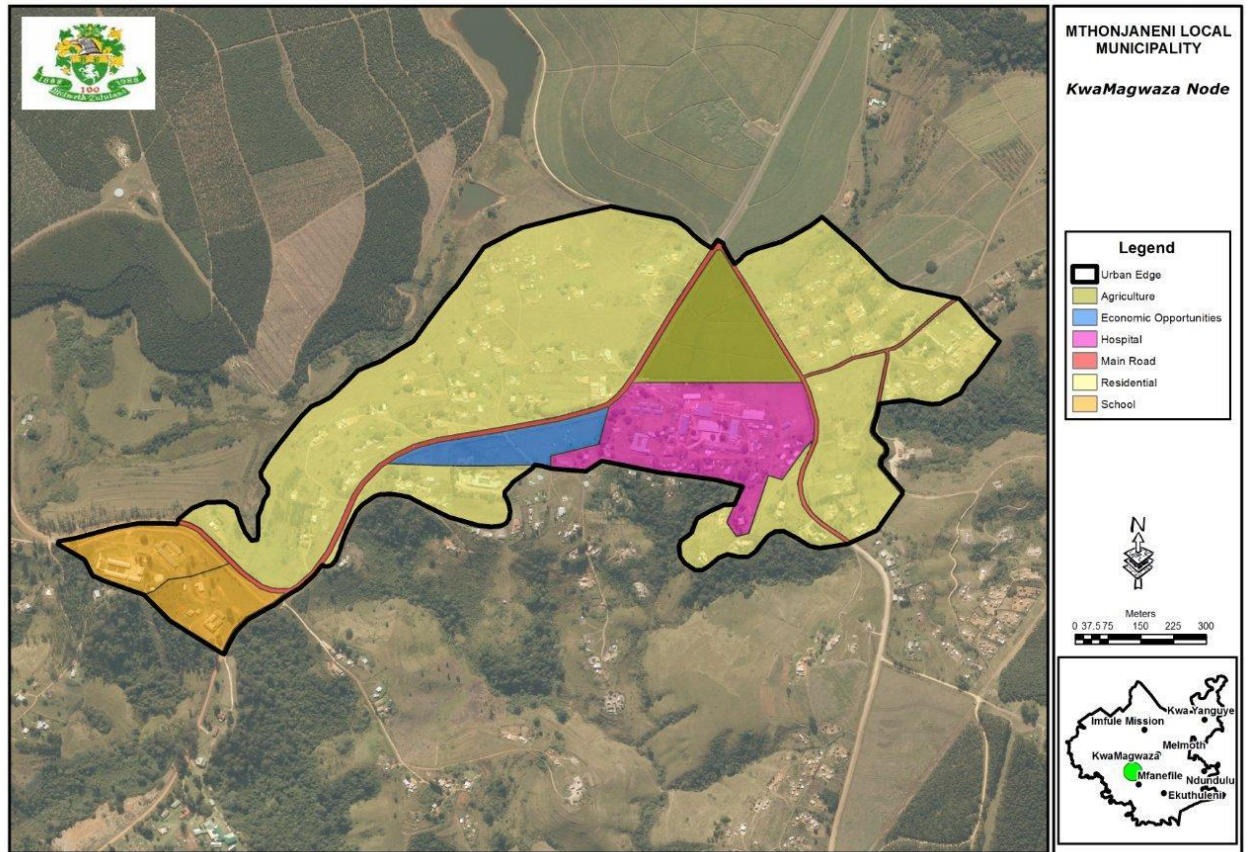
Table 22 below also outlines minimum levels of services and facilities which should be available at a secondary node. In addition to the community hall, taxi rank and formal market, a Satellite Police Station and access to post boxes will ensure feasibility of all three nodes. The KwaYanguye area would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

KWAMAGWAZA

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

Table 21- Secondary Node – KwaMagwaza

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



Map 11- KwaMagwaza Node

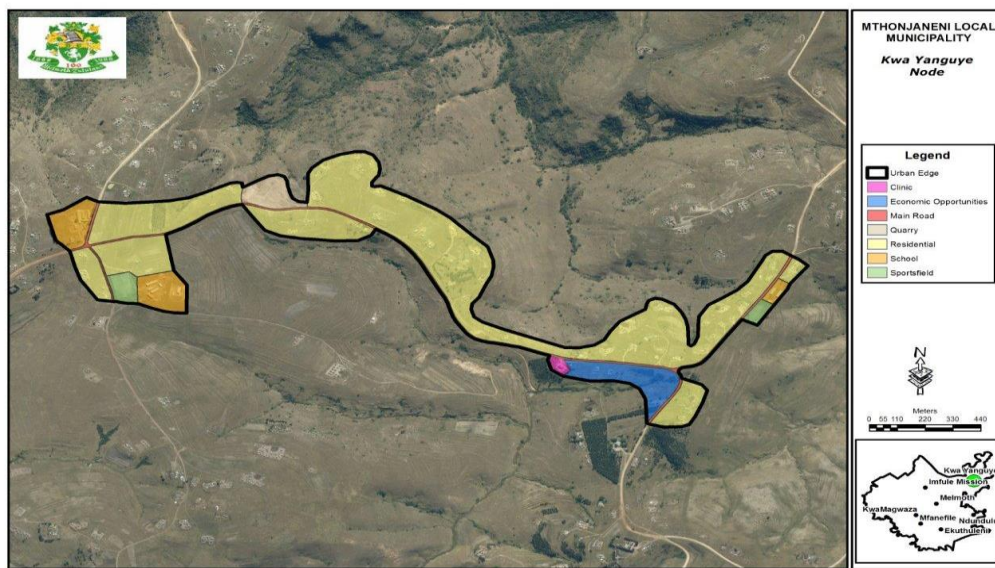
KWAYANGUYE

Town/Settlement	Existing level of services/ facilities	Desired outcomes
KwaYanguye	Primary Schools High Schools Yanguye Tribal Court Informal taxi rank Places of Worship	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:

	Cemetery Clinic	Satellite Police Station Rural Service Information Centre Additional clinic Additional high school
--	------------------------	---

Table 22- Secondary Node – KwaYanguye

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



Map 12- KwaYanguye Node

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
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Table 23- Secondary Node – Ndundulu

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



Map 13- Ndundulu Node

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 Cemetery	Routine Police Patrol Weekly Mobile Clinic Weekly Mobile Welfare Services 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

Table 24- Tertiary Node

LAND OWNERSHIP

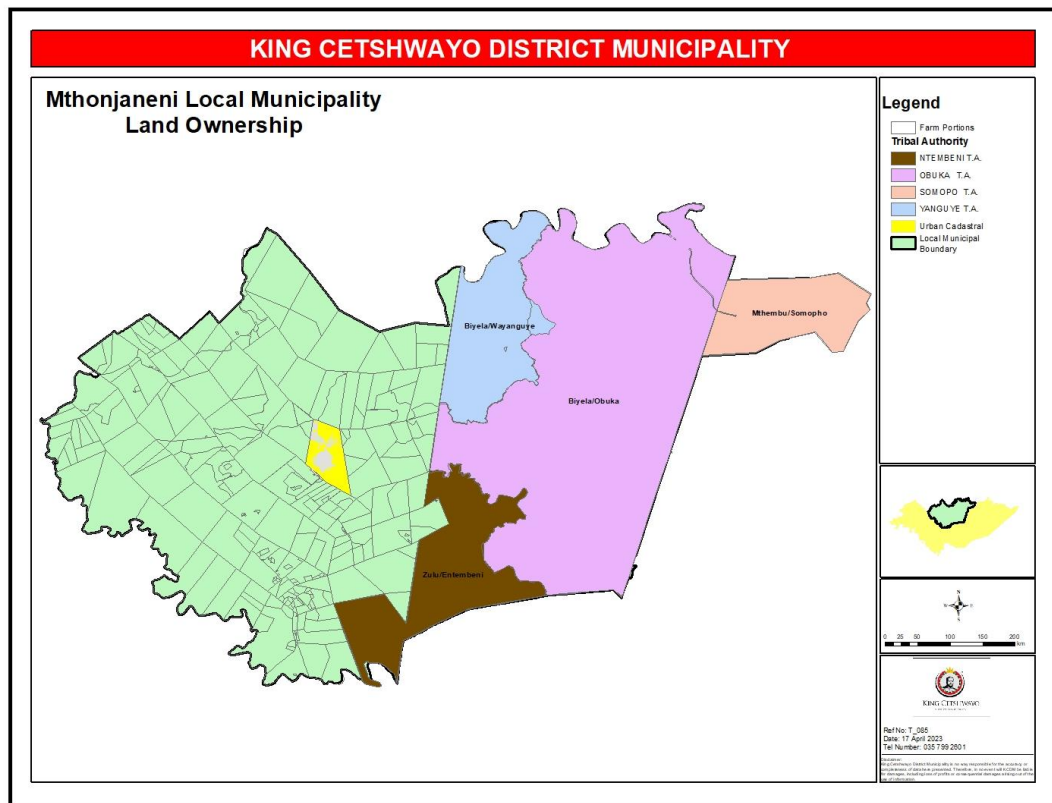
A large portion of the land is privately owned by individual and company commercial farmers. The remaining land belongs to Ingonyama Trust, Church land, as well as municipal owned land and State-owned land.

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.

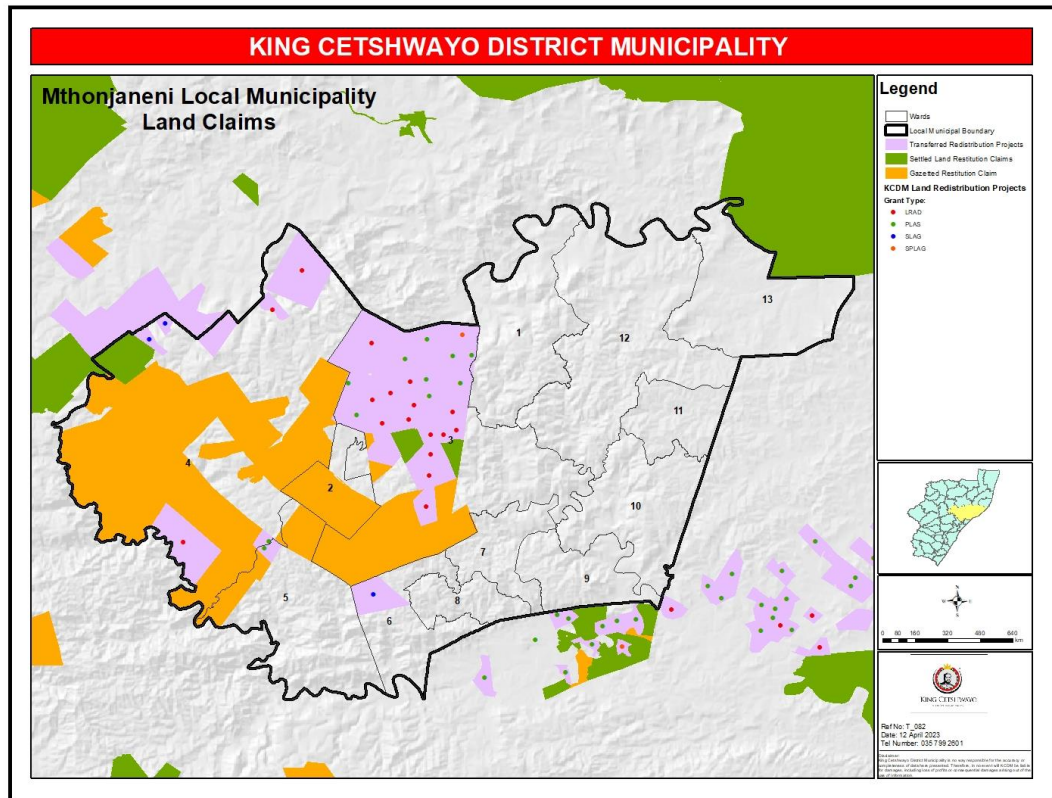


Map 14- Land Ownership

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.

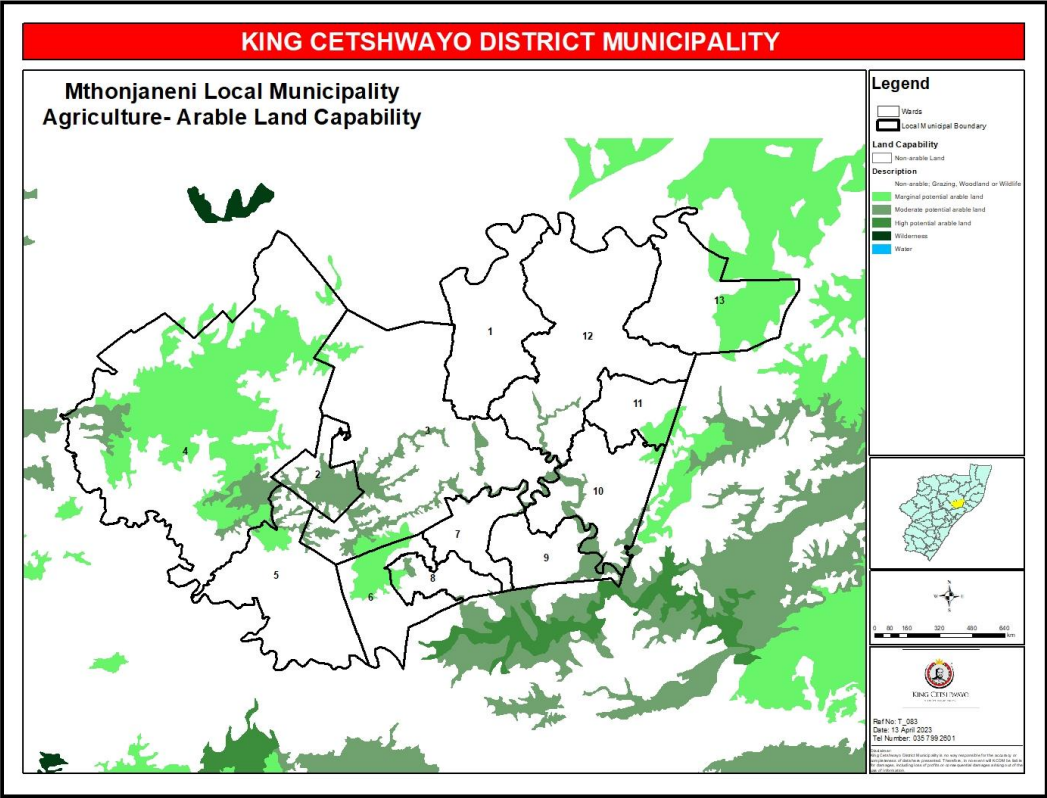
Map 15- Land Claims

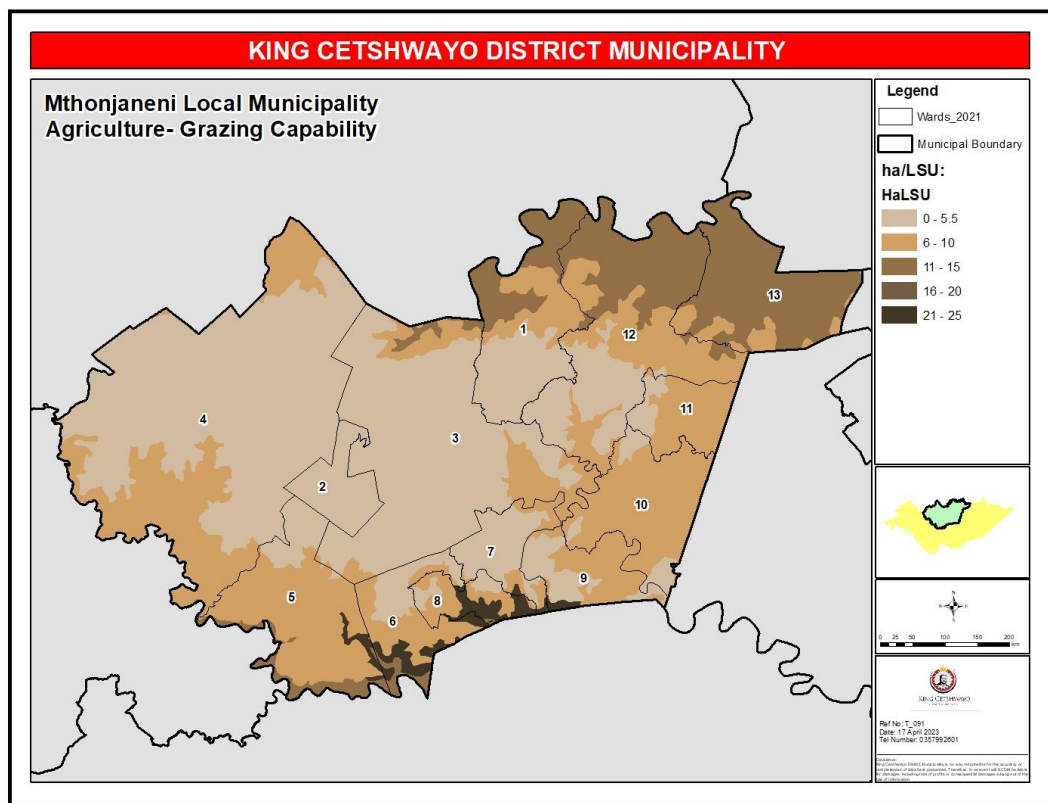


LAND CAPABILITY

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 16- Arable Land Capability





Map 17 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

DEMOGRAPHIC POPULATION PROFILE

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.

	KCDM	MTHONJANENI	MFOLOZI	UMHLATHUZE	UMLALAZI	NKANDLA
2011	907519	47818	122889	334459	213601	114416
2016	971135	78883	144363	410465	233140	114284
% Growth	7,01%	64,97%	17,47%	22,73%	9,15%	-0,12%

Table 25- The population increase in King Cetshwayo District, broken down per municipality

Key Findings

The 2016 Census population of Mthonjaneni municipality is estimated at **83 563**

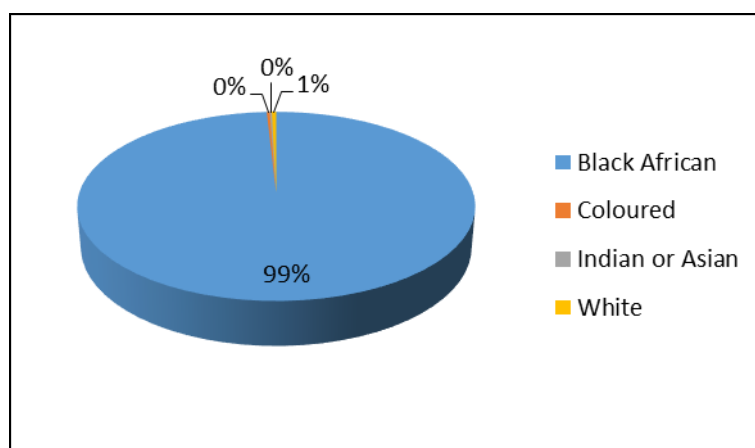
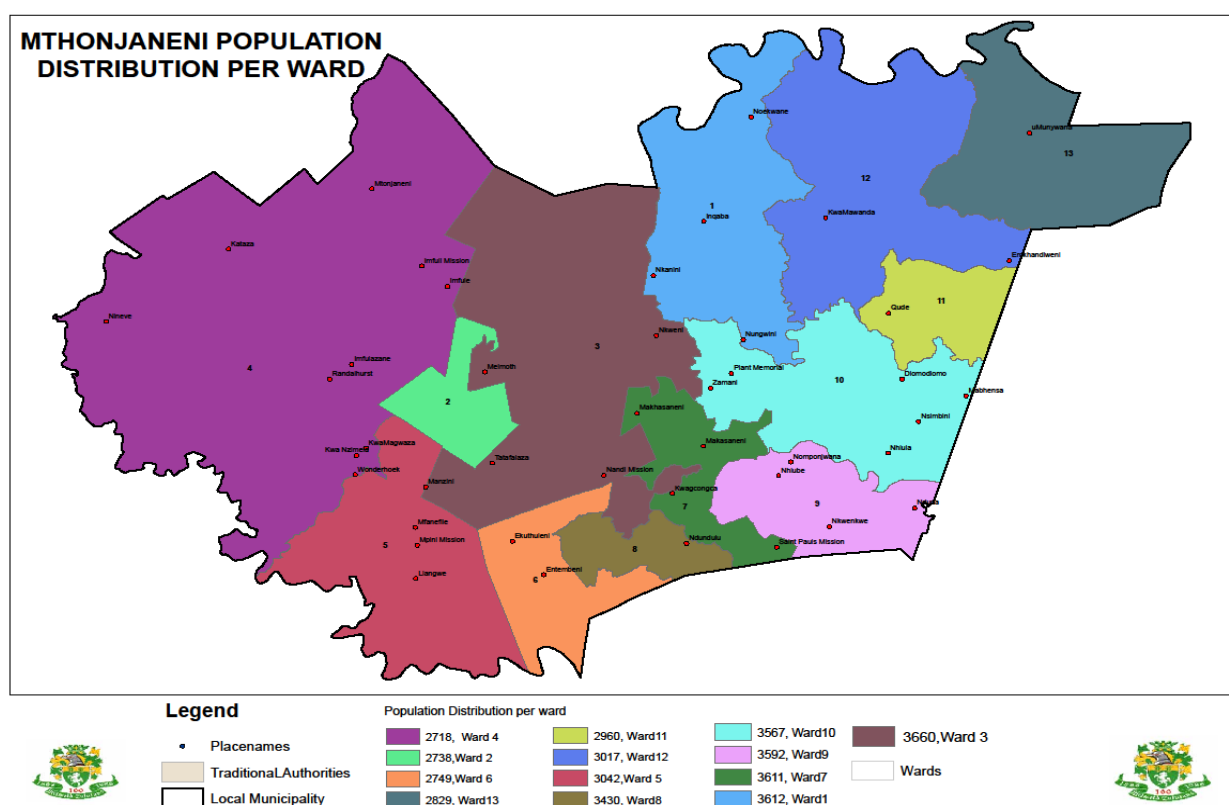


Table 26- Mthonjaneni Population



Map 18- Distribution Per Ward

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.

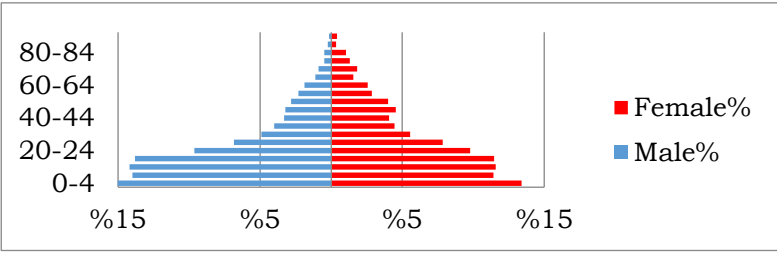
Gender	Male	38257
	Female	45306
TOTAL		83563

Table 27- Gender Statistics

Age and Gender Profile

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

Mthonjaneni Municipality 5th Generation IDP



Mthonjaneni Municipality 5th Generation IDP

Age Group Profiles

The age cohorts for the municipality are as follows:

	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	
Mthonjaneni	12068	10519	10672	10479	8114	6176	4397	3554	3107	3296	2897	2180	1884	
Ward 1	1289	1185	1145	979	682	477	332	260	234	275	245	207	200	
Ward 2	784	633	660	709	832	804	610	463	420	334	258	136	99	
Ward 3	772	653	660	628	661	646	448	319	317	331	245	194	139	
Ward 4	634	598	589	526	594	598	480	391	292	268	224	204	127	
Ward 5	978	764	820	749	551	424	296	199	228	236	242	166	150	
Ward 6	1005	846	898	910	568	387	266	231	207	227	191	158	152	
Ward 7	1065	1034	1010	1002	732	506	317	303	234	284	188	209	172	
Ward 8	557	473	454	423	355	230	197	157	121	137	95	99	99	
Ward 9	1071	920	919	993	646	413	316	282	236	244	266	149	163	
Ward 10	1311	1123	1141	1172	755	573	389	300	249	304	318	215	203	
Ward 11	730	646	665	722	528	381	230	191	178	177	182	123	118	
Ward 12	1221	1010	1047	1066	798	452	313	294	259	309	269	199	180	
Ward 13	651	636	663	599	413	285	205	166	132	170	176	121	84	

Table 28- Age Distribution of the Population

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.

Language

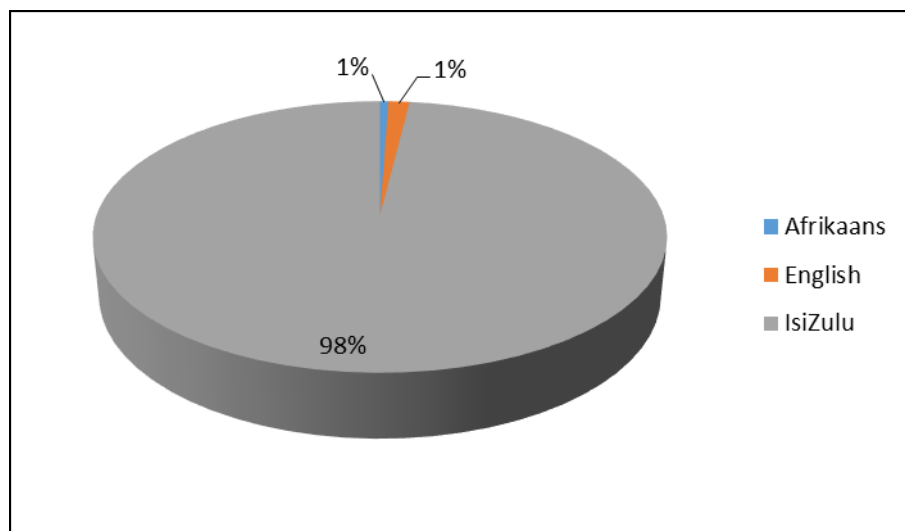


Table 29- Language Statistics

Out of eleven South African languages, isiZulu is the main spoken language in ward 8, followed by English and Afrikaans, the statistics correlate with the statistics above where population is highly dominated by Black African population group.

Age Groups in 5 years by Population group and Gender

It can be concluded that at birth age there are more Black Africans that are born. The highest proportion is in age group is 0-4 years. The municipality is dominated by young Black African population from both females and males. There are individuals representing other population groups. More females from the age group 90+ are surviving within Black population.

Age	Black African		Coloured		Indian/Asia		White	
	Male	Female	Male	Female	Male	Female	Male	Female
0-4	5 974	6 027	10	12	5	12	10	13
5-9	5 313	5 144	16	11	10	4	12	8
10-14	5 399	5 216	14	11	8	9	6	6
15-19	5 260	5 169	5	8	10	5	7	11
20-24	3 629	4 409	12	6	13	9	14	7
25-29	2 567	3 517	7	13	10	6	11	16
30-34	1 827	2 506	11	9	11	0	14	7
35-39	1 501	1 996	8	8	1	3	15	15
40-44	1 231	1 820	6	9	7	6	16	6
45-49	1 210	2 036	10	2	6	8	10	9
50-54	1 053	1 782	1	9	6	2	23	20
55-59	865	1 270	5	4	2	0	11	23
60-64	705	1 151	6	2	1	1	6	11
65-69	417	704	5	1	2	0	7	2
70-74	339	817	1	2	0	2	5	5
75-79	179	589	2	2	0	0	2	2
80-84	182	464	0	0	0	1	0	2
85-89	86	154	0	1	0	0	3	0
90+	53	182	0	1	0	0	1	0

Table 30- Age Groups by Population

Heads of the household

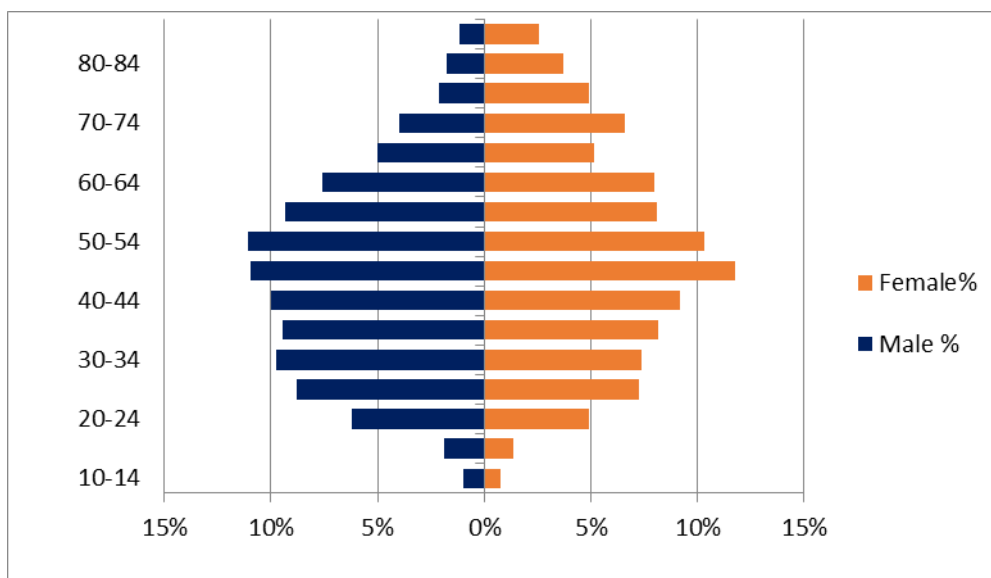


Table 31- Heads of Households

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

Migration, Province of Birth by Region of Birth

The table shows that most of the population is South African. There is a high number of people born in KwaZulu-Natal, followed by people born in Northern Cape and Eastern Cape. There is a noticeable proportion of individuals born in other provinces, SADC, and rest of Africa.

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.

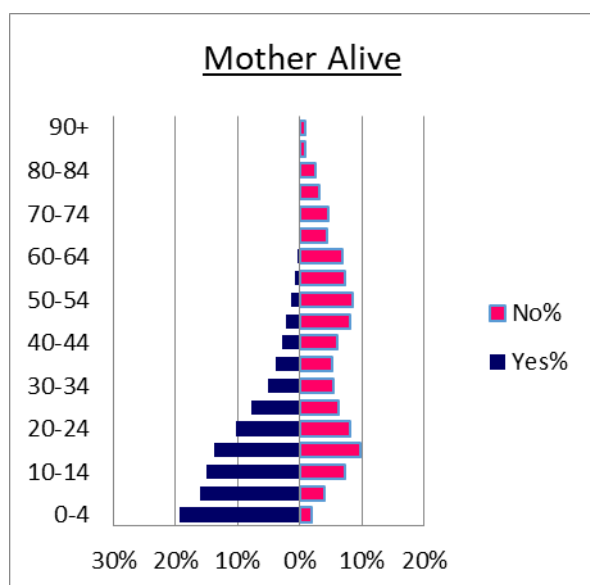


Table 32- Mother alive family

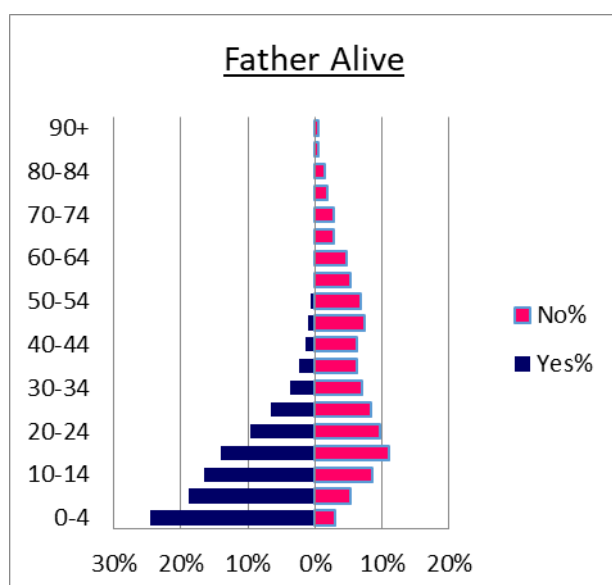


Table 33- Father Alive Family

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

ENVIRONMENTAL ANALYSIS

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 a large number of 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

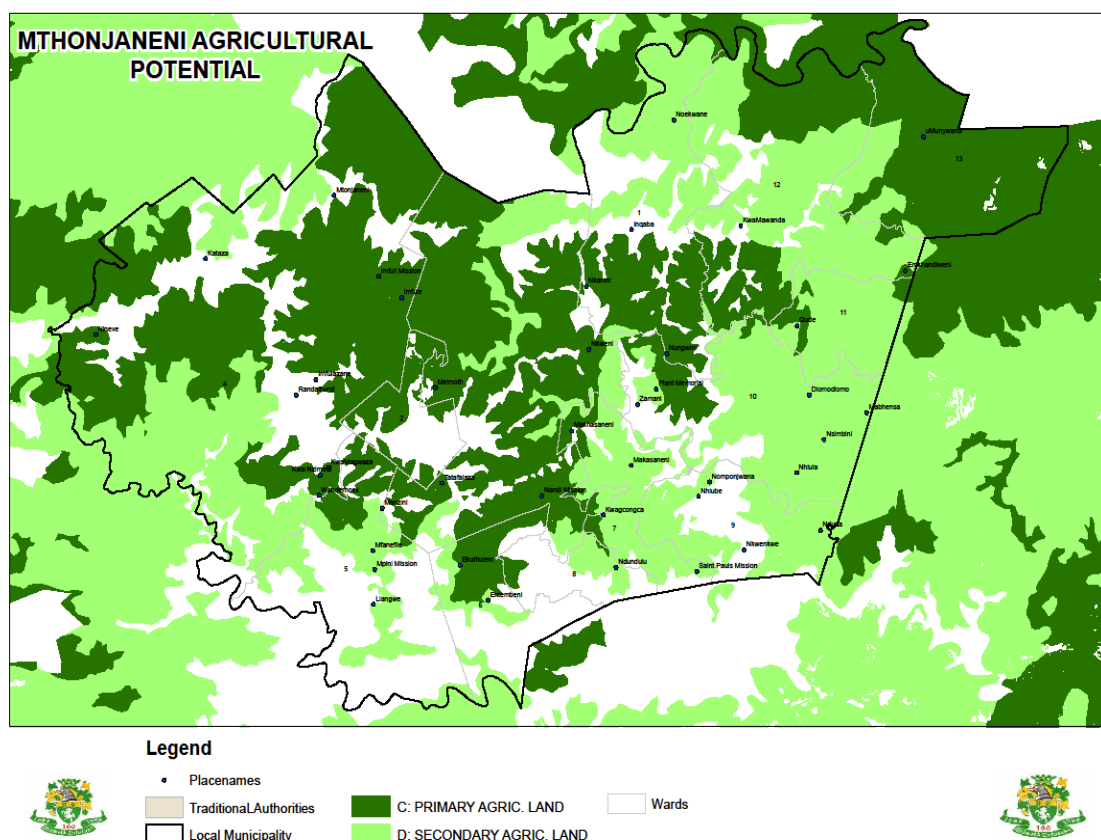
The agricultural potential within Mthonjaneni Municipality is very favourable. The agricultural potential is determined by factors such as climate, vegetation, soils, water supply and topography (Mthonjaneni SEA 2007)

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.

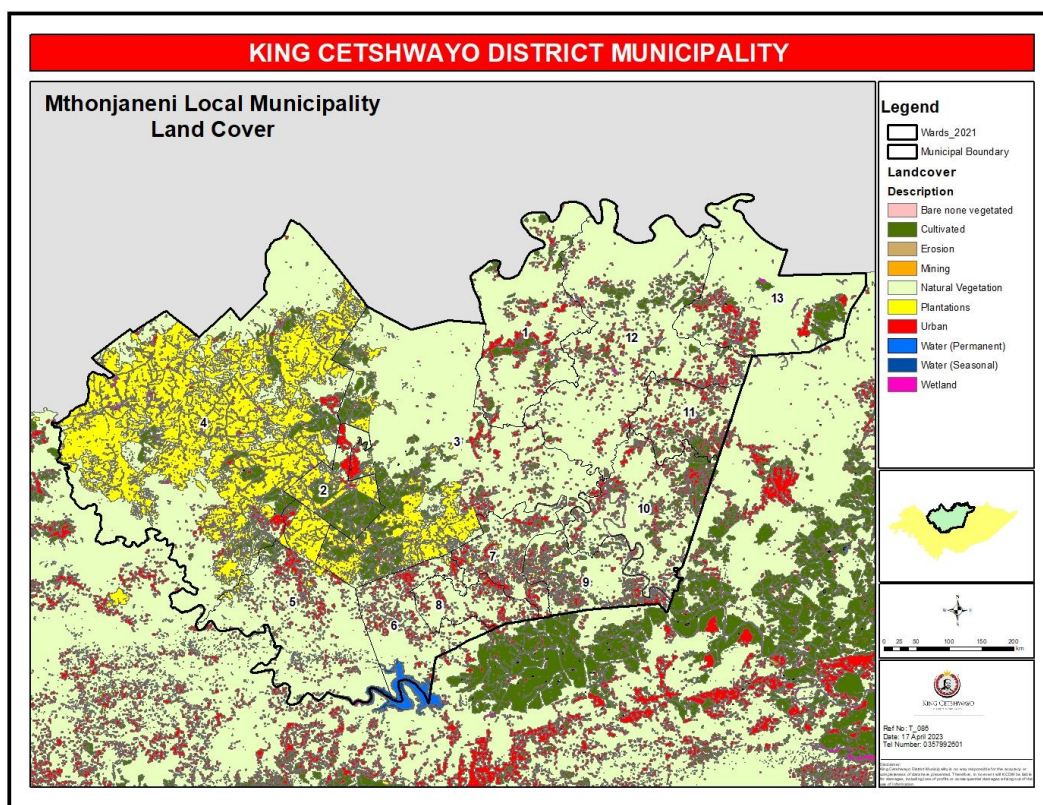


Map 19- Agricultural Potential

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%

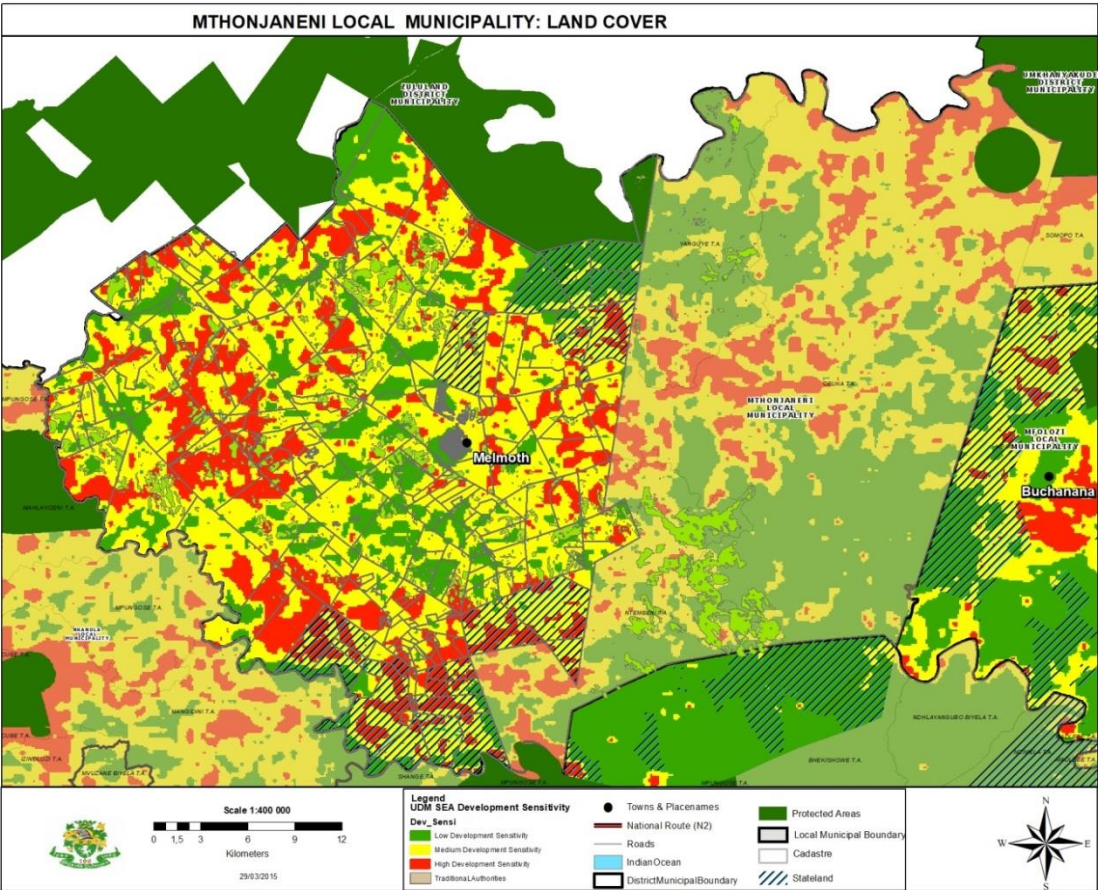
transformed (see Transformation map). In terms of agricultural potential map, it falls within areas classified to have high potential. Soil, climate, and rainfall are also favourable in these areas.



Map 20-Land Cover

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 21- Land Cover

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

10.3 DISASTER MANAGEMENT

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

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 was reviewed during the 2017/2018 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

The majority 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

AGRICULTURAL ACTIVITY

determined by factors such as climate, vegetation, soils, water supply and topography (Mthonjaneni SEA 2007)

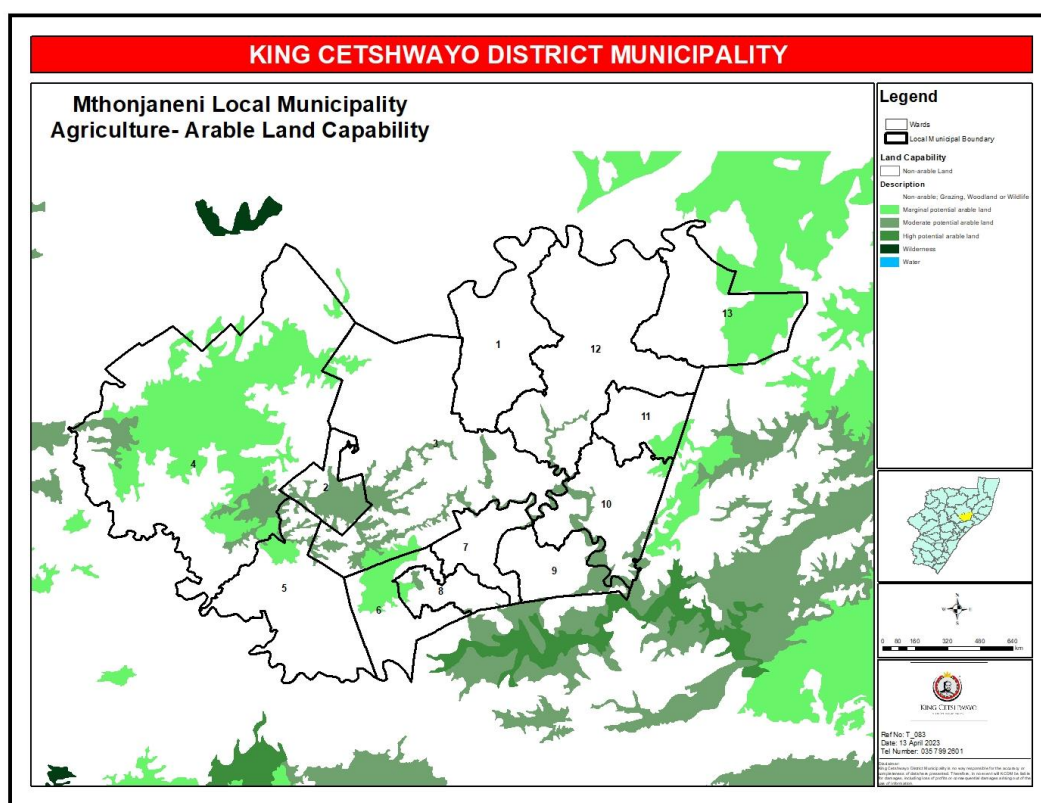
There are areas of low potential along the northern and eastern boundaries of the Municipality. The south-east boundary has an area of very low potential. There is also restricted potential north of Melmoth and in the southern section of the municipality.

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 22- Agricultural Land Capability



Primary Nodes

DEVELOPMENT NODES

MELMOTH TOWN INCLUDING THUBALETHU

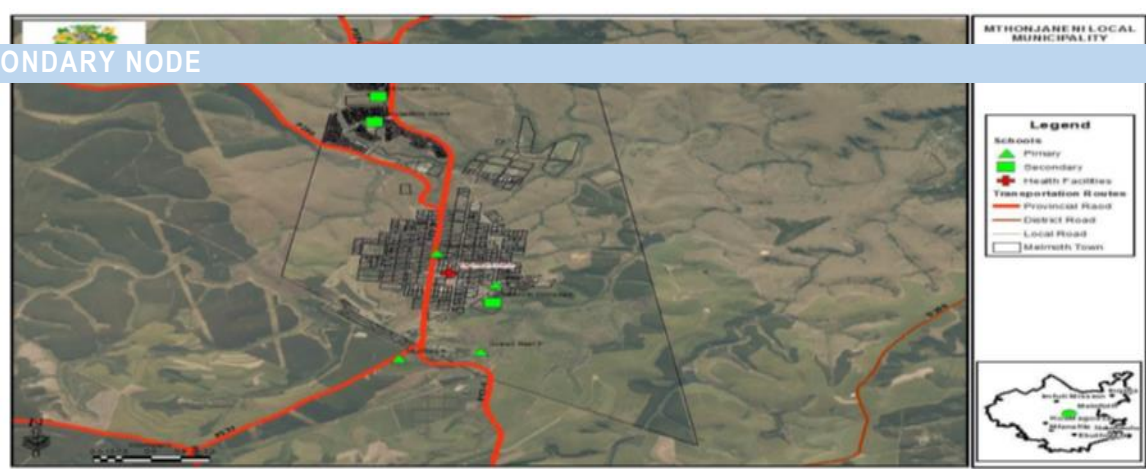
Melmoth town is most suited for the primary nodes as it has adequate facilities and meets most requirements in terms of services and facilities for a primary node. The town does not have the hospital (KwaMagwaza is 10 km away) but has a clinic, similarly it does not have high school, but Thubalethu has 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



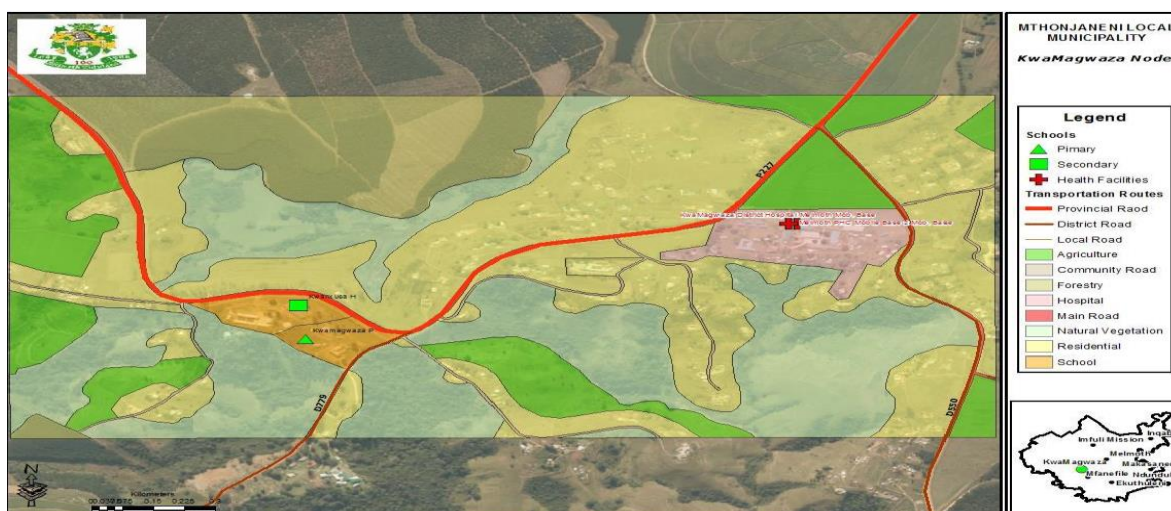
Ndundulu, KwaMagwaza, Yanguye, Uppernseleni and Mkhandlwini are identified as secondary nodes and are linked by the R34, P700, R66 and R68 respectively. These areas play an important role as service centres to the rural communities which are further removed from the primary node.

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



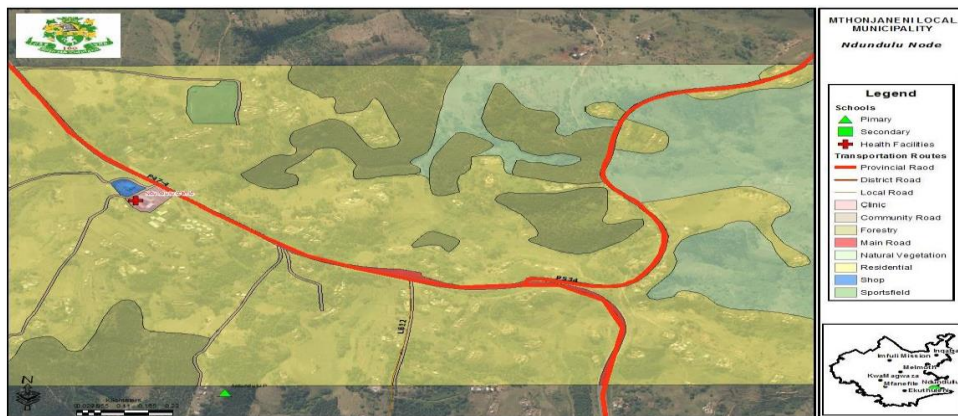
The KwaMagwaza area has the following facilities and receive the following services:

- 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

Upper Nseleni is situated in ward 11 of the municipality at the intersection of the P253 and P534. This

TERTIARY NODES UPPER-NSELENI

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.

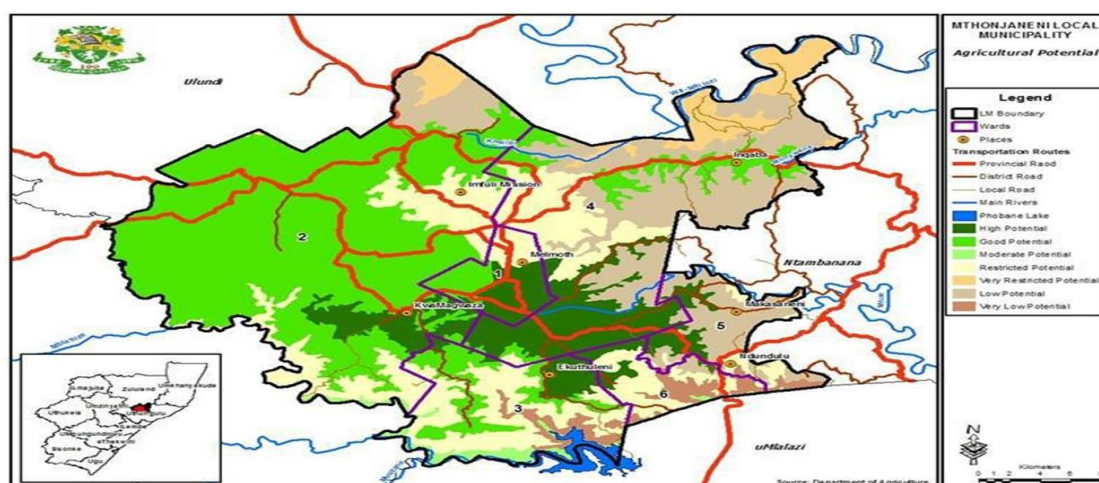
AGRICULTURAL SECTOR

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.

7.5.3.1 Agricultural Potential

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



Commercial Agriculture

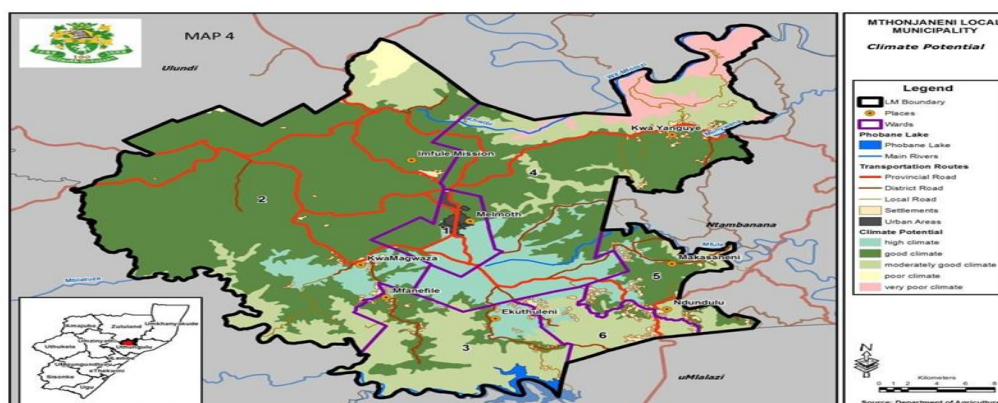
The predominant commercial farming activity is sugarcane and this together with commercial forestry forms the base of the region's economy. Other farming includes citrus, vegetables, beef and dairy and small clusters of tropical fruit farmers. Sugarcane is able to be grown even in areas of restricted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

SPATIAL AND ENVIRONMENTAL SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Poor land use management in the Ingonyama trust land. • Communities settling along rivers without consideration of flood lines.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Opportunity of Tourism development along the R66 route. • The introduction of Land use management system for the whole of the municipal area. 	<ul style="list-style-type: none"> • Poor access roads in rural areas. • Scattered developments in traditional authority areas

Table 34- SPATIAL AND ENVIRONMENTAL SWOT ANALYSIS

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 developed a Disaster Risk Management Sector Plan (DRMSP) for integration in the 2022/2023 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

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 site is in place and in the 2022/2023 the municipality has decided to refurbish some buildings to establish the centre. 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 hours basis. Trained call centre staffs manage each shift. The Call Centre number is 035 4507691.

There is a Disaster Management, Fire and Rescue Unit within the municipality. The disaster management section is under the span of control of community and corporate services directorate. There is a Manager, one Fire Officer, two Shift Leaders and nine Fire Fighters. There is no Disaster Management Officer, however the post is now included in the municipal organogram for 2022-2023 financial year. When disaster related incidents occur the responsibility falls on this team, supported by a King Cetshwayo District Disaster Management Centre.

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 Mthonjaneni 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 be reviewed annually. The 2022/2023 review got the council approval

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.

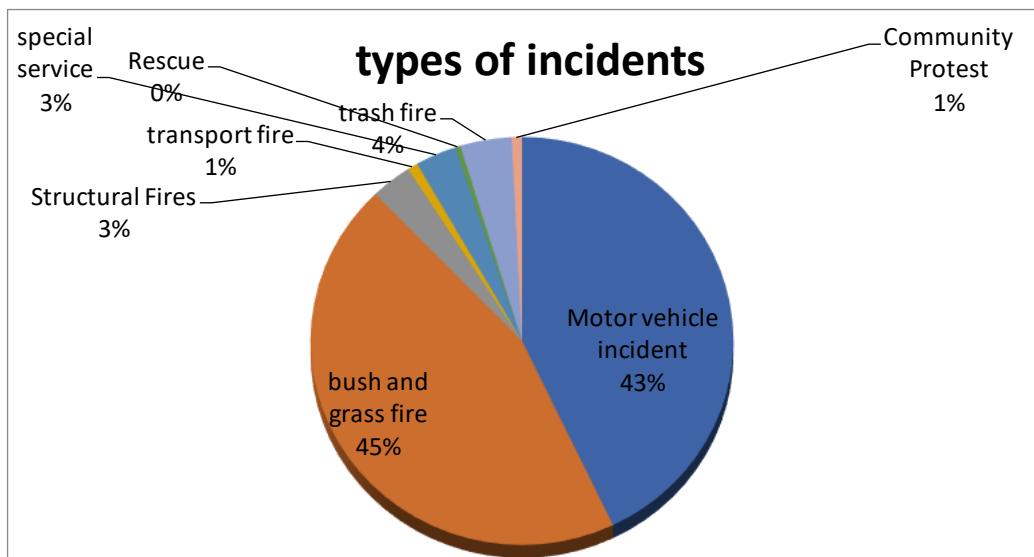


Figure1: Distribution of Disaster Incidents

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

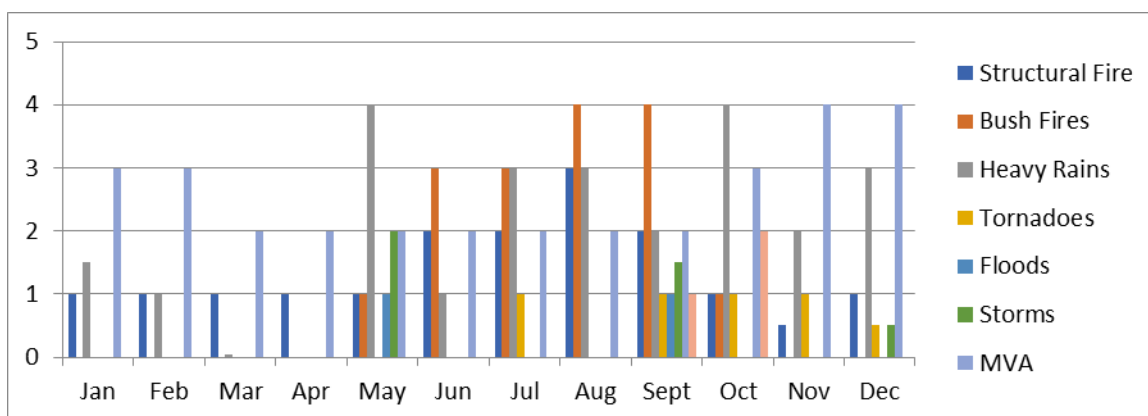
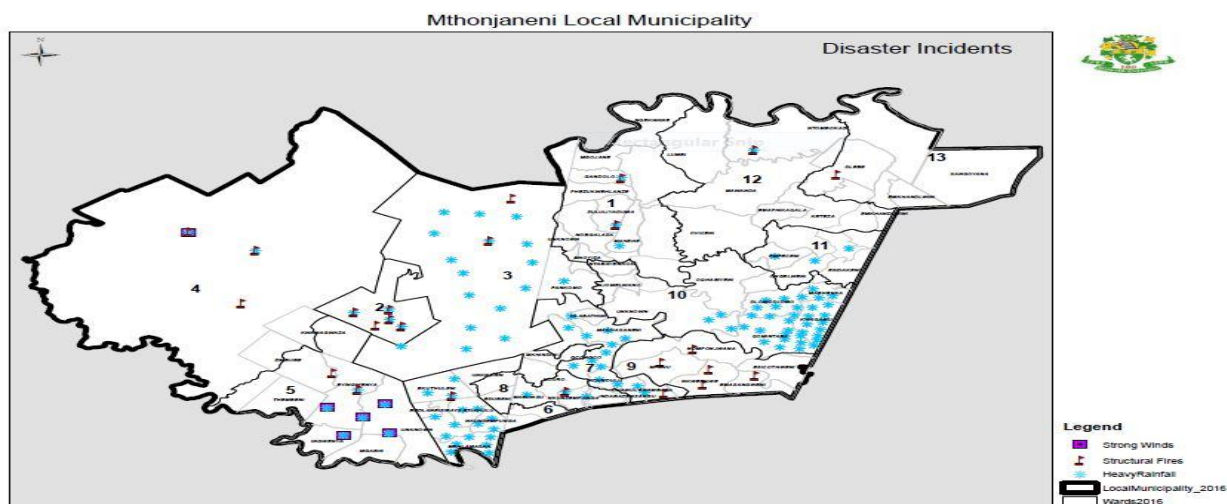
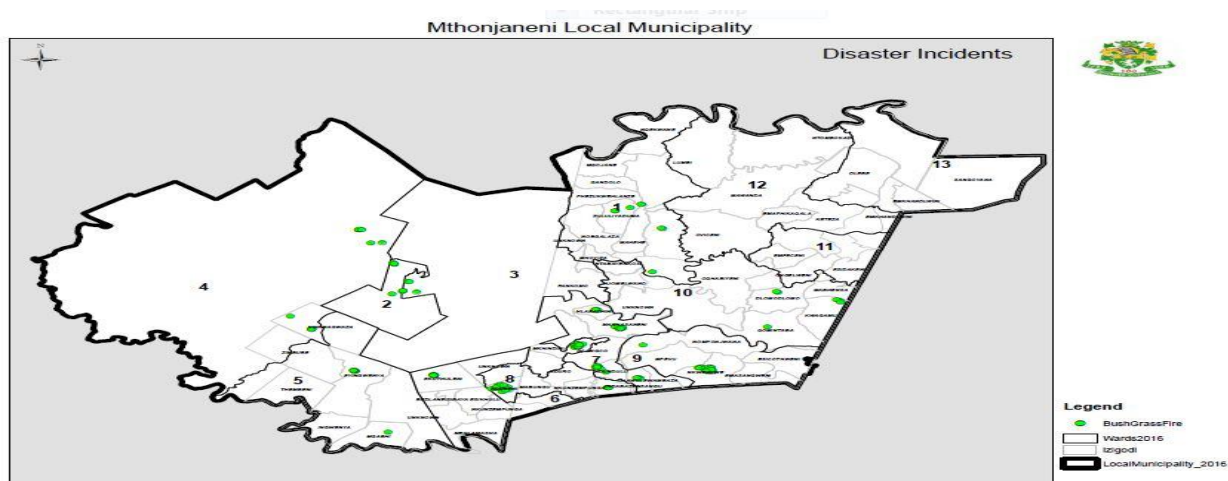


Figure 2: Monthly distribution of disaster incidents

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



Map 23- Disaster Incidents



Map 24- Reflects Bush and Grass Fire per wards

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 as a result 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 borne 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 due to floods and droughts	Yes	High	Low

Table 35- Climate Change impacts

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	<ul style="list-style-type: none"> • Procurement of fire beaters • Conduction of awareness's • Burning of fire brakes • Improving firefighting equipment • Provision of Relief Material
Floods	<ul style="list-style-type: none"> • Construction of dams • Construction according to building standards • Consistency in Awareness Campaigns • Consistency in Early Warning Systems • Building Bridges
Storms and Heavy Rains	<ul style="list-style-type: none"> • Consistent Awareness Campaigns • Consistency in Early Warnings • Provision of Relief Material
Lightning	<ul style="list-style-type: none"> • Lightning Conductors • Consistency Awareness Campaigns • Consistency in Early Warnings
Drought	<ul style="list-style-type: none"> • Conduct Awareness Campaigns
Motor Vehicle Incidents	<ul style="list-style-type: none"> • Upgrading and Road Maintenance • Visibility of Road Traffic Officers • Awareness Campaigns
Covid-19	<ul style="list-style-type: none"> • Conduct Awareness and Campaigns • Provide PPE to all frontline workers • Ensure compliance to all precautionary measures as outlined by the Health Department

Table 36- 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 37- Climate Change 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	STOR MS	HAZM AT	EPIDE MIC	DROU GHT	FLOO D
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 38- Response Protocols for Mthonjaneni***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

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
- Road and Facility and Infrastructure

12.1 HUMAN RESOURCE STRATEGY/PLAN

Human resources are the most important, and the most expensive, resource that the municipality has. Hence, it is vital that it makes optimum use of this resource. The municipality needs to have the right number, the right 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 year to keep it relevant.

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. It 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.

In order 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.

Currently Mthonjaneni Municipality do not have an approved HR Strategy/Plan. The Strategy is being developed internally and the first draft will be submitted to the Council Committees in March 2023. The HR Strategy/Plan will be approved by Council in June 2023.

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

Mthonjaneni municipality has a total number of 161 approved positions in the organogram, 127 of these positions are filled and 32 positions are vacant which results to the vacancy rate of 19,88%. Mthonjaneni Municipality has 126 contractual workers including EPWP.

DEPARTMENT	NUMBER OF STAFF
Office of MM	10
Finance	18
Technical Services	48
Corporate Services	16
Community Services	45

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 Services	VACANT (The Post Is at Recruitment Stage)

In the 2021/2022 Financial Year the Municipality had 4 departments with Community and Corporate Services being combined and made one department. The Municipal council took a resolution to separate the Departments hence there is now 5 Departments.

The Organogram is presented in **annexure I**:

Mthonjaneni municipality has a total number of 161 approved positions in the organogram, 127 of these

MUNICIPAL VACANCY RATE & FILLING OF CRITICAL POSTS

positions are filled and 32 positions are vacant which results to the vacancy rate of 19,88%. Mthonjaneni Municipality has 126 contractual workers including EPWP.

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 Services	VACANT (The Post Is at Recruitment Stage)

In the 2021/2022 Financial Year the Municipality had 4 departments with Community and Corporate Services being combined and made one department. The Municipal council took a resolution to separate the Departments hence there is now 5 Departments.

The vacancy for director Technical was advertised on a Local and Provincial newspaper. The post closed on the 7th of May 2023. The post is anticipated to be filled by 1 August 2023.

ORGANISATIONAL STRUCTURE

ANNEXURE 2

12.4 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 25 Councillors. 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 Services Portfolio Committee
- ❖ Finance Committee
- ❖ Community Services Portfolio Committee
- ❖ Technical Services 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 MPAC	GENDER	AFFILIATION
Cllr. Majola	Male	EFF
Cllr. Ndlovu	Male	IFP
Cllr. Shange	Male	ANC
Cllr. Mpungose	Male	IFP
Vacant		

There is a vacancy in the MPAC due to one member who resigned.

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	GENDER
Dr TI Nzimakwe	Male
Mr U Botshiwe	Male
Mr KN Ngubane	Male
Miss SN Siyaya	Female

12.5 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	<ul style="list-style-type: none"> • Communication • Internal Audit & Risk Management • Corporate Governance and Administration • Political Support • IDP and PMS • Special Programmes • Public Participation
Corporate Services	<ul style="list-style-type: none"> • Human Resource Management, Human • Resource Development Strategy and • Implementation Plan • Administration • Legal Services • ICT Management • Council Support & Auxiliary Services
Community Services	<ul style="list-style-type: none"> • Safety & Security • Disaster Management • Waste Management • Social Services • Protection
Finance Services	<ul style="list-style-type: none"> • Revenue Management • Expenditure Management • Supply chain Management • Asset Management • Budget and Treasury Office • Financial Reporting
Technical Services	<ul style="list-style-type: none"> • Roads & Storm Water • Electrification • Infrastructure/Capital Projects

	<ul style="list-style-type: none"> • Operations & Maintenance • Human Settlement
--	--

Table 39- Functions of the Departments

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.

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. We are in a process of reviving the employment equity committee the first meeting was on the 11th of May 2023. The Municipality is currently not 100% complying due to the following.

- The Municipality makes a specification on employment adverts to encourage people with disabilities, however there are no applications from people living with living with disabilities. The Municipality there does not meet the requirement of 1% 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.

- WSP was submitted to LGSETA on the 28th of April 2023 by the Skills Development Facilitator. Before the submission Skills Audited was conducted in March and few employees participated. It was approved by the Local Labour Forum on the 26th of April 2023
- There has been hesitant from employees to participate in the Skills Audit due to non- facilitation of desired trainings which caused by budget constraints.

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.
- From August 2020 to January 2021, the next phase was the approach for information collection by the municipal Skills Development Facilitators to introduce the said project, dissemination of questionnaires for a completion, the collection of information, data capturing, and analyzing the information.

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 Mthonjaneni Municipality, that may result in the identification of skills gaps.

Methodology

- a) Target population for the municipal skills audit was all municipal Report officials.
- b) Size of the target population and COVID 19 Regulations influenced the methodology of the phased approach, namely: training of SDF on GAPSKILL, Data Collection and Desktop Research; Conduct Skills Audit; Data Analysis; Writing
- c) 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 due to the COVID-19 Regulations.
- d) Mthonjaneni Municipality employed one hundred and forty-nine (149) employees. (By the time the Skills Audit was conducted)
- e) 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 previously disadvantaged groups. However, in some OFO codes precisely at the strategical level women are not well represented.	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.

People with Disabilities	The municipality only had 4 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 management and lack of strategic direction.	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 important that, in line with such interventions, the municipality develop specific monitoring and evaluation tools to ensure that the identified gaps are addressed accordingly

Table 40- Identified finding on Skills Audit

- 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 in 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 was reviewed on the 19th of May 2022. The Policy is attached. 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
- University Bursaries for Employees’ children
- 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 from level 15 and above

As per the 2022 WSP there 143 planned trainings but there 94 trained beneficiaries due to budget constraints of the municipality 2023 WSP reflect that the municipality planned on training 200 beneficiaries

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.

This policy is currently being implemented i.e., there has been several trainings and workshops that took place. In May 2017 there was a strategic training workshop that was conducted between the Management and the new Councillors, this was done to share knowledge and increase understanding about the Local Government. The municipality continues to implement the policy the evidence to that is that the municipality develops the Personal Development Programme, keeping training records etc. The policy has the number of types of development, which aims at expanding the capacitating.

Study Scheme 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 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.
- ❖ As per the 2022 WSP there 143 planned trainings but there 94 trained beneficiaries due to budget constraints of the municipality.

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> On-going public participation process Mentoring and Coaching Cascading of Performance Management to levels lower than s54/56 	<ul style="list-style-type: none"> Lack of continuity of management skills Long term sustainability under threat High Staff Turnover Non-adherence to Municipal By-Laws

Table 41- Institutional Development and Transformation SWOT ANALYSIS

INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION CHALLENGES

KPA-1: Municipal Transformation and Institutional Development Challenges	
Challenges	How are they going to be addressed
High employee cost even though there are vacancies	Review retention strategy, introduce incentives, rewards, and staff benefits

Actual buildings do not comply with legislative requirement	Effective and prompt Recommendations by OHS to Management
Non-Compliance with Employment Equity Act	The EE Plan is currently being reviewed and the EE committee is resuscitated
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
Improper bookings of Municipal Facilities	Centralising the bookings of facilities in one office (Reception) All request for the free usage of facilities to be formally directed to the Office of the Municipal Manager including Hon. Councillors and Officials.
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.
Leave Management (Payday System) Time Management	Encourage pre-authorisation of leave Uploading of Leave records on the System Record leave manually as a back up system Update Clocking System...instil staff code of conduct by regular workshops, monitor attendance regularly.
OHS Training courses on Legal Liability, Hazard identification and incident investigation (Managers and HOD's)	Prioritise this training on the next financial year.

Table 42- Municipal Transformation and Institutional Development Challenges

BASIC SERVICE DELIVERY AND INFRASTRUCTURAL DEVELOPMENT SITUATIONAL ANALYSIS

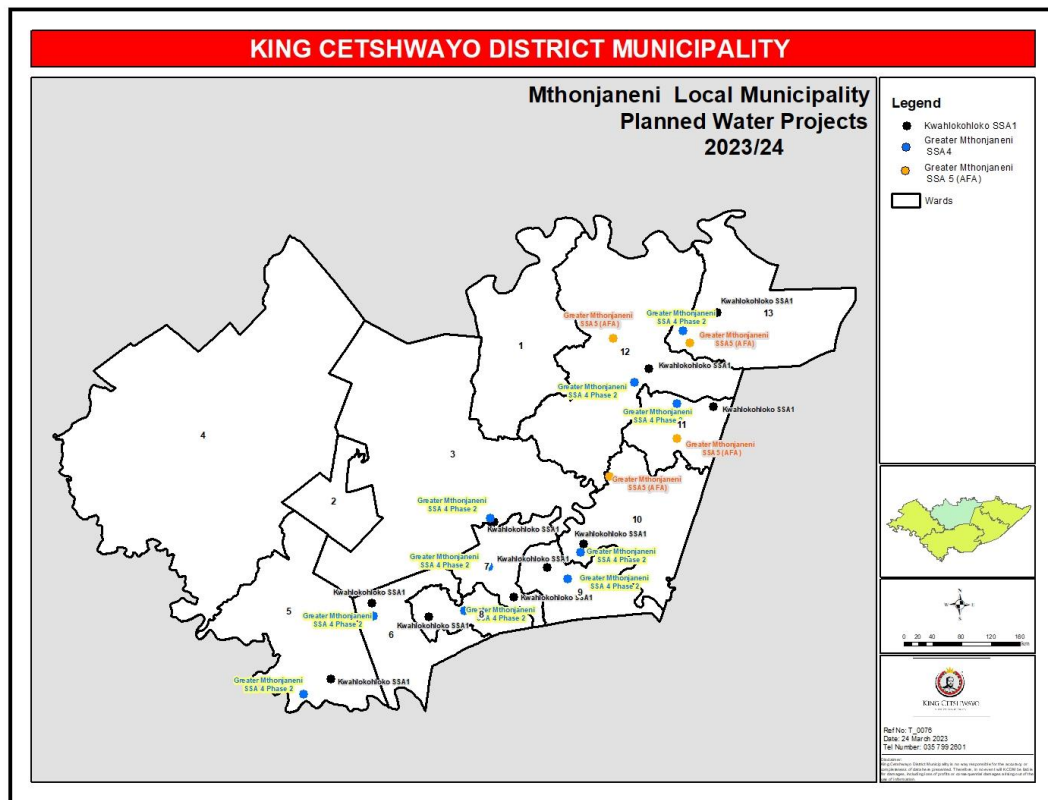
12. BASIC SERVICE DELIVERY AND INFRASTRUCTURAL DEVELOPMENT SITUATIONAL ANALYSIS

WATER AND SANITATION

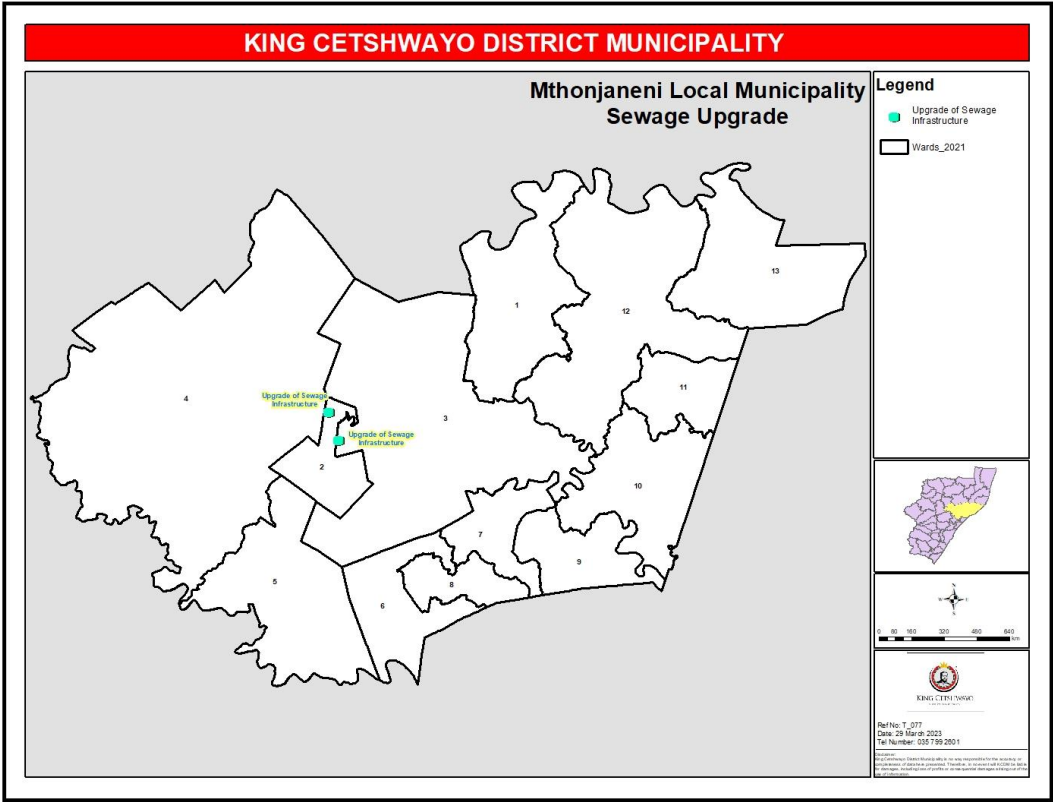
Mthonjaneni Local Municipality is not a Water Service Authority.

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 uMhlathuze 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.

The maps below shows the location of the Planned water projects and Planned Sewage upgrade at Mthonjaneni Municipality by the District Municipality.



Map 25- Water Projects underway



Map 26- Sewerage Upgrade

Projects that are currently being implemented

NO	PROJECT NAME	PROJECT BUDGET	BRIEF SCOPE	WARDS	VILLAGES	HOUSEHOLDS	PROGRESS	COMPLETION DATE
1	Melmoth Sewer Upgrade	R24 529 252,38	KCDM/MIG/02/2021: Upgrade of Sewage Infrastructure in Melmoth - Remainder of Thubalethu	2	Thubalethu Township	685	94%	Jun-23
2	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	18%	Dec-23
3	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		58%	Jun-23
4	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	18%	Jan-24
5	Geza Spring	R3 976 393,99	Development of Geza Spring and Construction of Ogelweni Extension.	11	Geza and Ogelweni	55 and 134 Respectively	1%	Aug-23
6	Bhadaza Spring	R2 351 420,36	Development of Bhadaza Spring	3	Bhadaza	61	1%	Aug-23

NO	PROJECT NAME	PROJECT BUDGET	BRIEF SCOPE	WARDS	VILLAGES	HOUSEHOLDS	PROGRESS	COMPLETION DATE
1	Melmoth Sewer Upgrade	R24 529 252,38	KCDM/MIG/02/2021: Upgrade of Sewage Infrastructure in Melmoth - Remainder of Thubalethu	2	Thubalethu Township	685	94%	Jun-23
2	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	18%	Dec-23
3	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		58%	Jun-23
4	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	18%	Jan-24
5	Geza Spring	R3 976 393,99	Development of Geza Spring and Construction of Ogelweni Extension.	11	Geza and Ogelweni	55 and 134 Respectively	1%	Aug-23
6	Bhadaza Spring	R2 351 420,36	Development of Bhadaza Spring	3	Bhadaza	61	1%	Aug-23

Table 43- Water Projects that are currently being implemented

PROJECTS PLANNED FOR 2023/2024 FINANCIAL YEAR

NO	PROJECT NAME	BUDGET FINANCIAL YEAR 2023/2024	BRIEF PROJECT SCOPE	LM	WARDS	VILLAGES	HH
1	Kwahlokoheko SSA1 Water	R8 000 000,00	Upgrade of Phobane Plant from 20MI to 40MI/day – (Total Project Value: R 263 150 511.00)	Mthonjaneni LM	Mthonjaneni: Ward 3,5,6,7,8,9,10,11,12 and 13	uMthonjaneni LM: Makhasaneni), Mfanefile, Mgabhi, Ezingwenya ad Izimbube), Ekuthuleni, Edubeni), Ndundulu, Mabhungu, Mkhindini, Nomponjwana, Hawule, Stheku, Hlabathini, Ndundulu, Bedlane, Edubeni, Mabhungu, Mpevu, Nomponjwana, Gobihlahla, Mkhandlwini, eMaphukanqola and part of Odebe.	9584
2	Upgrade of Sewage Infrastructure for Melmoth - WWTW	R14 000 000,00	Thubalethu sewerage plant upgrade in Mthonjaneni local Municipality.	Mthonjaneni LM	Ward 2 and 3	Melmoth Town and Thubalethu	2500

Table 44- PROJECTS PLANNED FOR 2023/2024 FINANCIAL YEAR

NO	PROJECT NAME	BUDGET FINANCIAL YEAR 2023/2024	BRIEF PROJECT SCOPE	LM	WARDS	VILLAGES	HH
3	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.	Mthonjaneni LM	4, 10 and 13	Khathazo, Qomintaba and Debe	124
4	Greater Mthonjaneni SSA2 Phase 1B1	R23 075 000,00	Construction of DN315 bulk pipeline and construction of 500kl concrete reservoir.	Mthonjaneni LM	5	Mfanefile and KwaMagwaza	275
5	KCDM/RBIG/08/2022 - Mthonjaneni SSA 2 Phase 2A: Construction of Pipelines, 2,5ML Reservoir and Pumpstation.	R40 000 000,00	Construction of Pipelines, 2,5ML Reservoir and Pumpstation.	Mthonjaneni LM	5 & 4	Mfanefile and KwaMaGwaza	384

Table 45- PROJECTS PLANNED FOR 2023/2024 FINANCIAL YEAR

CHALLENGES IN THE PROVISION OF WATER AND SANITATION SERVICES

The Municipality is faced with different challenges relating to water since the community directs their grievances to the Municipality, Amongst other challenges regarding water are;

- Delays in fixing infrastructure ie. Water & Sewer leaks
- The delays in fixing road infrastructure (Road Pipe Cutting)
- Unavailability of water supply mostly in rural areas.
- Unavailability of bulk infrastructure (Water and Sanitation) for new projects

SOLID WASTE MANAGEMENT

Refuse removal**Urban**

The Municipality offers a high-level access to waste in the urban areas (Melmoth and Thubalethu), where waste is collected from households and businesses on weekly basis or when requested during festive season. Households are supplied with 2 refuse bags per week and instructed to place full bags on the kerb-side for collection as per a specific refuse collection programme. Tractors and trailers are used to collect the waste. Waste is removed from households within various areas. Skips are strategically placed within the urban areas for effective waste management.

Monday	Thubalethu Township	
Tuesday	Town (West Side)	
Wednesday	Hospital(domestic waste) & Businesses	
Thursday	Town (East Side)	All
Friday	Thubalethu Township	

Table 46- Waste collection schedule



Rural

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

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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.



Figure 1: 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.

The estimated number of households in the Municipality is 10433 and 3 084 of the household's waste is collected by the MLM, this is a shortcoming which requires urgent attention.

The table below illustrates how waste removal is handled in the area. According to Stats SA, (2011) 29.56% of households did receive a collection service by the local authority/private company. It is evident that 70.44% residents have no access to household waste removal services.

Table 34: MLM Waste Removal

SOURCE	HOUSEHOLDS
Removed by local authority/private company at least once a week	2650
Removed by local authority/private company less often	434
Communal refuse dump	165
Own refuse dump	5994
No rubbish disposal	750
Other	440
Total	10433

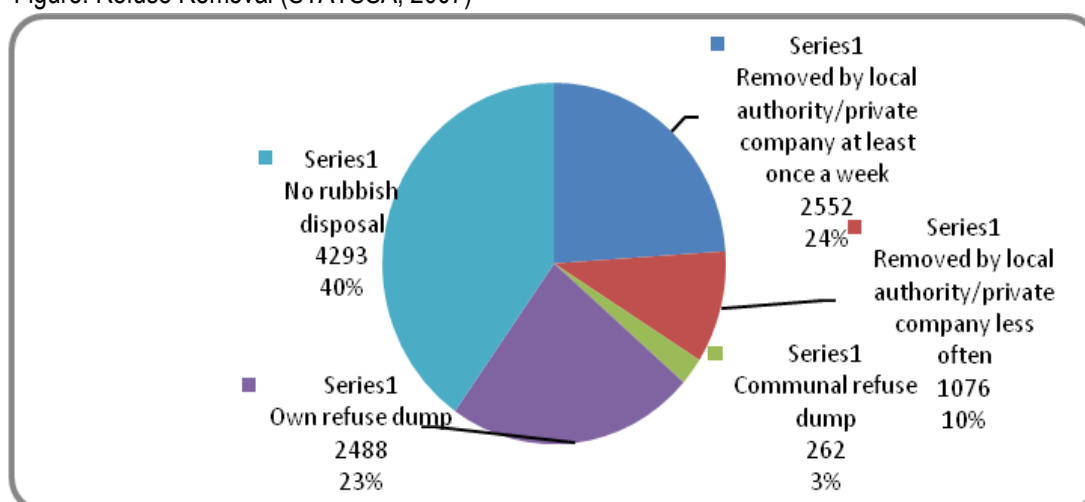
SEPERATION/AVOIDANCE OF WASTE AT THE SOURCE

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.

Implementation of the Integrated Waste Management Plan

Waste removal and disposal is currently being provided by the Mthonjaneni Municipality and is currently restricted to Melmoth, Thubalethu Township, and KwaMagwaza area. The waste removed is disposed at the Melmoth landfill site.

Figure: Refuse Removal (STATSSA, 2007)



Expand accessibility of refuse services in various wards

The Community Survey (2007) indicates that 24% of households have refuse removed by the local authority or a private company at least once a week, while less than 10% have refuse removed less frequently. 23% of households make use of their own refuse dump and a further 40% have no refuse disposal.

Mthonjaneni Local Municipality (MLM) appointed Aurecon to assist in developing an Integrated Waste Management Plan (IWMP) for the Solid Waste Disposal Division for the Municipality. As a requirement of the National Waste Management Strategy 2011 (NWMS) and the Integrated Development Plan (IDP) process all Municipalities are obliged to compile an IWMP.

The compilation of this IWMP is done in line with the draft guidelines for compiling waste master plan documentation made available by the National Department Environmental Affairs (DEA) as well as the Draft Starter Document for Integrated Waste Management Planning in South Africa.

The Mthonjaneni Integrated waste management plan was reviewed during the 2018/2019 financial year.

The Mthonjaneni IWMP clearly sets out the IWMP goals, policies, and objectives to which the MLM should strive to remain compliant with the overall goals and objectives of the NEMWA. The IWMP also provides an evaluation of alternative waste management scenarios and options that were scrutinized and considered for possible implementation by the MLM to address their waste management needs in a sustainable manner. The most suitable options were then translated into implementable projects as part of the IWMP Implementation Plan. The said Implementation Plan sets the timeframes over which specific projects should be rolled out by the MLM.

The following assumptions were made where insufficient information was available:

a) Waste Generation Calculations

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

b) Waste Collection Calculations:

- Domestic & Business – 5 days a week

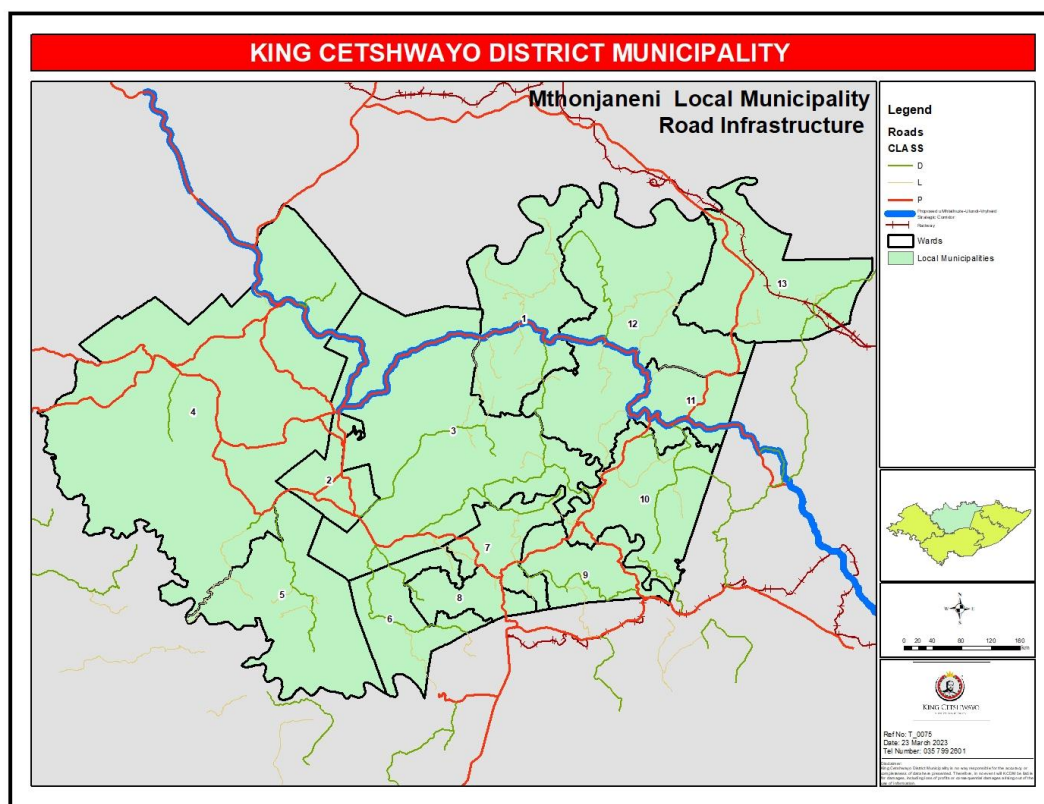
c) Where recorded generation rates were not available the following quantities were used:

- Rural Settlements (Poor Communities) – 0.3 kg per person per day
- Urban – 1.5 kg per person per day

TRANSPORT INFRASTRUCTURE

Existing and Future Transport Infrastructure

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



Map 28- Road Infrastructure Network

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.

The Municipality was able to complete the following projects in the 2022/23 FY.

Project Name	Distance	Amount
Urban Roads Upgrade -Thubalethu - Ward 2	2,1km	R 7 446 918,98
Ndundulu Gravel Road - Ward 8	5km	R 7 130 463,45
Makhubalo Gravel Road - Ward 9	3,8km	R 3 501 542,31
Ntilingwane Gravel Road - Ward 12	4km	R 5 523 505,20

Table 48 Road Projects Completed in 2022/23 FY

The Municipality plans to implement the following roads and stormwater projects in the 2023/24 FY ;

Project Name	Distance	Amount
Sizanani Gravel Road - Ward 1	4,2km	R 5 431 640,81
Ofankomo Gravel Road - Ward 3	4,5km	R 5 667 215,95
Goduka Gravel Road - Ward 11	4,1km	R 5 316 091,45

Table 49- Road Projects Planned for 2023/2024 Financial Year

Provincial Roads

Mthonjaneni boasts the key provincial main road neighboring towns to other strategic locations:

R66 provides a linkage between Melmoth, Eshowe, Gingindlovu and the N2 on the South End.

R66 provides a linkage between Melmoth, Ulundi, Pongola, and the N2 on the North End

District and Local Roads

The road network in the municipal area is very poor and most areas are inaccessible during rainy days (roads are slippery). Most access roads have no gravel material, roads with gravel, lack maintenance. Some members of the community must leave their vehicles far away as they cannot access their places of residence due to slippery surfaces. This poses a serious challenge in terms of motor vehicles being vandalized or stolen because of poor road infrastructure conditions.

The Mthonjaneni municipal area has large rivers such Mfolozi, Mfule etc. and communities near these areas find it difficult to connect because of lack of bridges or causeways to cross the rivers, especially during rainy season.

5.3.2 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 program for implementation for inclusion in the IDP.

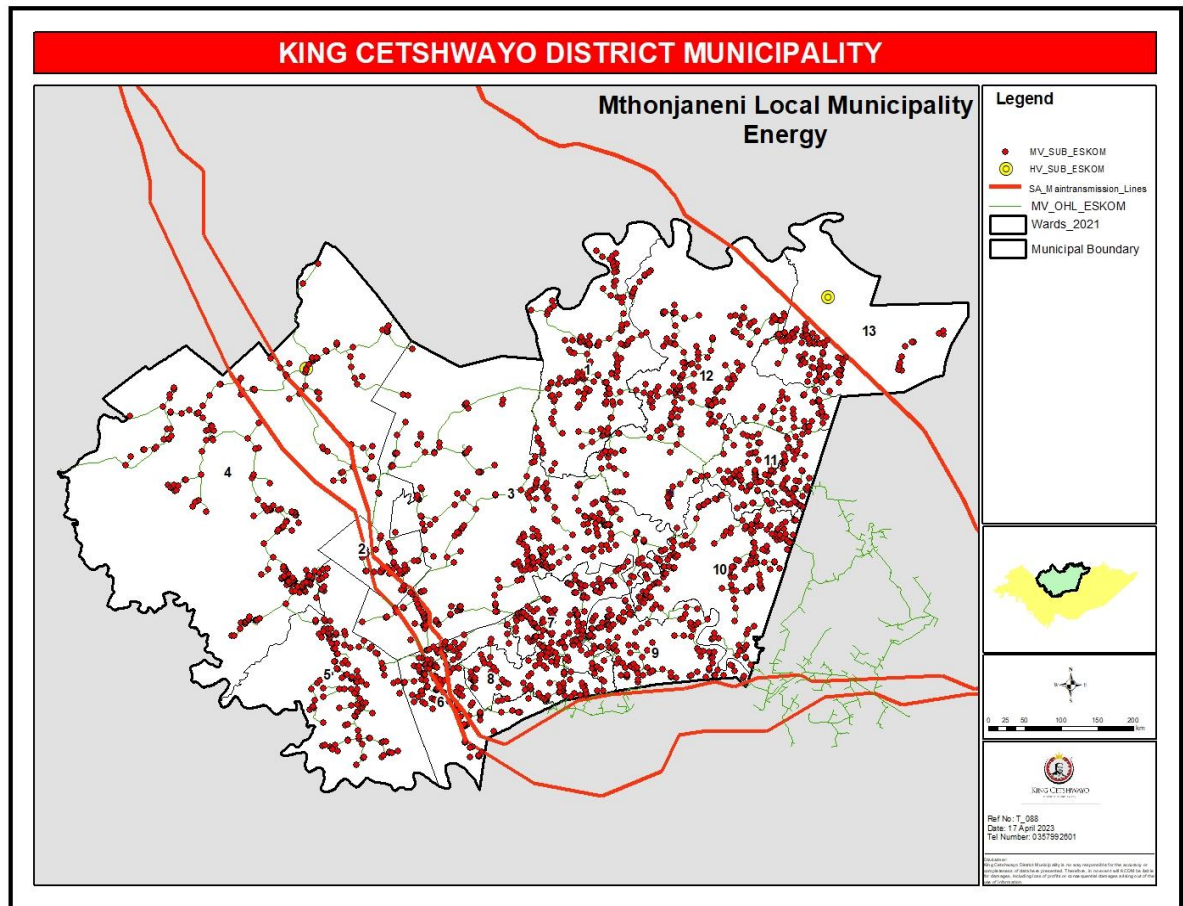
5.3.3 Responsibility of the Provision of New Roads and Related Facilities

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.

5.3.4 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 is being assisted by the District Municipality to develop the LTP. The municipality will have a draft by 30 June 2024. The Municipality does not currently provide a link to the Integrated Transport Plan.

ENERGY



Map 29- Energy

Electricity Energy Provider

Mthonjaneni Local Municipality provides electricity to Melmoth Town and Thubalethu Township, 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 Bulk Supply which will be phased out over 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 the house. This percentage is slightly higher than the provincial average.

CURRENT PROJECTS FOR 2022/23

CURRENT ELECTRIFICATION PROJECTS (2023/2024 F.Y)		INEP ALLOCATION – R 8,280,000.00
PROJECT	PROJECT COST	STATUS
Emakhilani Electrification, Ward 9	R 3 500 000.00	Project withdrawn, Eskom undertaking same project.
Esidakeni Infills, Ward 11	R 1 905 000.00	In-Progress
Noziphiva Electrification, Ward 10	R 2 875 000.00	In Progress

Table 50- Electricity Projects being implemented

PROJECTS FOR 2023/24 – 2024/25

PROPOSED ELECTRIFICATION PROJECTS (2023/2024 F.Y)		INEP ALLOCATION – R 13,700,000.00
PROJECT	ESIMATED PROJECT COST	STATUS
Ekuthuleni Electrification, Ward 6	R 1 000 000,00	Funding Approved
Ndabazensangu Electrification, Ward 7	R 700 000.00	Funding Approved
Ehlabathini Electrification, Ward 7	R 2 000 000,00	Funding Approved
Thubalethu Sub-Station – Ward 2	R 10 000 000.00	Funding Approved

Table 51- Electricity Projects to be implemented in 2023-2024

Energy Sector Plan

Mthonjaneni Municipality will develop the Sector Plan during 2023/2024 Financial Year. The Municipality had a vacancy Manager Electricity however the post has been advertised and it anticipated that it will be filled no later than the 30th of August 2023.

PROJECTS THAT WILL BE IMPLEMENTED BY ESKOM (2023/2024 F.Y)		
PROJECT	ESIMATED PROJECT COST	STATUS
Mfanefile Infills- Ward 5	R626 086,97	Pre- Engineering
Ndundulu Infills- Ward 8	R626 086,97	Pre- Engineering
Mpempeni- Ward 10	R626 086,97	Pre- Engineering

Yanguye Infills- Ward 1	R626 086,97	Pre- Engineering
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Table 52- PROJECTS THAT WILL BE IMPLEMENTED BY ESKOM (2023/2024 F.Y)

5.4.3 Operations and Maintenance Plan for Electricity

For the past 5 years the municipality has constructed approximately 2500 new electrification connections to new rural households. However as indicated in this document the electrification backlog is still high and there is still a high demand for new electrification projects and infill projects. These rural projects are not maintained by the municipality. The project is handed back to ESKOM and once completed, and ESKOM does all necessary maintenance to all rural electrification infrastructures.

In the previous Financial Year the Municipality reported that the Electricity Operations and Maintenance Plan was going to be developed in 2021/2022 Financial Year, however due to budget constraints the Electricity Operations and Maintenance Plan will now be developed during the 2022/2023 Financial year .The municipality currently does not have electrification operations and maintenance plan but maintains the electricity infrastructure for Melmoth town and Thubalethu as per monthly maintenance schedules that are developed internally by the municipal electrical unit.

5.4.4 Schedule 5.B Projects (DOE Funding)

In line with the Electricity/Energy Plan, Mthonjaneni Municipality receives funding for the implementation of electricity projects from the Department of Energy.

ACCESS TO COMMUNITY FACILITIES

Project Name	Amount
Mahehe Creche - Ward 1	R 2 874 537,30
Njomelwane Community Hall - Ward 3	R 3 846 080,70
Mfule Creche - Ward 4	R 3 307 929,00
Bedlane Community Hall - Ward 8	R 5 880 443,01
Lwazilwethu Creche - Ward 9	R 3 561 370,82
Kwesezulu Sports field - Ward 7	R 11 193 290,57

Table 53- Community Facilities being implemented

There are plans to commence with the construction of Nhluhe Creche valued at R4,547,107.59, in the 2023/24 FY.

Cemeteries

Mthonjaneni Municipality is responsible for local cemeteries. There is an existing cemetery in Melmoth town, KwaMagwaza, Mfanefile, Ekuthuleni and at Imfule Mission as well as a cemetery adjacent to the church in KwaYanguye.

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).

The Status, Backlogs, Needs and Priorities for Community Facilities

Health

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 programs are best delivered through schools. Where a multipurpose hall serves several schools, a clinic may be beneficially located within or adjacent to that hall.

In line with the national planning standards for health facilities, a clinic should be developed for every 6000 households or 5km radius where service thresholds 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

Community Halls

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.

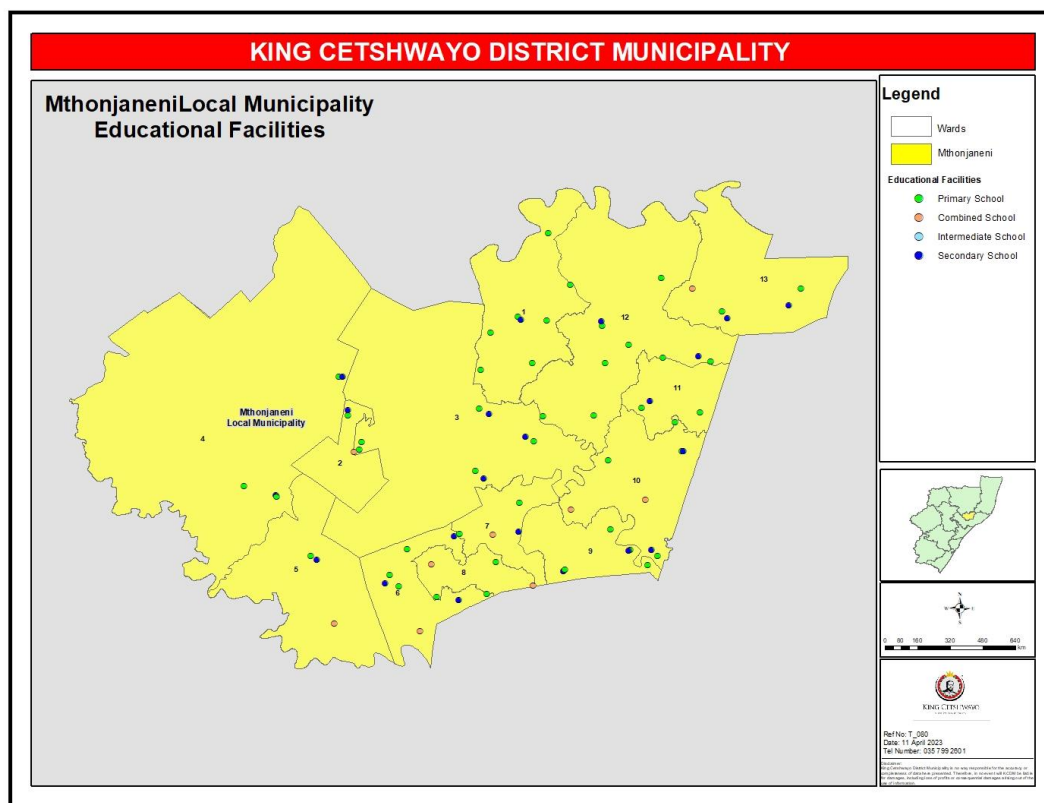
Halls should also be associated with other public facilities, such as schools and markets. Given the limited number of public facilities, which can be provided in any one settlement, it makes sense to concentrate these to create a limited number of special places, which become the memorable parts of the settlement. The number and location of meeting places cannot simply be numerically derived. Rather, it is necessary to create “forum” places, places that over time assume a symbolic significance outstripping their purely functional role. The Municipality will finalize construction of the Bedlane

Community Hall in Ward 8 in the 2022/23 financial year, Emkhandlwini Community Hall in ward 12 will be constructed during 2023/2024 Financial Year.

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 centers 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.

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.



EDUCATION PROJECTS TO BE IMPLEMENTED IN 2023/2024 FY

Mthonjaneni Municipality 5th Generation IDP

SCHOOL NAME	Local Municipality	Type of infrastructure	CONSTRUCTION	TOTAL EXPENDITURE TO DATE FROM PREVIOUS YEAR	FINAL APPROVED ALLOCATION 2023-24 R'000	ESTIMATE ALLOCATION 2024-25 R'000	ESTIMATE ALLOCATION 2025-26 R'000
BONOMUNYE INTERMEDIATE SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 461,650	R -	R -	R 187,848	R 206,633
BONOMUNYE INTERMEDIATE SCHOOL	Mthonjaneni (KZN285)	MAINTENANCE AND REPAIR	R 5 233,645	R 4 064,587	R -	R 915,000	R 1 006,500
DLOZEYANE PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 461,650	R -	R -	R 187,848	R 206,633
EKUTHULENI PRIMARY SCHOOL	Mthonjaneni (KZN285)	MAINTENANCE AND REPAIR	R 8 960,011	R 7,557	R 2 041,724	R 3 490,443	R 3 839,487
EMKHANDLWINI PRIMARY SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 2 323,906	R -	R -	R 545,620	R 600,182
EMKHANDLWINI PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 478,483	R 411,722	R 281,000	R -	R -
ENDABENHLE P	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 500,000	R -	R -	R 232,143	R 255,357
ENDABENHLE PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 9 025,485	R 438,165	R 177,000	R 4 054,818	R 4 460,299
ENHLUBE INTERMEDIATE SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 500,000	R -	R -	R 232,143	R 255,357
ENUNGWINI PRIMARY SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 3 638,215	R 89,612	R 1 949,814	R 576,858	R 634,544
ESIQHOMANENI PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 461,650	R -	R -	R 187,848	R 206,633
ETHUBALETHU P	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 500,000	R -	R -	R 232,143	R 255,357
IHAWULETHU SECONDARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 47 730,980	R 1 529,338	R -	R 1 042,375	R 1 146,612
INSELENYANA PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 461,650	R -	R -	R 187,848	R 206,633
KWANXUSA HIGH SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 2 378,000	R -	R 595,000	R 475,800	R 523,380
MABHENSA PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 461,650	R 42,883	R -	R 181,722	R 199,894
MAKHASANENI PRIMARY SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 2 681,000	R -	R 1 582,388	R 1 166,025	R 1 282,628
MANZIMHLOPHE HIGH SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 3 660,150	R 62,542	R 1 984,215	R 440,803	R 484,883
MASHOBA PRIMARY SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 4 215,773	R 106,399	R 2 715,684	R 529,331	R 582,265
MAWANDA PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 461,650	R -	R -	R 187,848	R 206,633
MFANEFIL PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 3 968,191	R 306,930	R 452,000	R 100,000	R 110,000
MFANEFIL PRIMARY SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 2 862,000	R 112,211	R -	R 624,308	R 686,739
MLINDAZWE PRIMARY SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 3 755,600	R 46,943	R -	R 631,606	R 694,766
MTHONJANENI HIGH SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 5 067,700	R -	R 2 976,500	R 321,286	R 353,414
NGQEKWANE PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 700,000	R 322,359	R 124,000	R 363,821	R 400,203
NKOSITHANDILE SECONDARY SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 4 328,759	R 102,113	R 2 715,684	R 594,140	R 653,554
OVICENI PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 427,667	R 728,343	R 281,000	R -	R -
PLANT MEMORIAL PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 461,650	R -	R -	R 187,848	R 206,633
QALUKUVUKA PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 461,650	R -	R -	R 187,848	R 206,633
SANGOYANA PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 500,000	R -	R -	R 232,143	R 255,357
SANGOYANA PRIMARY SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 2 378,000	R -	R 595,000	R 475,800	R 523,380
SIPHIWAYINKOSI PRIMARY SCHOOL	Mthonjaneni (KZN285)	NEW /REPLACEMENT INFRASTRUCTURE ASSE	R 2 005,663	R 58,846	R 200,000	R 750,000	R 825,000
SITHEKU HIGH SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 8 678,060	R 82,278	R -	R 1 090,217	R 1 199,238
SITHEKU HIGH SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 7 087,857	R 4 693,125	R 3 693,644	R -	R -
ST PAUL'S PRIMARY SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 1 250,000	R 2,857	R -	R 365,963	R 402,560
THANDINKOSI PRIMARY SCHOOL	Mthonjaneni (KZN285)	UPGRADES AND ADDITIONS	R 1 461,650	R -	R -	R 187,848	R 206,633
UMGABHI INTERMEDIATE SCHOOL	Mthonjaneni (KZN285)	REFURBISHMENT AND REHABILITATION	R 2 378,000	R -	R 595,000	R 475,800	R 523,380

Table 54- Education Projects for 3 yrs

Libraries

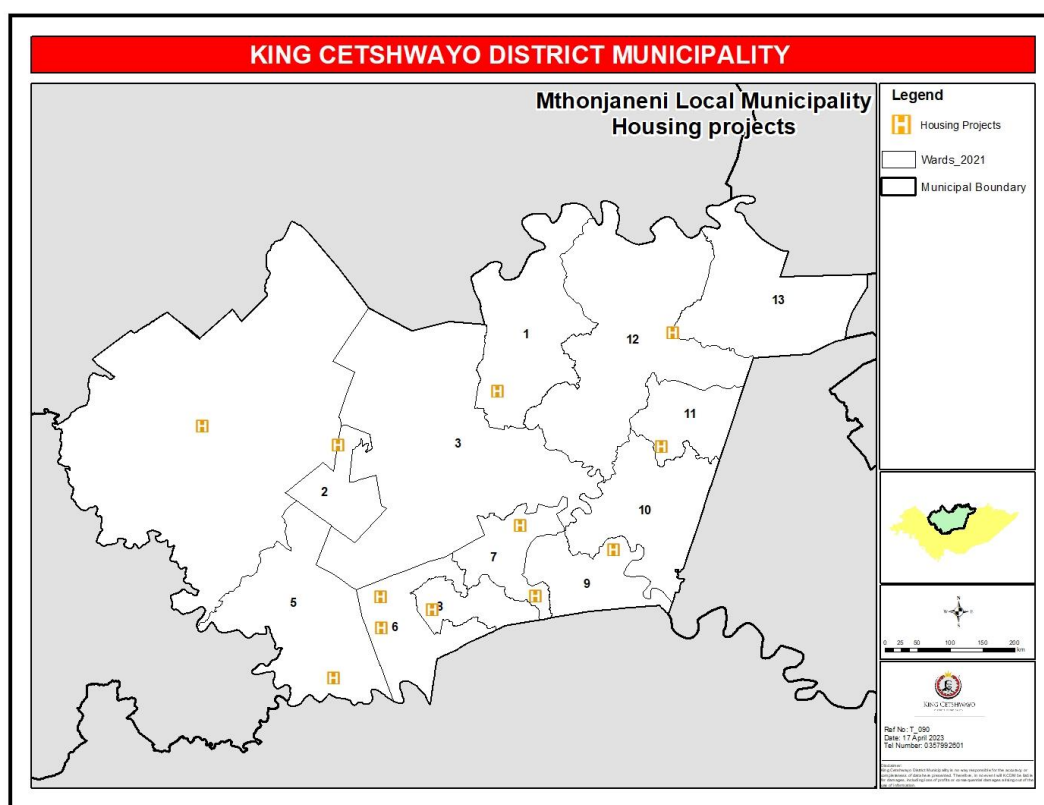
The Municipality has 1 library in Melmoth Town. The services provided are free internet access, free basic computer training. There are also services of photocopying, printing, scanning and services for the blind. The Municipality has formed a partnership with UNISA to help distance learners. The municipal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

Status of Establishment of Municipal Pound

The Municipality developed an Implementation Plan for the establishment of the Municipal Pound. The municipality considers having a Public-Private Partnership for this function. The Municipal Pound will be functional in 2023/2024 Financial Year

Human Settlements

Mthonjaneni Municipality as Housing Developer for Human Settlements



Map 31 Housing Projects

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.

Housing Sector Plan

The existing Housing Sector only includes 6 wards that Mthonjaneni had before the 2016 Local Government Elections.

The Municipality is in the process of developing an updated Housing Sector Plan, the advert for potential service providers will be published in March 2023. The Sector plan will be developed in the 2023/2024 Financial Year.

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 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 projects at planning stage, one at administration stage and one at construction stage

MTHONJANENI LM URBAN & RURAL HOUSING PROJECT UPDATE LIST

NO.						
1	PROJECT NAME	IMPLEMENTING AGENT	PROJECT STATUS	WARD	NO. OF UNITS	FUNDING
2	Yanguye Rural Project Phase 2	Siqu Consulting	Planning. No Funding from DOHS in current financial year	01	1000	Department Of Human Settlements
3	Thubalethu Extension	Groundwork Projects	Phase 1 (512 units) - Construction 86%.	02	1120	Department Of Human Settlements
4	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
5	KwaMagwaza/ Mfule	Makhayo Construction	Stage 2 - Administration Trench 1 completed. Application for funding the construction phase in progress and 300 units where approved in November 2022 Project commenced in December 2022 Contract Ending December 2025.	04	300/1000	Department Of Human Settlements
6	Mgabhi Rural Project	None. IA was terminated due to no compliance.	Planning No Funding from DOHS in current financial year	05	1000	Department Of Human Settlements
7	Esibayeni Rural Project	Terraplan Associates	Construction 100% complete. Closing report from IA submitted	06	986	Department Of Human Settlements
8	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

Mthonjaneni 5th Generation IDP

9	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
10	Nomponjwane Rural Project	Dezzo/ Icebo	Construction 95% complete Waiting for identification of 45 beneficiaries for completion.	09	1000	Department Of Human Settlements
11	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.	10	1000	Department Of Human Settlements
12	Ogelweni Rural Project	UmpHEME Developments	Planning No Funding from DOHS in current financial year	11	1000	Department Of Human Settlements

Table 55- MTHONJANENI LM URBAN & RURAL HOUSING PROJECT UPDATE LIST

HUMAN SETTLEMENTS

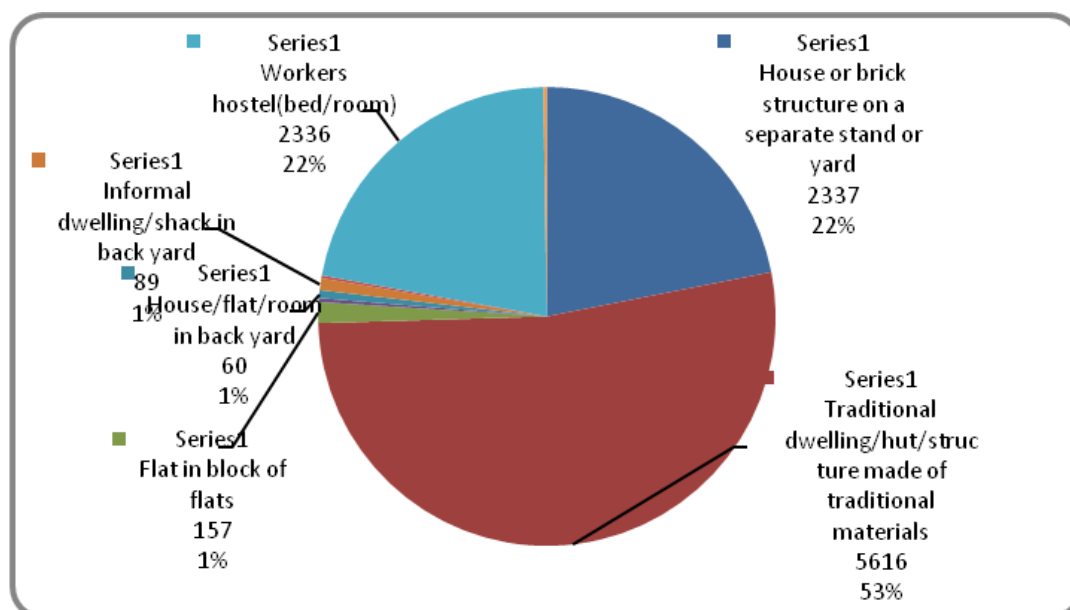
Status Quo of Human Settlement

The population of the municipality is distributed per ward as per the table below.

WARD	ESTIMATED POPULATION	COMMENTS
1	7923	<p>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).</p> <p>There are pockets of settlement ranging from 50 – 600 persons per km². Apart from these settlement clusters, which are scattered along</p>

WARD	ESTIMATED POPULATION	COMMENTS
		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
4	5770	<p>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.</p> <p>The KwaMagwaza node has a population of 601 – 700 / km².</p> <p>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.</p> <p>Around the KwaMagwaza area are small patches of commercial agriculture (largely sugar cane), traditional agriculture and thickets and bush.</p> <p>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</p>

WARD	ESTIMATED POPULATION	COMMENTS
5	6142	The farms Wilhelmina and Arcadia are the most densely populated in this ward, with densities varying between 100 – 500 people per km ² . 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.
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 area 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 also 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 consist 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 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.

7.10.1 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 56- 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 57- 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	April 2023	2028
2.	Disaster Management Plan	Y	Y	May 2023`	2024
3.	Housing Sector Plan (HSP)	Y	N	To be reviewed- advertised	2024
4.	Local Economic Development	Y	Y	May 2023	2028

	(LED Strategy)				
5.	Integrated Waste Management Plan (IWMP)	Y	Y	To be reviewed	2024
6.	Wall to Wall Land Use Management Scheme	TBC			
7.	Road Maintenance Plan	Y	Y	2020	2025
8.	Energy Sector Plan	Y	N	To be developed	2024
9.	Ward Based Plans	Y	Y	2021	2024

Table 58- Municipal Sector Plans Status

KPA-2: Basic Service Delivery and Infrastructure Development	
CHALLENGES	INTERVENTIONS
Ageing Infrastructure	Develop a Comprehensive Infrastructure Plan (CIP) and need additional funding to implement the CIP. (National Treasury/Provincial Treasury/Department of Energy/COGTA/Private Sector Develop a Roads & stormwater masterplan
Inadequate funding for infrastructure development	Source funding to implement CIP from relevant funding sources/sector departments. Invite the Departments to come assess the costs to delivering services like electricity
Inadequate operations and Maintenance of plant	Municipality to buy 1 grader
Backlog in Road Rehabilitation	Development of Local Infrastructure Transport Plan to assist identify gaps

Limitation of Grants	Application of additional type of grants such as small-town rehabilitation / development.
	Source funding
Lack of Spatial (Referencing) Capturing of capital projects (Mapping)	Source funding Appointment of a GIS Specialist to undertake spatial capturing-geo-referenced data for all capital projects
Non-functionality of IGR Structure	Strengthening the functionality of IGR structure

Table 59- Basic Service Delivery Challenges and Interventions

BASIC SERVICE DELIVERY AND INFRASTRUCTURE SWOT ANALYSIS

BASIC SERVICE DELIVERY SWOT ANALYSIS	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • 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) 	<ul style="list-style-type: none"> • 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 • Lack of capacity for certain maintenance duties
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • 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 60- 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	<p>To become realistic on how to address Ease of Doing Business/Red Tape Reduction the LED Strategy provides the following deliverables:</p> <ul style="list-style-type: none"> ➤ 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 	72- 74; 136- 137; 155; 166- 167; 154-189

	treatment for local enterprises to benefit from such as informal trade grants funding and licensing incentives	
Strategic Programme Responses	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 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	P pg 136; 144-145; 155; 162; 167; 175; 183:
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

	<ul style="list-style-type: none"> ➤ 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 61- 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:

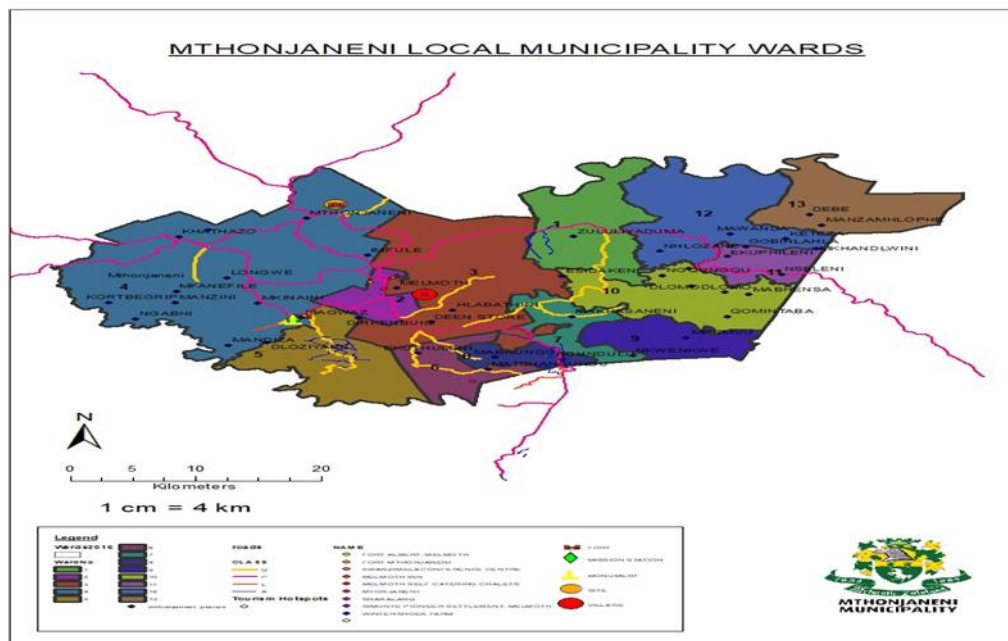
Phase 1	LED relations configuration
Phase 2	Build-up and mobilization of Stakeholders
Phase 3	Data mining
Phase 4	Fact finding
Phase 5	Scenarios and prioritization of Projects
Follow up	Recommended studies, plans etc.

Table 62- 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.

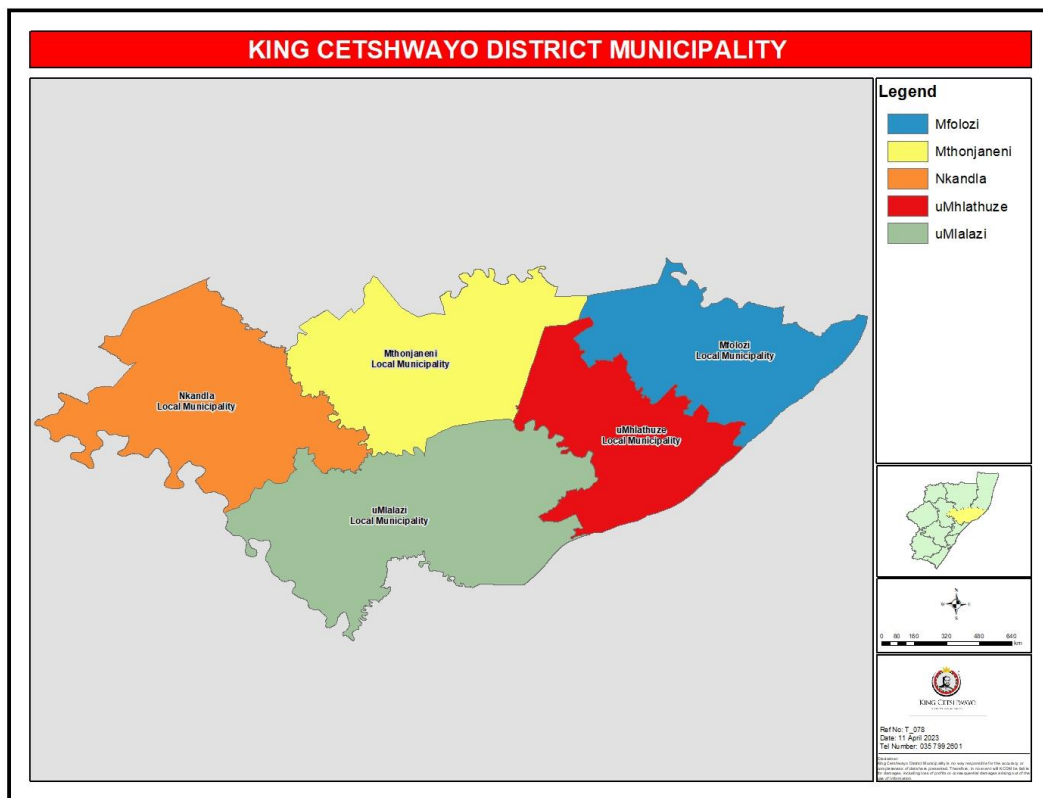
Mthonjaneni Municipality experiences warm humid climate with more rainfall being experienced during the summer season. This becomes the favoring factor towards agricultural production. Forests and sugarcane production are the major commercial agricultural practices and livestock farming which is mostly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



Map 32- 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 33- 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

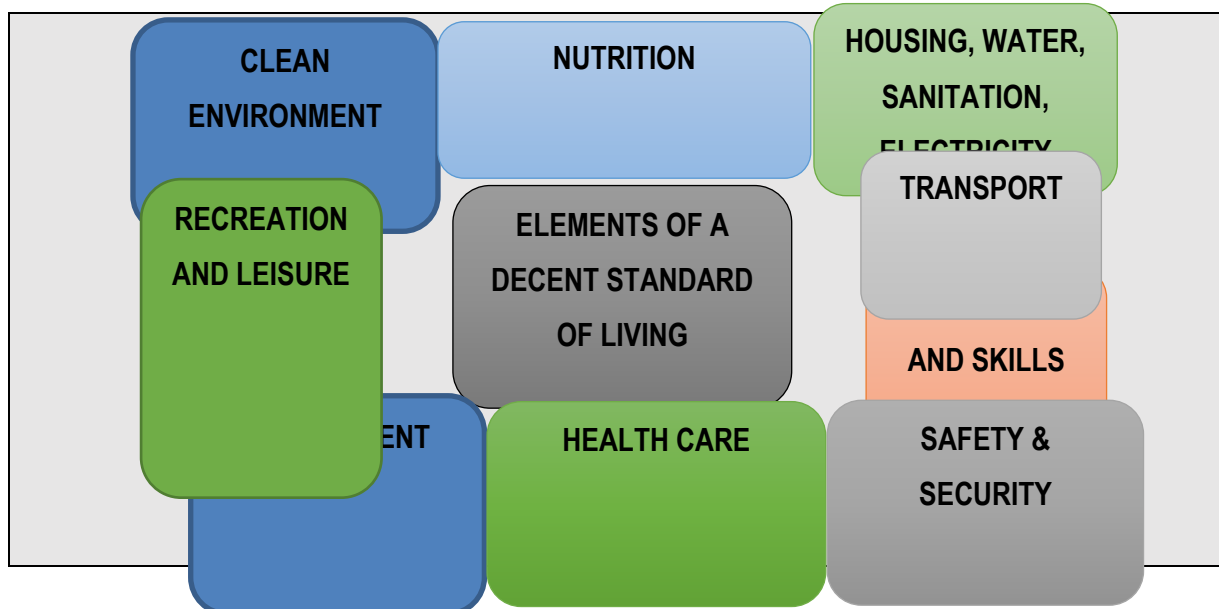


Figure 2 above depicts the elements of a decent standard of live, which the NDP has identified as key to the improvement in the socio-economic wellbeing of all South Africans. Mthonjaneni Local Municipality must also ensure that its LED efforts address some of these standards. This calls for the alignment 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

NDP CHAPTERS AND LED

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

INCLUSIVE RURAL ECONOMY

about 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.

GROWTH, EMPLOYMENT AND REDISTRIBUTION (GEAR)

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 begun 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 inter alia 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, Accommodation, 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.

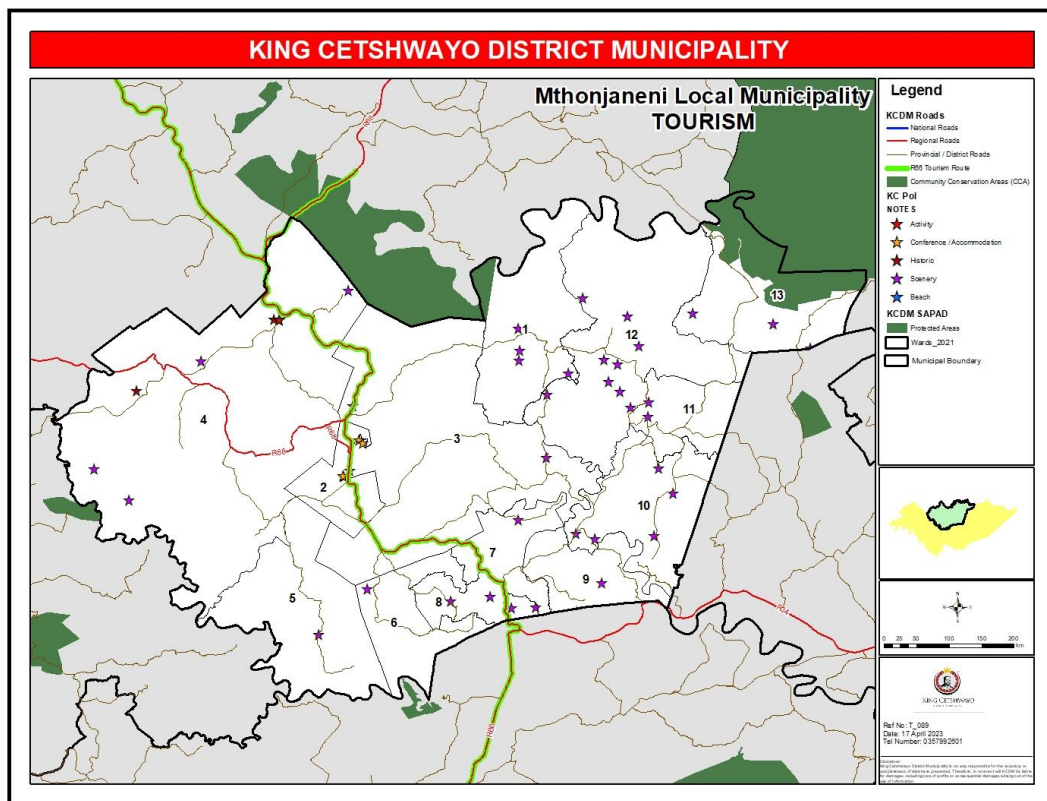


Table 63- Mthonjaneni Tourism

Provincial Policy Framework

KZN Industrial Development Strategy

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.

PROVINCIAL SPATIAL ECONOMIC DEVELOPMENT STRATEGY

The key objectives of the Provincial Spatial Economic Development Strategy are to:

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.

ECONOMIC NEED APPROACH

The Economic Need Approach is poverty alleviation driven. An LED is viewed as a key component to 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.

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

MTHONJANENI NODAL AREAS
PRIMARY NODES
MELMOTH TOWN INCLUDING 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

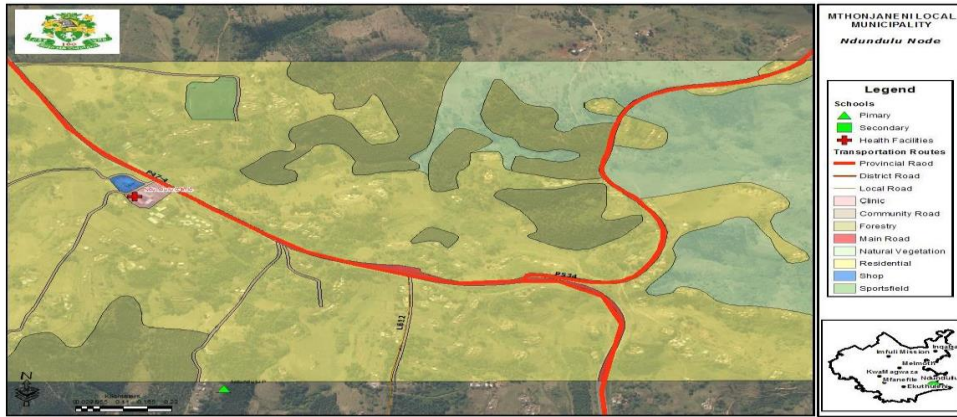


The KwaMagwaza area has the following facilities and receive the following services:

- ❖ 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
Nkunzempunga	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.

Figure 4: Linkage between Mthonjaneni LED Strategy and King Cetshwayo LED Strategy

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.

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 uThungulu 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 uThungulu 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. 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. Although the Traditional Authorities are not directly involved in LED, they control a significant amount of land within the Mthonjaneni, and are responsible for land tenure, rights and allocation of sites to their subjects. In fact, Traditional Authorities have (in the past) performed some of the duties that have been allocated to Municipalities. However, this situation is gradually changing following the establishment of wall-to-wall Municipalities, establishment of systems and procedures for municipal planning (which includes land use management) and transformation of the traditional authority structures.

In future, traditional authorities will not be involved in land use management but will still be responsible for the allocation of land rights. They will 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 KwasakwaBiyela 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.

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

		<p>& Traditional Affairs.</p> <p>Department of Health.</p> <p>Department of Transport.</p>
National Government	Co-ordination & planning at national level including: investment promotion, jobs creation, sustainable livelihood, health and welfare and economic growth promotion.	<p>Department of Human Settlements.</p> <p>Department of Rural Development and Land Reform.</p> <p>Department of Agriculture, Forestry and Fisheries.</p> <p>Department of Social Development.</p> <p>Department of Trade and Industry.</p> <p>Department of Transport.</p> <p>Department of Water Affairs.</p> <p>Department of Health</p>
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	o 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
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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

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Mthonjaneni 5th Generation IDP

	within the Province.		
		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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	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

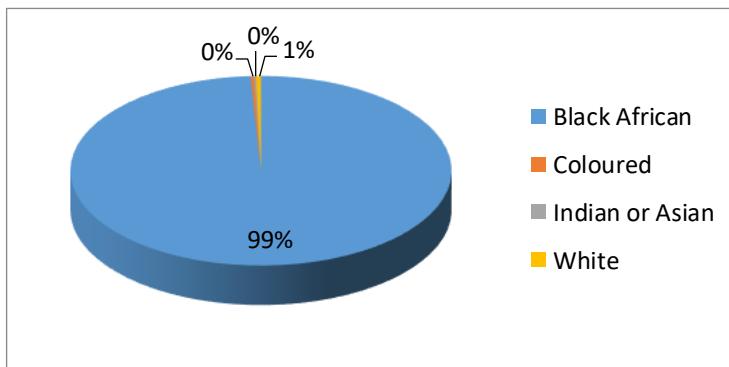
Population and Household Numbers

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.

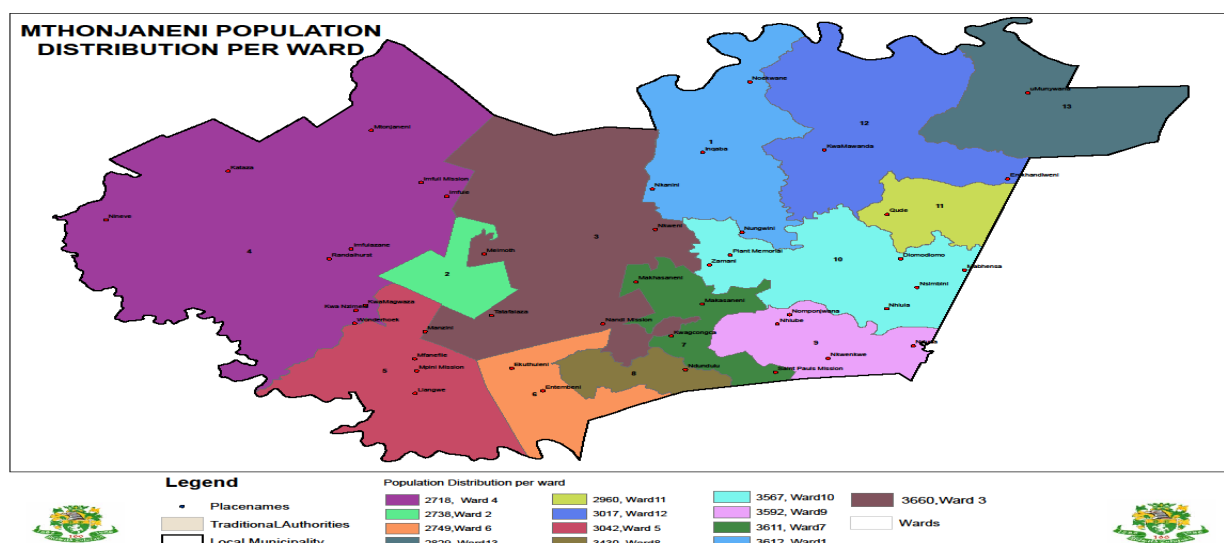
	KCDM	MTHONJANEN I	IMFOLOZI	UMHLATHUZ E	UMLALAZI	NKANDLA
2011	907519	83 563	122889	334459	213601	114416
2016	971135	78883	144363	410465	233140	114284
% Growth	7,01%	64,97%	17,47%	22,73%	9,15%	-0,12%

Key Findings

The 2016 Census population of Mthonjaneni municipality is estimated at 83 563



Mthonjaneni 5th Generation IDP



Map 34- Population Distribution

Gender Statistics

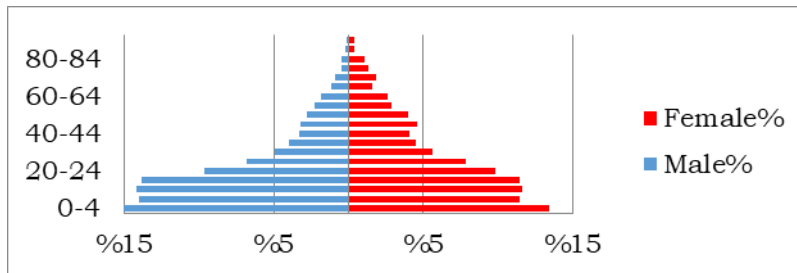
The 2016 figures indicate that there are 45.8% men in the municipality and 54.2% females. This indicates that there may be high levels of migratory labour from the municipality to other centres around the province and country.

Gender	Male	38257
	Female	45306
TOTAL		83563

Age and Gender Profile

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

Mthonjaneni 5th Generation IDP



4.4.6 Age Group Profiles

The age cohorts for the municipality are as follows:

	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	65 - 69	70 - 74	75 - 79	80 - 84	85+	Total
Mthonjaneni	12068	10519	10672	10479	8114	6176	4397	3554	3107	3296	2897	2180	1884	1139	1172	777	649	481	83563
Ward 1	1289	1185	1145	979	682	477	332	260	234	275	245	207	200	118	132	53	61	49	7923
Ward 2	784	633	660	709	832	804	610	463	420	334	258	136	99	47	39	18	7	8	6861
Ward 3	772	653	660	628	661	646	448	319	317	331	245	194	139	87	80	37	56	40	6312
Ward 4	634	598	589	526	594	598	480	391	292	268	224	204	127	80	71	45	31	20	5770
Ward 5	978	764	820	749	551	424	296	199	228	236	242	166	150	80	78	54	55	73	6142
Ward 6	1005	846	898	910	568	387	266	231	207	227	191	158	152	84	95	69	58	39	6392
Ward 7	1065	1034	1010	1002	732	506	317	303	234	284	188	209	172	109	118	119	79	43	7522
Ward 8	557	473	454	423	355	230	197	157	121	137	95	99	99	44	59	28	24	22	3573
Ward 9	1071	920	919	993	646	413	316	282	236	244	266	149	163	112	97	95	44	36	7003
Ward 10	1311	1123	1141	1172	755	573	389	300	249	304	318	215	203	114	131	76	85	49	8509

Mthonjaneni 5th Generation IDP

Ward 11	730	646	665	722	528	381	230	191	178	177	182	123	118	87	84	48	39	24	5152
Ward 12	1221	1010	1047	1066	798	452	313	294	259	309	269	199	180	109	112	88	72	49	7846
Ward 13	651	636	663	599	413	285	205	166	132	170	176	121	84	68	76	47	37	29	4558

Table 64- Age Distribution of the Population

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.

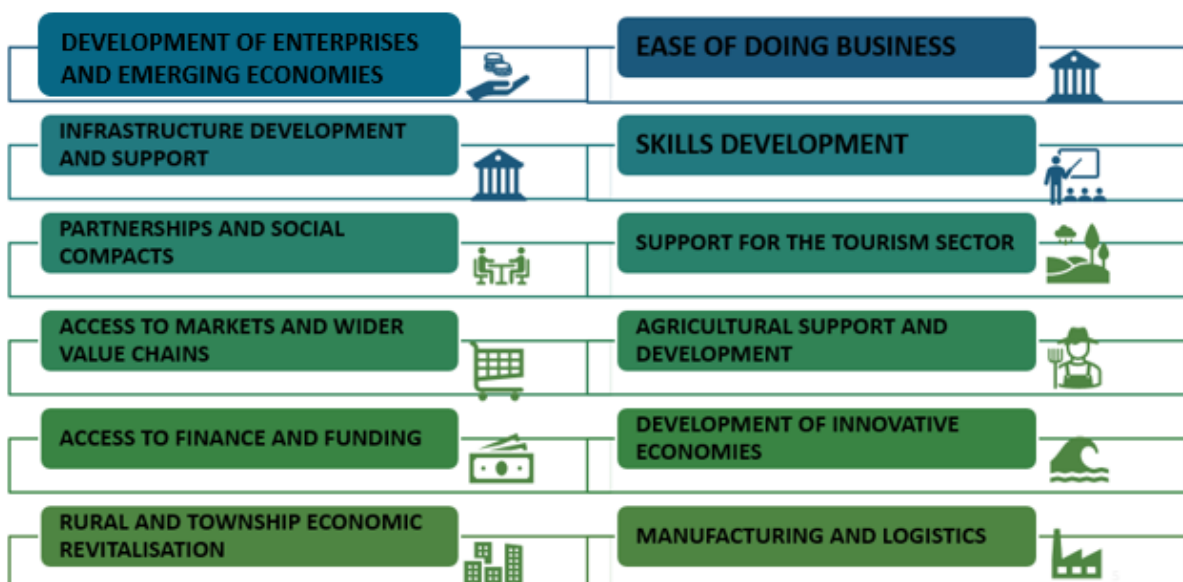
Led Strategies and Economic Opportunities

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.

12 STRATEGIC DRIVERS



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.

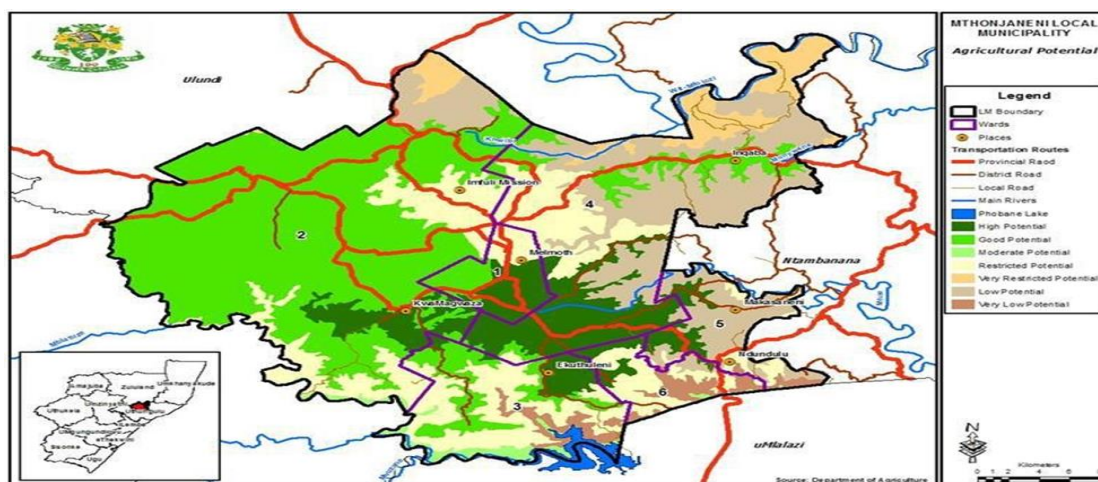
Agricultural Support & Development

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 35- Agricultural Potential

Commercial Agriculture

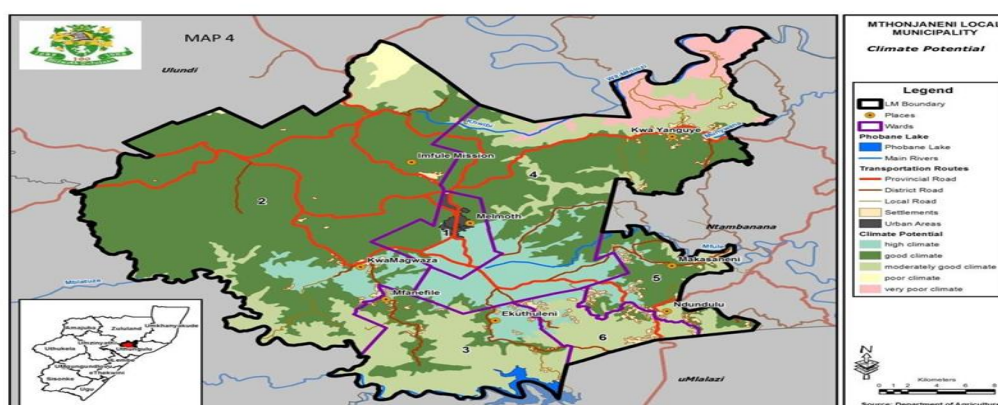
The predominant commercial farming activity is sugarcane and this together with commercial forestry forms the base of the region's economy. Other farming includes citrus, vegetables, beef and dairy and small clusters of tropical fruit farmers. Sugarcane is able to be grown even in areas of restricted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

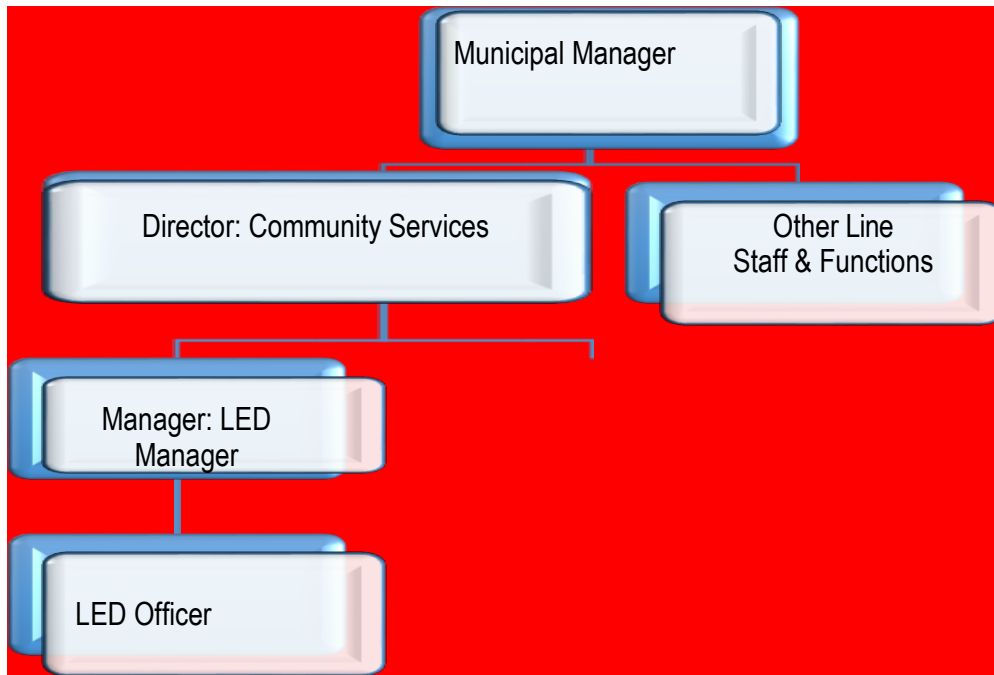
The projects that are identified are further prioritized according to their importance in developing and addressing economic challenges at Mthonjaneni Local Municipality. The priority list comprises of 9 activities that their implementation would result in unlocking economic opportunities that exist 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: Improved service for Entrepreneurs. Promotion of small business sector represents a growth in the local economy of Mthonjaneni. Capacity building of Entrepreneurs.	Target Group (s) The youth. Existing entrepreneurs. Unemployed persons.
Possible Stakeholders: SETA. Municipality. Existing Entrepreneurs. Existing Businesses.	Possible Contribution to the Project: Facilitate SETA engagement in the municipal area. Beneficiaries. Funding and accreditation. Receivers of funding and take up of the unemployed.
Pre-requisites: Establishment of a well-equipped and credible business information centre. Identification of existing Entrepreneurs for development.	Risk Factors: Accessing of SETA discretionary funds. SETAs response to the initiative may not yield the expected results.
Estimated Costs: R 80 000.00 municipal funding to facilitate engagement with SETAs and provision of workshops and for discretionary funding application. Training and capacity building funding to be delivered.	

Time of Implementation: 2021/2020 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). Dept. of Economic Development & Tourism (LED). Dept. Cooperative Governance and Traditional Affairs (LED).	Possible Contribution to the Project: In-principle support the projects. Facilitation of the application process. Packaging of the application to source funding (for and on behalf of the Municipality).

<p>Pre-requisites:</p> <p>Drawing up of Business Plans for various projects.</p> <p>Preparation of funding proposals.</p>	<p>Risk Factors:</p> <p>Possibility of some applications not being successful/projects not being implementation due to funding/resource restriction.</p> <p>Reluctance on the part of Consultants to be involved due to costs to be incurred & risks associated with unsuccessful applications.</p>
<p>Estimated Costs:</p> <p>Consultants to charge an average of 10% of all project costs (for approved and available funding only – risk-based method).</p> <p>R 50 000.00 to be budgeted for LED training for Officials and Councilors as well as training in fundraising to be done by the Consultants.</p>	
<p>Time of Implementation:</p> <p>2021/2022 Financial Year</p>	<p>Time to Impact:</p> <p>Short to Medium term</p>
<p>Outputs:</p> <p>Approved LED projects and commencement of implementation.</p> <p>Employment opportunities generated.</p>	

Project No3	Program Type: Agricultural Development - Market
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Brief Project Description

Establishment of a Local Fresh Produce Market linked to King Cetshwayo Fresh Produce Market

<p>Expected Results:</p> <p>Local producers will be linked to the markets.</p> <p>Agricultural opportunities for Farmers will be diversified and increased.</p> <p>Agri-processing industries will be developed.</p>	<p>Target Group (s)</p> <p>Existing farmers</p> <p>Emerging Black Farmers</p>
<p>Possible Stakeholders:</p> <p>Department of Agriculture, Environmental Affairs and Rural Development (DAEARD).</p> <p>Dept. of Economic Development (Agri-Business Section).</p> <p>Private Sector (Consultants/Service Providers).</p> <p>Farmers Associations.</p> <p>Mthonjaneni Municipality.</p>	<p>Possible Contribution to the Project:</p> <p>Provision of technical support and training.</p> <p>Enterprise development.</p> <p>Feasibility Study and development of Business and Development plans.</p> <p>Provision of technical support and agricultural development finance to small-scale farmers.</p> <p>Facilitation and provision of land.</p>
<p>Pre-requisites:</p> <p>o Identification of a suitable and easily accessible area and land for location of market.</p>	<p>Risk Factors:</p> <p>o Lack of funding especially for the construction of the Fresh Produce Market.</p>
<p>Estimated Costs:</p> <p>R 400 000.00 for Feasibility Study and development of a Business Plan.</p> <p>Project implementation costs will be dependent on the Feasibility Study to be done.</p>	
<p>Time of Implementation:</p> <p>2021/2020 Financial Year</p>	<p>Time to Impact:</p> <p>Medium to long term</p>

<p>Outputs:</p> <p>Increased commercial farming practices</p> <p>Poverty alleviation through jobs to be created and other spin-offs</p> <p>Improved economic performance of Mthonjaneni Municipality.</p>	
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Project No 4		Program Type: Agricultural Development - Strategy	
Brief Project Description		Facilitate the development of comprehensive and all-inclusive agricultural development strategy	
Expected Results:	Target Group (s)		
Strategy developed with clear objectives and targets for the area.	Existing farmers		
Better coordinated agricultural development services in the municipal area.	Emerging Black Farmers		
Possible Stakeholders:	Possible Contribution to the Project:		
Department of Agriculture, Environmental Affairs and Rural Development (DAEARD).	Technical support.		
Dept. of Economic Development (Agri-Business Section).	Technical support and funding.		
Private Sector (Consultants/Service Providers).	Specialist advise and facilitation.		
Farmers Associations.	Participation in workshops & interviews.		
Mthonjaneni Municipality.	Funding and support.		

<p>Pre-requisites:</p> <p>Appointment of suitable qualified and experienced service provider.</p> <p>Budget allocation for the project.</p>	<p>Risk Factors:</p> <p>Poor participation and support by local farmers.</p> <p>Funding availability.</p>
<p>Estimated Costs:</p> <p>o R 190 000.00 to conduct research and develop a comprehensive agricultural development strategy supported by all stakeholders.</p>	
<p>Time of Implementation:</p> <p>2021/2022 Financial Year</p>	<p>Time to Impact:</p> <p>Short to Medium term</p>
<p>Outputs:</p> <p>An implementable agricultural development strategy.</p> <p>Projects identified that are income generating and job creating in nature.</p> <p>Better coordinated agricultural development services.</p>	

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.			

<p>Possible Stakeholders:</p> <p>Dept. of Economic Development & Tourism (DEDT).</p> <p>Private Sector (Consultants/Service Providers).</p> <p>Tourism Associations.</p> <p>Mthonjaneni Municipality.</p>	<p>Possible Contribution to the Project:</p> <p>Technical support and funding.</p> <p>Specialist advise and facilitation.</p> <p>Participation in workshops & interviews.</p> <p>Funding and support.</p>
<p>Pre-requisites:</p> <p>Appointment of suitable qualified and experienced service provider.</p> <p>Budget allocation for the project.</p>	<p>Risk Factors:</p> <p>Poor participation and support by local Tourism Operators.</p> <p>Funding availability.</p>
<p>Estimated Costs:</p> <p>o R 190 000.00 to conduct research and develop a credible tourism development strategy supported by all relevant stakeholders.</p>	
<p>Time of Implementation:</p> <p>2021/2020 Financial Year</p>	<p>Time to Impact</p> <p>Medium to long term</p>
<p>Outputs:</p> <p>An implementable tourism development strategy.</p> <p>Projects identified that are income generating and job creating in nature.</p> <p>Better coordinated tourism development services.</p>	

Project No 6

Program Type: Tourism Development Opportunities

<p>Brief Project Description</p> <p>Promote local tourism by upgrading the local infrastructure (road, electricity, water and safety)</p>	
<p>Expected Results:</p> <p>Increase in the number of businesses moving into the area.</p> <p>Employment opportunities for local people.</p> <p>Attraction of Tourists into the area.</p>	<p>Target Group (s)</p> <p>Residents of Mthonjaneni.</p> <p>Business people.</p>
<p>Possible Stakeholders:</p> <p>King Cetshwayo District Municipality.</p> <p>Dept. of Economic Development & Tourism (DEDT).</p> <p>Government departments.</p> <p>Mthonjaneni Municipality.</p>	<p>Possible Contribution to the Project:</p> <p>In-principle support and funding.</p> <p>Specialist advise, facilitation and possible funding.</p> <p>Project implementation.</p> <p>Funding and support.</p>
<p>Pre-requisites:</p> <p>Technical Services Directorate priorities must support the project.</p> <p>Funding must be committed and available.</p>	<p>Risk Factors:</p> <p>Lack of project support stakeholders.</p> <p>Funding availability.</p>
<p>Estimated Costs:</p> <p>o To be determined in conjunction with the Technical Services Directorate.</p>	
<p>Time of Implementation:</p> <p>2021/2022 Financial Year</p>	<p>Time to Impact:</p> <p>Medium to long term</p>
<p>Outputs:</p> <p>o Increased business investments and tourism opportunities.</p>	

Project No 7 Program Type: SMME Development	
Brief Project Description	
Identification of outsourcing opportunities for the local SMME Firms	
<p>Expected Results:</p> <p>Developed and registered BBBEE/SMME businesses.</p> <p>Link between SMME businesses with larger established businesses.</p>	<p>Target Group (s)</p> <p>Existing BBBEE/SMME businesses.</p> <p>The Youth.</p>
<p>Possible Stakeholders:</p> <p>Mthonjaneni Municipality.</p> <p>Small Enterprise Development Agency (SEDA).</p> <p>Department of Economic Development & Tourism (SMME Section).</p> <p>National Youth Development Agency (NYDA).</p>	<p>Possible Contribution to the Project:</p> <p>Facilitation of the project.</p> <p>Provision of support for emerging businesses.</p> <p>Provision of technical support to SMME firms to access finance.</p> <p>Provision of training/skills development program.</p>
<p>Pre-requisites:</p> <p>Preparation of Business Plans.</p> <p>Compilation of a Database for SMME businesses.</p> <p>Business Support Centre establishment.</p>	<p>Risk Factors:</p> <p>Lack of business support at a local level.</p> <p>Poor support and commitment by local SMMEs.</p>
<p>Estimated Costs:</p> <p>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.</p> <p>R 140 000.00 for development of SMME Strategy.</p>	

Time of Implementation:	Time to Impact:
2021/22 Financial Year	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:
2021/22 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.
<p>Pre-requisites:</p> <p>Identification of a suitable and centrally situated area/land for the development of the Centre.</p> <p>Initial funding for the Centre including operating costs.</p> <p>Lease secured/ Development and Business plans/designs to be available for implementation.</p>	<p>Risk Factors:</p> <p>Possibility of the Centre unable to generate sufficient income to sustain itself overtime.</p> <p>Limited access to funding.</p>
<p>Estimated Costs:</p> <p>R 140 000, 00 for the undertaking of a Feasibility Study (through the involvement of the private/public sector)</p> <p>Implementation and project costs will be informed by the outcome of Feasibility Study.</p>	
<p>Time of Implementation:</p> <p>2021/22 Financial Year</p>	<p>Time to Impact:</p> <p>Short - Medium term</p>
<p>Outputs:</p> <p>People of Mthonjaneni will be equipped with information & requisite skills for ensuring economic growth in the area.</p> <p>There would be increased attraction of investment and economic growth into the area.</p>	

<p>Brief Project Description</p> <p>Registration, recognition and training of HIV/AIDS organizations within Mthonjaneni</p>	
<p>Expected Results:</p> <p>Access to funding for the implementation of HIV/AIDS alleviation projects.</p> <p>Training for the home- based Care givers.</p>	<p>Target Group (s)</p> <p>Women</p> <p>Youth</p> <p>Co-operatives active in the health sector</p> <p>All HIV/AIDS infected & affected people</p>
<p>Possible Stakeholders:</p> <p>Department of Social Development</p> <p>Department of Health.</p> <p>King Cetshwayo District Municipality.</p> <p>Mthonjaneni Local Municipality.</p> <p>Service Providers (Accredited Trainers).</p>	<p>Possible Contribution to the Project:</p> <p>Project funding and facilitation.</p> <p>Provision of training/technical support to the project, funding for training/development and for purchase of medical supplies and equipment.</p> <p>Provision of funding for training and for purchase of medical supplies and equipment.</p> <p>Facilitation and support for training programs.</p> <p>Provision of training.</p> <p>Funding and accreditation.</p>

SETAs.	
<p>Pre-requisites:</p> <p>Workshops to facilitate registration & the setting of clear criteria for the project.</p> <p>Compilation of a Database of all organizations active in the field of HIV/Aids.</p> <p>Training and skills development program for project sustainability.</p>	<p>Risk Factors:</p> <p>Stakeholders' response to the initiative may not yield the expected results.</p> <p>Lack of co-operation and co-ordination between individual businesses to build and improve on the existing initiatives.</p>
<p>Estimated Costs:</p> <p>o R70 000, 00 municipal funding to facilitate engagement with the relevant stakeholders & funders.</p>	
<p>Time of Implementation:</p> <p>2021/22 Financial Year</p>	<p>Time to Impact:</p> <p>Short - Medium term</p>

<p>Outputs:</p> <p>Development of profile of organizations active in the field of HIV/Aids & engagement with them on the proposed project.</p> <p>Implementation of Mthonjaneni Local Municipality's HIV/AIDS and Poverty alleviation projects.</p> <p>Availability of properly coordinated support on HIV/Aids issues.</p> <p>Better enhanced support for home- based Care-givers.</p>	
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Project No 11	Program Type: Institutional Arrangements (Chamber of Commerce)
<p>Brief Project Description</p> <p>Strengthen the existence and functioning of Mthonjaneni/ Melmoth Chamber of Commerce & Business Forum with the assistance from King Cetshwayo District Municipality (KCDM)</p>	
<p>Expected Results:</p> <p>Access to information on managing and maintaining businesses.</p> <p>Support for emerging businesses.</p>	<p>Target Group (s)</p> <p>o Local business people.</p>

<p>Possible Stakeholders:</p> <p>K C Chamber of Commerce.</p> <p>Businesses in Mthonjaneni.</p> <p>Mthonjaneni Local Municipality.</p> <p>Business organizations such as NAFCOC/SACOB.</p>	<p>Possible Contribution to the Project:</p> <p>Provision of technical support and assistance with sourcing of funding.</p> <p>Active participation and enlivening of the project to create more linkages and networking opportunities.</p> <p>Provision of project technical support/ secretarial services and initial funding.</p> <p>Provision of project technical support, capacity building/training and funding.</p>
<p>Pre-requisites:</p> <p>Compilation of a Database of Existing businesses.</p> <p>Expressed interest in the establishment of the Chamber.</p>	<p>Risk Factors:</p> <p>Lack of support by businesses and other stakeholders.</p> <p>Availability of funding.</p>
<p>Estimated Costs:</p> <p>R 72 000 per year for provision of facilitation and secretarial services for the first three years.</p> <p>R 50 000 for project packaging and application for funding.</p>	
<p>Time of Implementation:</p> <p>2021/22 Financial Year</p>	<p>Time to Impact:</p> <p>Short term</p>

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:
2021/22 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

KPA-3: Local Economic Development	
CHALLENGES	INTERVENTIONS
High rate of unemployment which leads to poverty and low economic growth.	Implementation of skills development programs Educational support to youth at tertiary level
Sluggish economic growth resulting in failure to attract investors	Investor attraction and improve revenue collection.
Lack of funding	Request funding from Related sector departments

Table 65 LED Challenges and Proposed Interventions

SWOT ANALYSIS FOR LOCAL ECONOMIC DEVELOPMENT

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> Fully functional Supply Chain Unit. The municipality does not have any borrowings. Maintenance of Unqualified Audit Opinion for the past 5 years 	<ul style="list-style-type: none"> 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
<ul style="list-style-type: none"> Decrease its spending to generate more cash backed reserves. Clean audit opinion. Increased Revenue Collection rate. 	<ul style="list-style-type: none"> 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 66- 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.

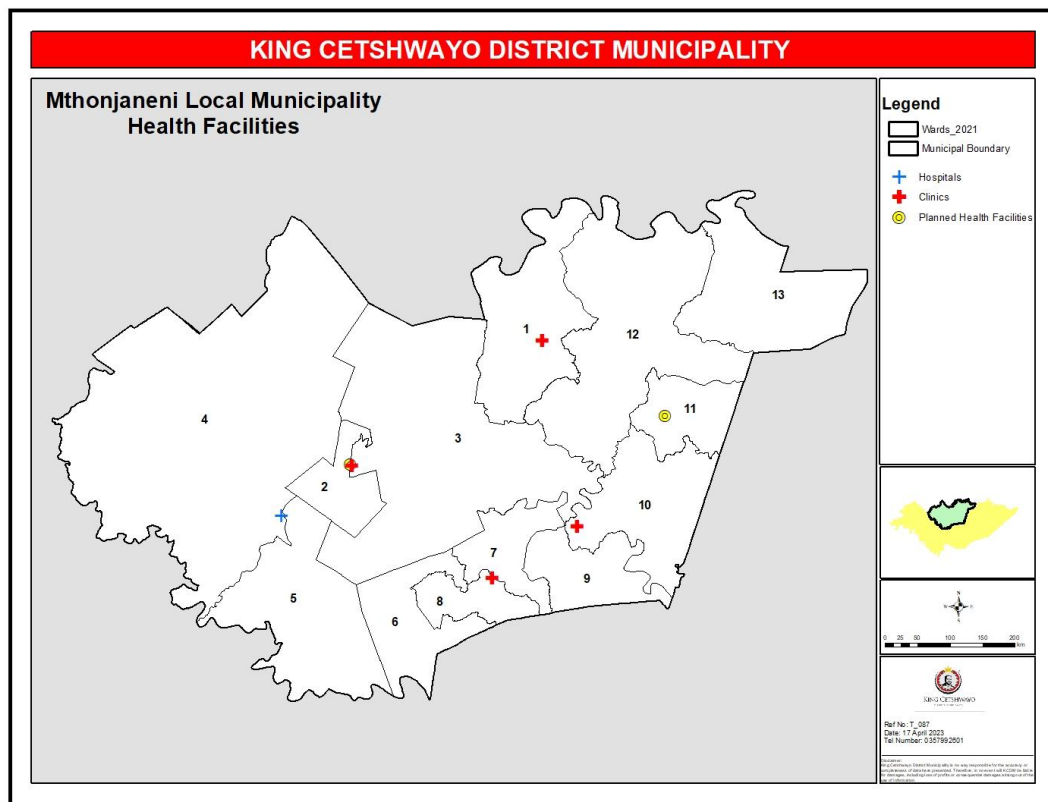
Mthonjaneni Municipal area of jurisdiction has one police station in Mthonjaneni CBD/Town. The Municipality has established a Fire and Rescue Unit with trained personnel. The Unit is equipped with Fire Engine, response bakkie, small fire tools and jaws of life.

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 36- 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
- 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

Various Recreational events and programmes are hosted by Sport and Recreation Section as follows:

- Indigenous Games
- Fun Days
- Healthy Lifestyle Programs
- Municipal Health Awareness Day
- 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.

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 Bursary Scheme which has assisted more than 390 youth which has seen a massive impact to the youth by giving them access to higher education. 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 2018 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.

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.

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 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 an educational experience and opportunity for young maidens to learn how to behave before the Zulu King. 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. 214 maidens were transported by three (3) 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)

MUNICIPAL FINANCIAL VIABILITY

16. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

CAPABILITY OF THE MUNICIPALITY TO EXECUTE CAPITAL PROJECTS

Procurement plans to expedite the implementation of the procurement process for the 2023/2024 MTREF are prepared upon adoption of the SDBIP by Council within 28 days after budget adoption. Monthly monitoring of the procurement plan is being undertaken through the monthly reports that are submitted to MANCO every month. Below is the capital expenditure for the previous years.

Summary of Capital Financial Plan

2020/2021		2021/2022		2022/2023	
REVENUE					
SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT
MIG	18 033 000	MIG	28 832 000	MIG	30 039 000
INEP	15 000 000	INEP	20 805 000	INEP	8 280 000
OWN FUNDS	6 885 000	OWN FUNDS	6 493 000	OWN FUNDS	5 471 000
TOTAL	39 918 000	TOTAL	56 130 000	TOTAL	46 663 000
CAPITAL EXPENDITURE					
2020/2021		2021/2022		2022/2023	
SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT
MIG	18 033 000	MIG	28 832 000	MIG	30 039 000
INEP	15 000 000	INEP	20 805 000	INEP	8 280 000
OWN FUNDS	2 248 621	OWN FUNDS	6 493 000	OWN FUNDS	5 471 000
TOTAL	35 281 621	TOTAL	56 130 000	TOTAL	46 663 000
UNSPENT	0.00		0.00		0.00
VARIANCE	0.00		0.00		0.00

Table 67- Summary of Financial Plan

CAPITAL EXPENDITURE				
VOTE DESCRIPTION	Adjusted Budget 2022/23	DRAFT BUDGET 2023-24	BUDGET 2024-25	BUDGET 2025-26
Municipal Manager				
Furniture and Office Equipment:Acquisitions	10,000.00	50,000.00	50,000.00	
	10,000.00	50,000.00	50,000.00	-
Mayoral and Council				
Furniture and Office Equipment:Acquisitions	50,000.00	50,000.00	50,000.00	
Transport Assets (Combi/bus)	400,000.00			
	450,000.00	50,000.00	50,000.00	-
Executive and council	460,000.00	100,000.00	100,000.00	-
Administrative and Corporate Support				
Computer Equipment:Acquisitions / Filing Manag	500,000.00	250,000.00		
Furniture and Office Equipment :Acquisitions	20,000.00	40,000.00	30,000.00	
	520,000.00	290,000.00	30,000.00	-
Budget and Treasury Office				
Computer Equipment:Acquisitions	432,074.06	300,000.00		
Furniture and Office Equipment		50,000.00	50,000.00	
Intangible Assets		200,000.00		
	432,074.06	550,000.00	50,000.00	-
Finance and administration	952,074.06	840,000.00	80,000.00	-

Table 68- Capita; Expenditure

Community Services				
Furniture and Office Equipment	20,000.00	50,000.00	20,000.00	
Car Wash structure	-		-	
			-	
	20,000.00	50,000.00	20,000.00	-
Libraries				
Furniture and Office Equipment: Acquisition	20,000.00	40,000.00	30,000.00	
Computer Equipment:Acquisitions	-			
	20,000.00	40,000.00	30,000.00	-
Community and social services	40,000.00	90,000.00	50,000.00	-
Electricity Services				
Infrastructure Assets				
Electrical Infrastructure: HV and LV Networks:C	200,000.00	250,000.00		
Electrical Infrastructure:Acquisitions (Street Ligh	200,000.00	250,000.00		
Emakhilani Electrification Project - Ward 9	3,500,000.00			
Esidakeni INF(type 2&3) _ Ward 11	1,905,000.00			
Noziphiva Electrification - Ward 10	2,875,000.00			
Ekuthuleni Electrification Project-Ward 6		1,000,000.00		
Ndabazensangu Electrification Project-Ward 7		700,000.00		
Hlabathini Electrification Project-Ward 7		2,000,000.00		
Thubalethu Substation-Ward 2		10,000,000.00		
INEP Projects	-		10,000,000.00	10,448,000.00
Machinery and Equipment:Acquisitions (Metering)				
Transformer housings	50,000.00			
Airconditioning capital (offices and Library)	-	100,000.00		
Lightning earthing of municipal buildings	-	200,000.00		
K4 RMU's	100,000.00	200,000.00		
Standby Generator for Council Chambers & Sto	450,000.00	-		
	9,280,000.00	14,700,000.00	10,000,000.00	10,448,000.00

Roads				
Infrastructure Assets				
Urban Roads Upgrade & Rehabilitation: Phase 5	5,079,811.13		-	
Makhubalo Gravel Road-Ward 9	2,339,702.22			
Ntlingwane Gravel Road-Ward 12	-			
Goduka Gravel Road-Ward 11		5,316,091.45		
Ofankomo Gravel Road-Ward 3		5,667,215.95		
Sizanani Gravel Road-Ward 1		5,227,585.01		
MIG Projects	-		21,522,000.00	22,318,000.00
Thubalethu Roads Upgrade	-			
	7,419,513.35	16,210,892.41	21,522,000.00	22,318,000.00
Community Assets				
Bedlana Community Hall-Ward 8	5,880,443.01			
Lwazilethu Creche-Ward 9	3,576,647.14			
Mfule Creche-Ward 4	3,162,396.50			
Kwezulu Sportfield_Ward 7	10,000,000.00			
Nhlube Creche_Ward 12		4,547,107.59		
New Cemetery	-	500,000.00		
Housing Project	-			
	22,619,486.65	5,047,107.59	-	-
Other Assets				
Transport Assets (pool vehicles)	1,338,485.40	500,000.00		
Upgrading of Landfill Site Access Road	-	200,000.00		
Buildings -Swimming Pool	200,000.00	500,000.00		
Machinery and Equipment (Brush Cutters, Ride	100,000.00	700,000.00		
Rehabilitation of land fill site	-	200,000.00		
NEW TLB				
Rehabilitation of old sportfield		200,000.00		
	1,638,485.40	2,300,000.00	-	-
	31,677,485.40	23,558,000.00	21,522,000.00	22,318,000.00
Fire Fighting				
Furniture and Office Equipment: Acquisitions	20,000.00	20,000.00	30,000.00	
Machinery and Equipment:Acquisitions	30,000.00	10,000.00	50,000.00	
Transport Assets - 2x Vans	-			
Disaster Management Centre(Designs & Fencing)	200,000.00	500,000.00		
	250,000.00	530,000.00	80,000.00	-
Licensing and Protection Services				
Furniture and Office Equipment: Acquisitions	30,000.00	50,000.00	50,000.00	
	30,000.00	50,000.00	50,000.00	-
Public safety	280,000.00	580,000.00	130,000.00	-
Solid Waste Removal				
Solid Waste Infrastructure:Acquisitions (Refuse	200,000.00	300,000.00	300,000.00	
Agricultural Tractor and Accessories	-	1,200,000.00		
	200,000.00	1,500,000.00	300,000.00	-
	42,889,559.46	41,368,000.00	32,182,000.00	32,766,000.00

Spending of capital grants

The capital budget is committed largely on new infrastructure projects and the renewal of existing capital assets. The Council have estimated a capital budget of R42.9 million in 2022/23 and had approved capital budget of R41.4 million in 2023/24, R32.2 million in 2024/25 and R32.8 in 2025/26. The municipality had spent all capital grants funding (100% spent) in 2022/21 and in 2021/20 financial year spent 95%.

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.

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 2023/2024 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 2022/22 and projected R1 144 800 (2022/23) and R1 213 488 (2023/24). 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 Enhancement

The Mthonjaneni Municipality adopted its revenue enhancement strategy in June 2015. The Revenue strategy has been revised in March 2021 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:

- 1.1 Registration of Indigents:
- 1.2 Meter Reading and Billing System:
- 1.3 Debt Collection Strategy & Customer Care:
- 1.4 Consumer Database Management:
- 1.5 Minimise loss in distribution of electricity
- 1.6 Improvement of Revenue Generation:
- 1.7 Staff Training and Mentoring:
- 1.8 Revision of credit control policies

Three-year outstanding debt per category:

Category	2019/2020	2020/2021	2021/2022
Consumer Debtors - Rates	16 400 590	25 431 097	23 997 844
Electricity	5 816 536	4 064 413	5 634 229
Refuse	2 738 133	3 607 102	3 685 030
Property Rental	146 925	188 839	309 365
Interest on Arrears	3 317 654	5 907 893	4 997 635
Total	29 246 247	39 199 344	38 624 103

Table 69- Three-year outstanding debt per category

The municipality has developed a revenue enhancement strategy to address the issue of low collection rate, implementation of policies and improvement in debt management.

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

Age Analysis per **Category** as at DECEMBER 2022

TABLE 1	RATES(R)	REFUSE(R)	ELECTRICITY(R)	RENTAL(R)	TOTAL(R)
0-30 Days	1 025 962.00	175 485.00	1 547 846.00	19 332.00	2 768 625.00
30-60 Days	803 963.00	128 870.00	325 807.00	16 936.00	1 275 575.00
60-90 Days	743 022.00	98 772.00	170 978.00	16 892.00	1 029 614.00

90-120 Days	679 296.00	90 159.00	178 576.00	16 892.00	964 922.00
120-150 Days	220 193.00	82 451.00	176 945.00	16 892.00	496 480.00
150-365 Days	27 784 334.00	3 159 057.00	3 424 573.00	203 092.00	34 571 056.00
TOTAL	31 256 770.00	3 734 743.00	5 824 725.00	290 034.00	41 106 272.00

Table 70- Debtors Age Analysis

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:

- Mr NW Zikhali (Manager Technical Services) – Chairperson
- Mr D Thomson
- Mr BCX Dladla
- Ms S.P. Ntuli
- Mrs N.B. Mathe
- Mr S. Mthimkhulu
- Mr NM Biyela – Secretariat

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 BD Mlondo (SCM Manager) – Chairperson
- Mr LJ Nyawose
- Mr S Masango
- Mr AK Shandu
- Ms NPN Ngcobo - Secretariat

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 NM Myeni – CFO –Chairperson
- Mr FS Mazibuko – Director Community Services
- Mrs PT Xulu – Director Technical Services
- Mrs NB Mathe – Director Corporate Services
SCM Practitioner
- Ms N Mushe – Secretariat

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

The Municipality has put aside R46.951 million for municipal infrastructure assets. This include R20.805 million from INEP, R18.832 million from MIG and R7.314 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 9.3 millions. 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 2022/22 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 (2022 – 2024). 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.

Choose name from list - Table B1 Adjustments Budget Summary - 20/01/2022

Description	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
	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		
Repairs and Maintenance	6 505	-	-	-	-	-	2 805	2 805	9 310	9 228	9 862

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.

i) Investments

The municipality has a register of all investments with the legitimate registered banks as per the banks act. The accounts include three call deposits (one with Investec and two with FNB) as well as one fixed deposit with FNB.

INVESTMENT REGISTER FOR 2022/2023 FINANCIAL YEAR					
BANKING INSTITUTION	DEPOSIT TYPE	ACCOUNT NUMBER	INTER EST RATE	AMOUNT INVESTED	SOURCE
Investec	Call Deposit	1100435097501	6.60	48 612.97	Spare account used to relieve a primary account
FNB	Call Deposit	62532053204	6.00	65 774.34	M.I.G
FNB	Call Deposit	62051262146	0.50	104 492.13	
FNB	Call Deposit	62771806092	6.00	17 616.42	Electricity (INEP)
FNB	Fixed Deposit	71245040078	6.45	1 540 000	Surety held with Eskom for bulk electricity
FNB	Call Deposit	62771807016	6.00	3 173.79	EPWP

Table 71- INVESTMENT REGISTER

Financial Viability/Sustainability & Financial Ratios

Ratio Description	2018/19	2019/20	2021/22
a. Cost Coverage Ratio	3.1 months	2.8 months	0.2 months
b. Current Ratio (Current assets to current liabilities)	3.2	1.2	0.6
c. Capital expenditure to total expenditure	39%	24.3%	18%
d. Debt to revenue	0	0	0
e. Collection Rate	79.2%	88.0%	83%
f. Remuneration (Employee and Councillors) to total expenditure	38.7%	41.0%	34%
g. Distribution losses: Electricity	9.0%	9.0%	10.13%
h. Creditors Days	40 days	42 days	72 days
i. Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	32%	34%	39 %

Table 72- 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 municipality 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 2021/22 about 70.78% (R142 165 627/R200 849 938) of the municipal revenue comes from National and Provincial Government grants.

Expenditure

There is an overall increase in total expenditure by 22.72% in 2021/2022 financial year compared to 2020/2021 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

Operating expenditure over a period of three (3) years

Financial Year	2022-21	2021/20	2020-19
Amount	R200.4 million	R 163.3 million	R 158.5 million

Table 73- Operating Expenditure

- 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 41% to the current total operating expenditure. An employees related cost and councillors' remuneration increased by 2.2 % during the 2022/23 financial year from 2021/22 and also is expected to increase by 5.3% in 2023/24, 4.9% in 2024/25 and 4.7 in 2025/26 financial year respectively.
- Contracted services costs.** Contracted services have 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 15% 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 14% to the current total operating expenditure and it expected to be 12.8 % ,12.5% and 13.5% for 2022/23, 2023/2024 and 2024/25 financial years respectively.

Fruitless and wasteful expenditure

- The municipality had incurred fruitless and wasteful expenditure over the years. This type of expenditure is resultant from penalties and interest charged accounts due to late payment of a particular invoice or statements. Major portion of this expenditure if from interest charged by Eskom on accounts that were paid after due dates as per their statements.

Financial Year	2021/22	2020/21	2019/20
Amount	R 1825838	R1590372	R 990 712

Table 74- Fruitless and Wasteful Expenditure

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 has put aside R41.4 million for municipal infrastructure assets. This include R20.8 million from MIG, R13.7 million from INEP and R6.9 million from own revenue. The maintenance of the assets is also budgeted at R6.09 million in 2023/24. This will assist to maintain the existing assets so that they are always on a good working condition the projected cost for 2024-25 is R6.3 million.

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2022/23 budget provides for in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the Municipality.

KZN285 Mthonjaneni - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
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%

Table 75- Repairs and maintenance expenditure by asset class

Auditor General's Opinion

Mthonjaneni Municipality's annual financial statements (AFS) for the ended 30 June 2022 have been audited by the Auditor General as required by the legislation. The audit was finalized towards the end of November 2022.

Opinion

Summary of Audit Opinion for the past three years:

YEAR	2019/2020	2020/2021	2021/2022
AUDIT OPINION	Unqualified	Unqualified	Unqualified

Table 76- Audit Opinion Over The Years

II. Audit Improvement Plan

The municipality through its internal audit unit prepared the annual audit plan for the year 2021/2022. 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: Municipal Financial Viability and Management	
CHALLENGES	ADDRESSING THIS CHALLENGE
Reliance on 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	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	To strive for a Clean Audit Opinion by doing detailed Interim Financial Statement

Table 77- Municipal Financial Viability Challenges

Municipal Financial viability and Management SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> Fully functional Supply Chain Unit. The municipality does not have any borrowings. Maintenance of Unqualified Audit Opinion for the past 5 years 	<ul style="list-style-type: none"> 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
<ul style="list-style-type: none"> Decrease its spending to generate more cash backed reserves. Clean audit opinion. Increased Revenue Collection rate. 	<ul style="list-style-type: none"> 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 78- Municipal Financial Viability and management SWOT

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

18. GOOD GOVERNANCE & PUBLIC PARTICIPATION

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 are to be 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.

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

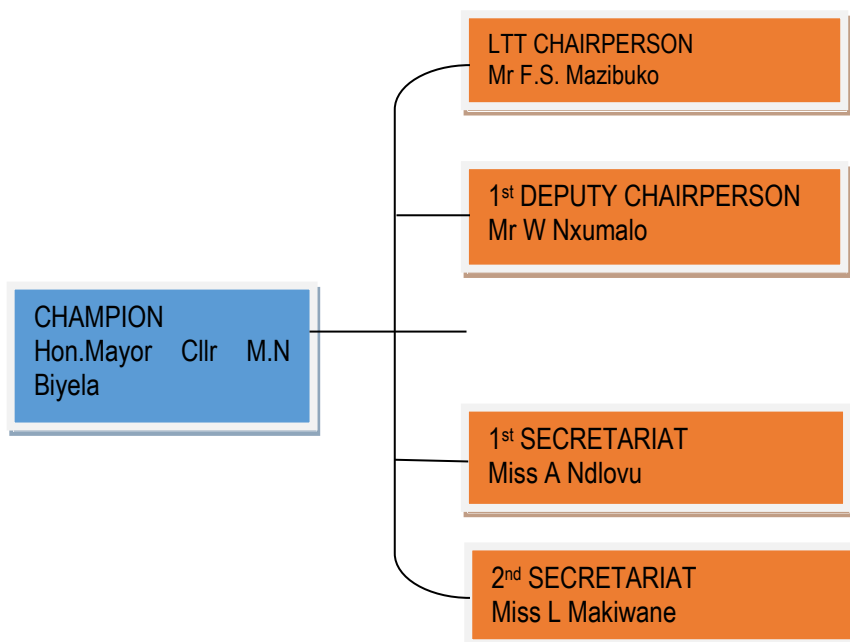
- Department of Social Development
- Department of Transport
- Non-Profit Organizations
- S.A.P.S

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



17.2.1 Social Development Programme

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

INTER-GOVERNMENTAL RELATIONS (IGR)

The Status and Functionality of Intergovernmental Relations Structures (IGR) and Participation in Provincial Forums (MUNIMEC and PCF)

Mthonjaneni Municipality is a regular participant in the Munimec PCF

Human Resource Practitioners Forum – 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: This forum is attended by IDP/PMS Manager and IDP/PMS Officer, and it deals with Performance Management Matters. It convenes quarterly

Planners Forum: This forum is a district forum for IDP Managers, the IDP/PMS Manager presents the status of the IDP to ensure proper alignment with the District Family. Planners are also invited even though the Municipality currently have a vacancy in the Planning Division.

CFO's Forum: There is a district and 2 provincial forum (COGTA and Provincial Treasury), they all convene quarterly

Provincial Infrastructure Delivery and Performance Meeting: This forum deals with all infrastructure, this committee convenes quarterly. It is facilitated by COGTA and their target audience is the Municipalities, DWS, DMRE, DCOG, MISA, ESKOM, DHS and DPWI

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 Regulation (Cascading of Performance and Implementation of Municipal Staff Regulation)

Mthonjaneni Municipality is a regular participant at all Provincial Forums.

THE STATUS OF THE FUNCTIONALITY OF 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.

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 25% of council meetings in the financial year. Information has been submitted to Traditional Affairs COGTA

IDP/BUDGET STEERING COMMITTEE AND PARTICIPATION OF HODS

MANCO serves as the IDP Steering Committee, this committee makes input to the 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

MANCO and Extended MANCO members form part of the IDP Steering Committee that meets monthly.

FUNCTIONALITY OF MANAGEMENT STRUCTURES

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.

The Municipality Communication strategy as a document is due for review, it will be reviewed in the

COMMUNICATION PLAN/STRATEGY

2023/2024 Financial Year

- 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.

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.

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 aforementioned 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 AC 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.

NAME OF MEMBER	GENDER
Dr. T Nzimakwe	Male (Chairperson)
Mr U Botshiwe	Male (Committee Member)
Ms. S.N. Siyaya	Female (Committee Member)
Mr. M.A. Mngadi	Male (Committee Member)

Table 79- Audit Committee Members

ENTERPRISE RISK MANAGEMENT

Enterprise Risk Management

The Municipality has a Risk Management Committee which is MANCO whose functions are located under the Internal Audit Unit.

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 to understand the fraud risk to enable it to develop the necessary means for to avoid or even minimise such risks by ensuring that controls and procedures are in place and assign dedicated individuals to monitor the plan.

Anti-Corruption Policy and Fraud Prevention Strategy

A COMPREHENSIVE LIST OF COUNCIL MUNICIPAL POLICIES

The policy list is attached together with recently approved HR Policies

NO	NAME OF POLICY	STATUS	DATE OF NEXT REVIEW
CORPORATE SERVICES			
1.	Recruitment and Selection Policy	Developed	June 2024
2.	Placement Policy	Developed	June 2024
3.	Promotion Policy	Use Recruitment and Selection Policy	
4.	Demotion Policy	To be developed	
5.	Study Assistance Policy	Developed	June 2024
6.	Skills Development Policy	Developed as Training and Development Policy	July 2023
7.	Employment Equity Policy	To be developed (Employment Equity Plan)	2024
8.	Leave Management Policy	Developed	June 2024
9.	Fleet Management Policy	Developed	June 2024
10.	Records Management Policy	Developed	July 2023
11.	Car Allowance Policy	Developed	June 2024
12.	S&T Policy	Developed	June 2024
13.	Overtime Policy	Developed	July 2023
14.	Health and Safety Policy	Developed	June 2024
15.	Whistle Blowers Policy	To be developed (it's part of the Complaints	

		Management Policy)	
16.	Anti-Corruption and Fraud Prevention Policy	Developed	June 2024
FINANCE DEPARTMENT			
17.	Credit Control and Debt collection policy	Reviewed & updated March 2023	March 2024
18.	Inventory Policy	Reviewed	March 2024
19.	Property Rates & Tariffs Policy	Reviewed March 2023	March 2024
20.	Indigent Policy	Reviewed March 2023	March 2024
21.	Asset Management Policy	Reviewed March 2023	March 2024
22.	Cost containment Policy	Reviewed & revised 27-02-2023	March 2024
23.	Budget Virement Policy	Included under budget policy, reviewed in March 2023	March 2024
24.	Supply Chain Management Policy	Reviewed March 2023	March 2024
25.	Asset Disposal Policy	Reviewed March 2023	March 2024
26.	Budget Policy	Reviewed March 2023	March 2024
27.	Cash, Banking, and Investment Policy	Reviewed March 2023	March 2024
28.	Debt write-off & Credit Impairment Policy	Reviewed March 2023	March 2024
29.	Contract Management Policy	Reviewed & updated	May 2024
30.	SCM policy for infrastructure procurement and delivery management	2019	May 2024
COMMUNITY SERVICES DEPARTMENT			
31.	Disaster Management Policy Framework	Up to Date	2024

32.	LED Strategy	May 2023	2024
33.	Draft Informal Economy By-Law	On a Gazetting stage	2028
34.	HAST Strategy	July 2023	2024
35.	Disaster management Plan	Under Review	2024
TECHNICAL SERVICES DEPARTMENT			
36.	EPWP Phase 4 Policy	Last reviewed in 2022	July 2023 for adoption
37.	Roads Maintenance Policy	Last reviewed in May 2019	2024
38.	Waste Management By-Law	2021	2026
39.	EPWP Phase 4 Policy	Last reviewed in 2022	July 2023 for adoption
PLANNING SERVICES DEPARTMENT			
40.	Spatial Planning & Land Use Management Bylaw	2017	TBC
OFFICE OF THE MUNICIPAL MANAGER			
41.	Communication Strategy and Policy	Under Review to be adopted in June 2023	July 2024
42.	Public Participation strategy	Developed in November 2022	To be reviewed in November 2024
43.	IPMS Policy Framework	Under Review, to be adopted in July 2023	July 2024
44.	OPMS Policy Framework	Under Review, to be adopted in July 2023	July 2024
45.	Fraud Prevention Policy	July 2023	July 2024
46.	Risk Policy	July 2023	July 2024

Table 80- Status of Municipal Policies

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

Table 81- Bylaws

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (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.

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

Table 82- MPAC Members

PORTFOLIO COMMITTEES (REPRESENTATIVES AND FUNCTIONALITIES)

The Municipality has 4 Portfolio Committees that meet monthly, and these are:

- ❖ Finance Committee,
- ❖ Corporate 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

Table 83- Finance Portfolio Committee

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 Sibiyi	Member	ANC
5.	Cllr. Z Zulu	Member	ANC

Table 84- Corporate and Community Services Portfolio Committee

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 Mnguni (Resigned 2 May 2023)	Member	ANC
5.	Cllr. PSM Mchunu	Member	ANC

Table 85- Technical and Planning Services Portfolio Committee

KPA-5: Good Governance and Public Participation

CHALLENGES	INTERVENTIONS
Poor functioning of IGR structures	The Municipality will ensure that there is an IGR Report to council meetings every quarter, this will assist also in ensuring that the Municipality fully participate on IGR Structures
Gaps within the municipalities' communication strategy.	The Municipality will review the strategy
Draft <i>Batho Pele</i> Policy Framework and Service Delivery Improvement Plan.	The Municipality has developed the policies, the policies will be workshopped to staff and be adopted in Quarter 4 Ordinary Council in July

Table 86- Good Governance and Public Participation Challenges

GOOD GOVERNANCE AND PUBLIC PARTICIPATION SWOT ANALYSIS

Good Governance and Public Participation SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Poor sector involvement • Lack of implementation Consequence Management • Non-availability of electronic records management system • Non-sitting of Rapid Response Committee. • Non-sitting of Rules Committee
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Conducive Working Environment: working relationships between the Council and Management • Effective participation in the District Development Model. 	<ul style="list-style-type: none"> • 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 87- Good Governance SWOT

CROSS CUTTING INTERVENTIONS

19. CROSS CUTTING INTERVENTIONS

- ❖ Ward based plans have been developed for each Ward

WARD BASED PLANNING

- ❖ 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

LAND USE MANAGEMENT

Municipal Planning Tribunal

The municipalities in the district resolved to have a District Joint Municipal Planning Tribunal (JMPT), the Joint MPT was established, and it is functional with the relevant JMPT agreements by local municipalities (LMs) with the District Municipality having been duly signed.

The functionality of the JMPT meetings has commenced in earnest. Accordingly, Mtubatuba Municipality complies with Regulation 14 of SPLUMA (2013) in terms of processing the development applications. The SPLUMA By-law was gazetted and adopted in 2017. Training for Councillors and officials on SPLUMA was conducted by the Municipality in May 2018. The Municipality resolved to use the District EXCO as an Appeal Authority

Wall to Wall Scheme

The Municipality will in 2023/2024 Financial Year develop the scheme with the assistance of CoGTA.

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.

Strategic Planning

Municipal Spatial Development Framework

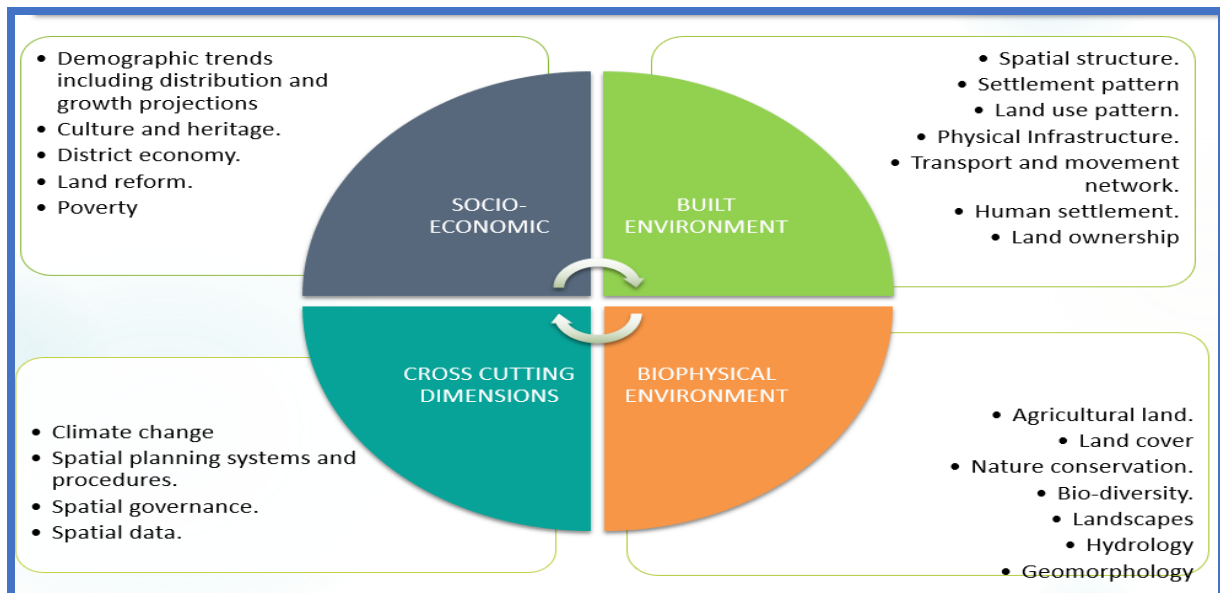
The Municipality has reviewed Municipal Spatial Development Framework (SDF) and will be adopted by council in September 2023, there has been a revision of the implementation plan due to the outstanding

activities to be carried out in the development of credible SDF that addresses the exact issues of Mthonjaneni Municipality . The main purpose of the MSDF 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
Incomplete Spatial Development Framework	The Service Provider will complete the SDF in September, and it will be tabled to council for adoption in October 2023
Vacancy for Senior Town Planner	The process of recruiting the STP is ongoing and anticipated to start work in Quarter 1

Table 88- Cross Cutting Interventions Challenges and Interventions

SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Functional Council Committees • Good Public participation mechanisms are in place • Developmental land availability • R66/R34 Route/ P700 biodiversity routes • No air pollution • Availability of Spatial Development Framework that is SPLUMA compliant • Availability of LUMS 	<ul style="list-style-type: none"> • High illiteracy rate and lack of skills development in the Municipal jurisdiction • Lack of Disaster Management Centre • High grants dependency • Non-availability of working tools (planners) • Household distribution by traditional authorities is costly when rendering Municipal Services
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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)

Table 89- CROSS CUTTING INTERVENTIONS SWOT

SECTION D: VISION, GOALS, OBJECTIVES AND STRATEGIES

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:

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

Municipal Mission

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

IDP STRATEGIC FRAMEWORK
2022/23 MTHONJANENI MUNICIPALITY STRATEGIES AND OBJECTIVES

	REF NO	GOAL	OBJECTIVE	STRATEGY	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	•Pillar 5: Building Capacity – Implementation of Performance Management Systems	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	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		Enhance health of communities and citizens

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NKAP 2: BASIC SERVICE DELIVERY	A4		Optimize ICT systems, manual procedures, and processes	A4.1 Enhancing Information Communication Technology (ICT)	Pillar 5: Building institutional resilience and administrative capability.	Ensure access information in line with relevant legal prescripts
				A4.2 Skills Development on ICT		Support skills development to economic growth
	A5		Optimize resource and facility management	A5.1 Security	Pillar 2: Delivering Basic Services – Improved Policing	Enhance safety and security
				A5.2 Cleanliness	Pillar 1: Putting people first	Promote participative, facilitative and accountable governance
				A5.3 Corporate Identity		
	A6			A6.1 Number of Administration and Registry Initiatives implemented		
	B1		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	Develop road and rail networks
				B1.2 Rehabilitation and Maintenance of Roads.		
	B2	Goal 2: To ensure the provision of Basic & Sustainable Services	Improve service delivery and infrastructure development	B2.1 Provision of Electricity	Pillar 2: Delivering Basic Services – Infrastructure Delivery and maintenance	Ensure access to affordable, reliable, sustainable, and modern energy for all
				B2.2 Provide Indigent Support	Pillar 2: Delivering Basic Services – Free Basic Services and Indigent Register	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	Pillar 2: Delivering Basic Services – Free Basic Services and construction of Community facilities	Enhance the resilience of new and existing cities, towns, and rural nodes, ensuring equitable access to

Mthonjaneni 5th Generation IDP

						resources, social and economic opportunities
				B2.4 Rehabilitation and Maintenance of Community Facilities	Pillar 2: Delivering Basic Services – Free Basic Services and Indigent Register	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	Delivering Basic Services – Infrastructure Delivery and maintenance on Waste Management	Enhance KZN waste management capacity
				B3.2 Law enforcement for environmental and waste management	Pillar 2: Delivering Basic Services – Improved Policing	Enhance safety and security
	B4		Increase Community Safety	B4.1 Reduce Road Carnage		
				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.	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 (&	Improve the efficiency, innovation, and variety of government-led Job

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					EPWP)	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	Promote participative, facilitative, and accountable governance		
				D1.2 Revenue Enhancement	Pillar 4: Sound Financial Management – Revenue Collected	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	Promote participative, facilitative, and accountable governance		
				D3	Improve budget and strengthen financial governance	D3.1 mSCOA & GRAP Compliance D3.2 MFMA Compliance	Pillar 4: Sound Financial Management	Promote participative, facilitative, and accountable governance
	D4		Improve Asset Management			D4.1 Asset Management Strategy	Pillar 4: Sound Financial Management	Promote participative, facilitative, and accountable governance
				D4.2 Fleet Management	Pillar 4: Sound Financial Management	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	Enhance health of communities and citizens
						E1.2 Integrated Community Participation Plan	Pillar 1: Putting people first – Functional Community Structures	Enhance health of communities and citizens
E2		Strengthen Corporate governance	E2.1 Improved Audit Opinion		Pillar 3: Good Governance – Improved Audit Outcomes	Promote participative, facilitative, and accountable governance		

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				E2.2 Revive Governance Structures	Pillar 3: Good Governance – Oversight Structures (S79, AC and ICR)	Promote participative, facilitative, and accountable governance
				E2.3 Back to Basics and Batho Pele	Pillar 3: Good Governance – Oversight Structures (S79, AC and ICR)	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)	Promote participative, facilitative, and accountable governance
	E4		Improve Municipal planning			
				E4.1 Credible IDP	Pillar 5: Building Capacity – Implementation of Performance Management Systems	Promote participative, facilitative, and accountable governance
				E4.2 Operational Plans	Pillar 5: Building Capacity – Implementation of Performance Management Systems	Promote participative, facilitative, and accountable governance
				E4.3 SDBIP	Pillar 5: Building Capacity – Implementation of Performance Management Systems	Promote participative, facilitative, and accountable governance
	E5		Reduce risk, fraud, and corruption	E5.1 Reduction of Fraud and Corruption Strategy	Pillar 3: Good Governance – Anti-corruption measures	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	Enhance health of communities and citizens
	NKPA 6: CROSS CUTTING		F1	Goal 6: To promote Social Responsibility and Cohesion through sustainable development initiatives	Improve land use management	F1.1 Spatial development Planning
F1.2 SPLUMA		Enhance the resilience of new and existing cities, towns and rural nodes, ensuring equitable access to				

Mthonjaneni 5th Generation IDP

						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
	F2		Improve HIV Aids awareness and coordination	F2.1 Functionality of WAC and LAC	Pillar 1: Putting people first	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		Adapt and respond climate change

Table 90- IDP Strategic Framework

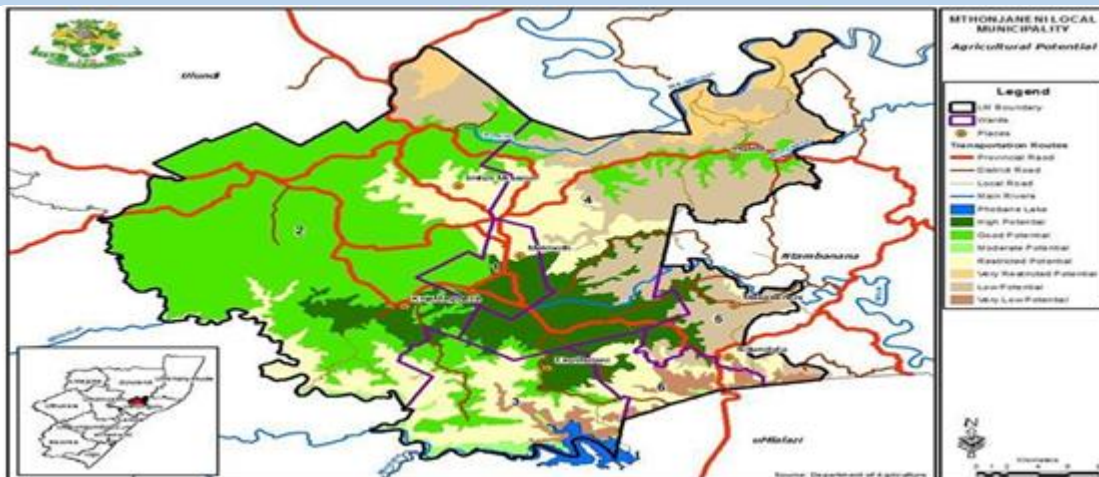
SECTION E - 1: STRATEGIC MAPPING AND IMPLEMENTATION PLAN

8. STRATEGIC MAPPING

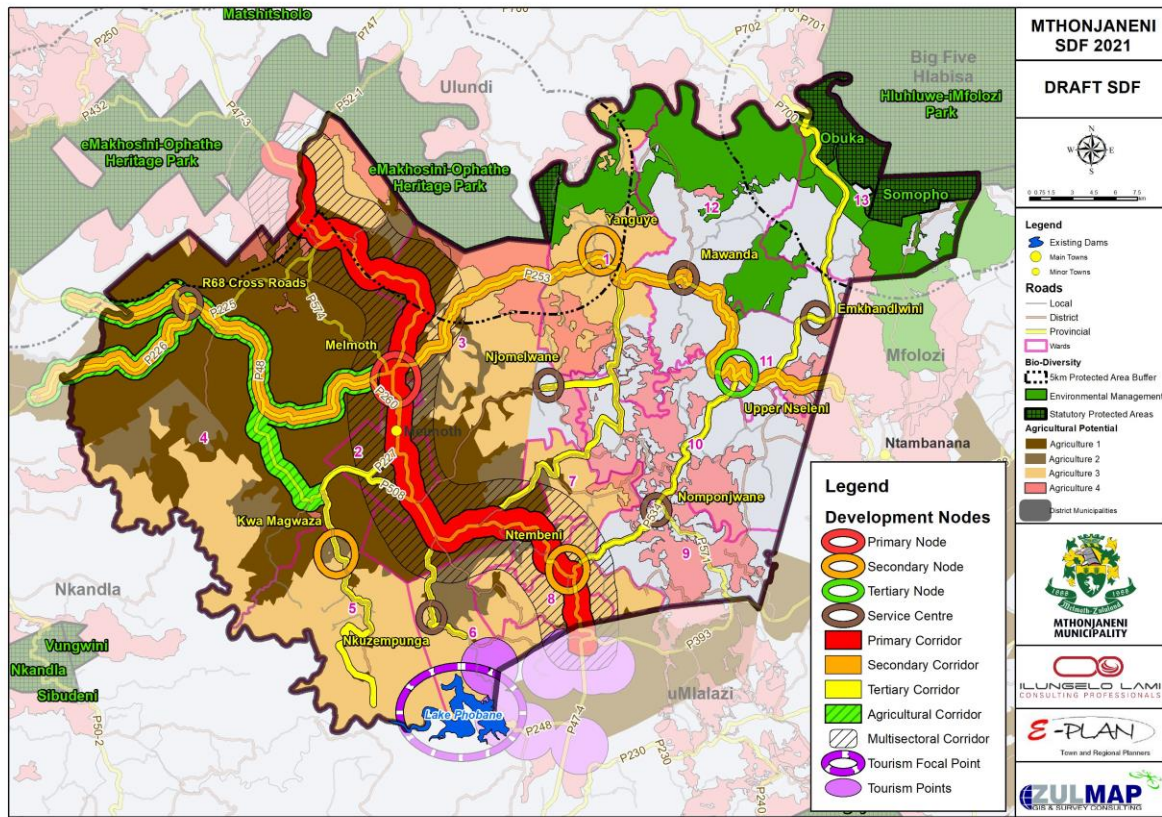
MAP SHOWING ENVIRONMENTAL PROTECTION -1 & 2

The map below shows the agricultural potential.

MAP SHOWING AGRICULTURAL LAND POTENTIAL



SPATIAL DEVELOPMENT FRAMEWORK



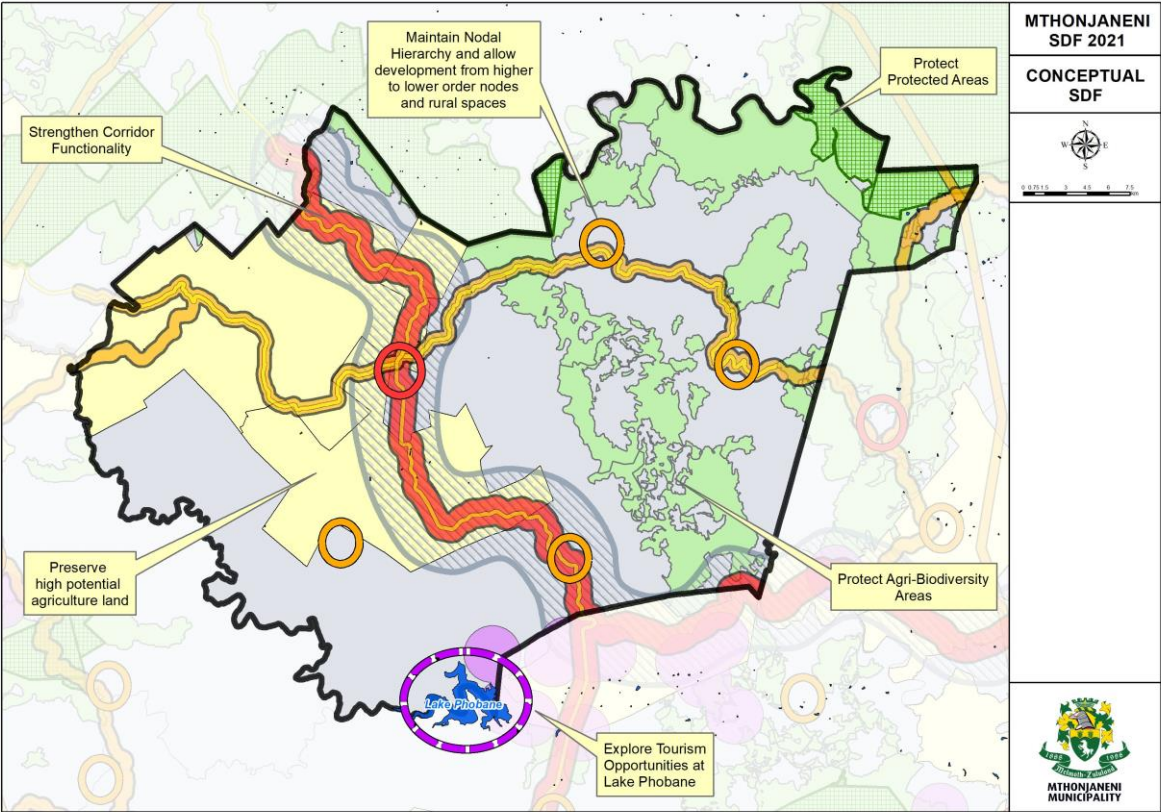
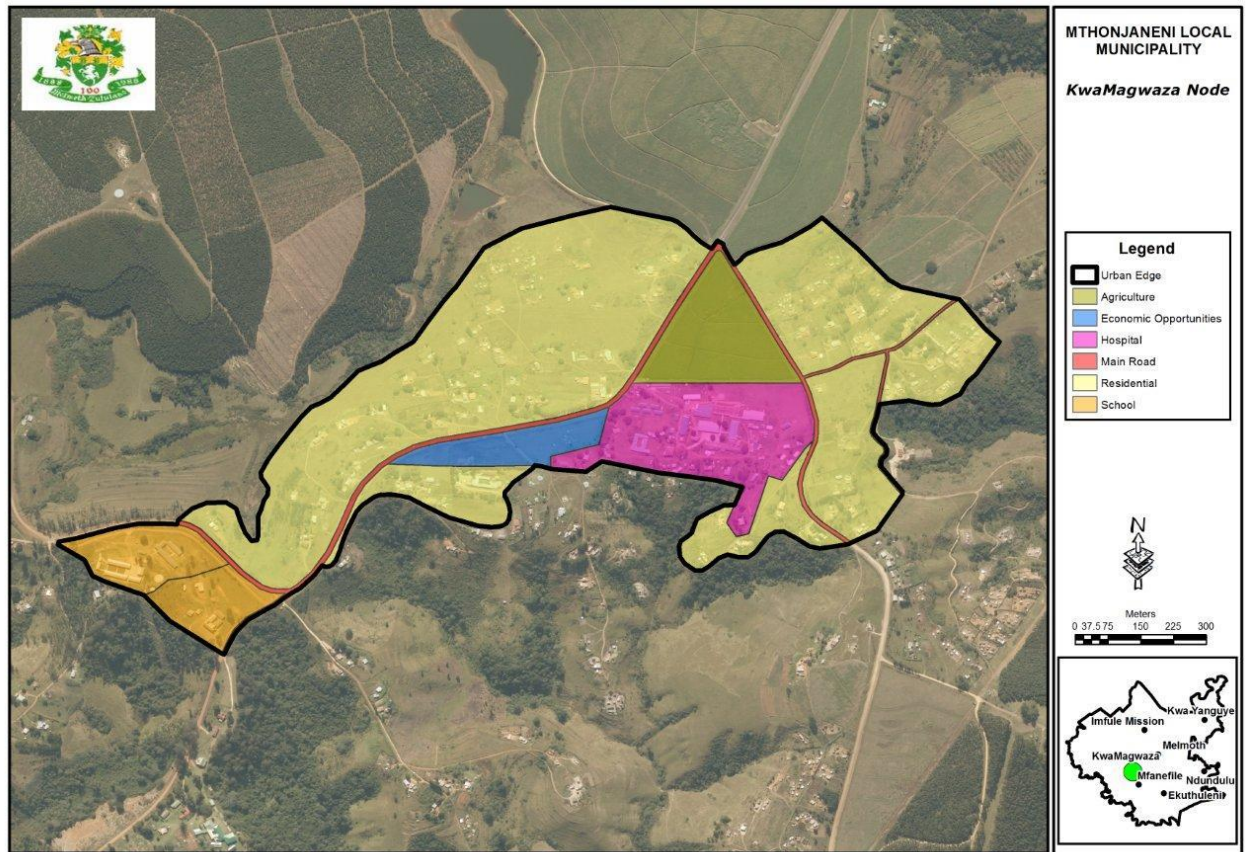
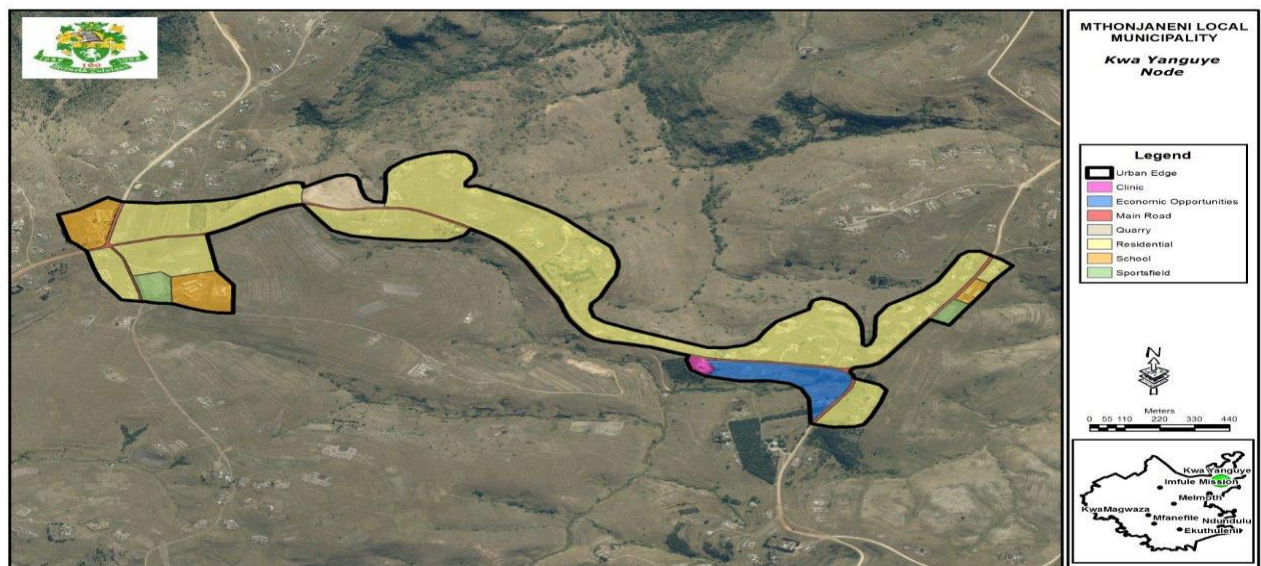


Table 92- Conceptual SDF



Map 37 KwaMagwaza Node



Map 38 KwaYanguye Node



Map 39- Ndundulu Node

SECTION F - 2: FINANCIAL PLAN

9. 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 2023/24 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 2023/24 circulars 123 and 122 issued by National Treasury, The National Treasury projects real economic growth of 0.9 per cent in 2023, with an estimate of 1.4 per cent at the time of the medium-term budget policy statement (MTBPS), recovering slowly to 1.8 per cent in 2025. The economic outlook faces a range of risks, including weaker-than-expected global growth, further disruptions to global supply chains and renewed inflationary pressures from the war in Ukraine, continued power cuts and a deterioration in port and rail infrastructure, widespread criminal activity, and any deterioration of the fiscal outlook.

Government is taking urgent measures to reduce load-shedding in the short term and transform the sector through market reforms to achieve long-term energy security. Several reforms are under way to improve the performance of the transport sector, specifically freight rail and to improve the capability of the state.

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 7.8 per cent and municipal conditional grants increased by 3.5 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.

The National Energy Regulator of South Africa (NERSA) is responsible for the price determination of the bulk costs of electricity. In January 2023, NERSA approved tariff increases of 18.7 per cent in 2023/24 and 12.7 per cent increase in 2024/25. For purposes of calculating the free basic energy subsidy in the local government equitable share formula, the National Treasury has added 2 per cent to these increases. This is in anticipation of higher increases than those published in January, for municipalities, due to the difference in the financial years of Eskom customers and municipalities meaning that Eskom only has nine months to collect the allowable revenue from municipalities. To this end, the free basic electricity subsidy in the local government equitable share is calculated based on a 20.7 per cent tariff increase in 2023/24 and a 14.7 per cent increase in 2024/25. In the absence of an approved tariff increase in the outer year of the MTEF period, the formula assumes an increase of 17.7 per cent in 2025/26. This is the average of the estimated increases for the first two years of the MTEF period. The Eskom tariff increase pose a challenge to our community and the municipality for bulk electricity purchases.

Mthonjaneni municipality implemented a new general valuation roll (GV 2020) with effect from 1 July 2020. This means all properties under the municipal jurisdiction were valued by the Municipality and entered in the new valuation roll which took effect on 1 July 2020. The GV 2020 Roll property values shall be valid for the period 1 July 2020 to 30 June 2025. The new GV will be effective from 01 July 2025. However, the top priority of this budget is to give relief and better service delivery to the people of Mthonjaneni Municipality, given the difficult economic conditions that still exist. The municipality therefore proposed 5.3% increase in property rates tariffs for 2023/24 financial year which is in line with the inflation forecast.

ADOPTION OF THE FINANCIAL PLAN

The Final Mthonjaneni Municipality's Financial Plan for 2023/24 will be adopted by Council in 25th of May 2023 (MTREF-2022/23 to 2024/25) is annexed hereto for ease of reference.

AN OVERVIEW OF THE 3-YEAR 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

The Mthonjaneni Municipality adopted its revenue enhancement strategy in June 2015. The Revenue strategy has been revised in March 2020 and was tabled for council approval in May 2020. 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.

3-YEAR OPEX

The 3-Year OPEX is indicated in the Budget/Financial Plan for 2023/2024 and has included an allocation of Operations and Maintenance Costs for municipal Fixed Assets. Kindly refer to the 2023/24 Budget/Financial Plan annexed hereto for ease of reference.

The 3 Year Capex is indicated in the Budget/Financial Plan for 2023/2024. Kindly refer to the 2023/24

3-YEAR CAPEX

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 - 2: ANNUAL OPERATIONAL PLANS (SDBIP'S ARE ATTACHED)

10. SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Mthonjaneni has developed the Draft 2023/24 Organisational Scorecard and Departmental Service Delivery Budget and Implementation Plans.

The Draft 2023/24 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 2023/24 SDBIP will be submitted to COGTA in compliance with the legislative framework

IDP STRATEGIC FRAMEWORK
2022/23 MTHONJANENI MUNICIPALITY STRATEGIES AND OBJECTIVES

	REF NO	GOAL	OBJECTIVE	STRATEGY	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	•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	3.2. Enhance health of communities and citizens
	A4		Optimize ICT systems, manual	A4.1 Enhancing Information Communication		1.1.5.1 Ensure access information in line with relevant legal prescripts

Mthonjaneni 5th Generation IDP

			procedures, and processes	Technology (ICT)	capability.	
				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		
	A6			A6.1 Number of Administration and Registry Initiatives implemented		
NKAP 2: BASIC SERVICE DELIVERY	B1		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
		Goal 2: To ensure the provision of Basic & Sustainable Services		B2.2 Provide Indigent Support	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	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

NKPA 3: LOCAL ECONOMIC DEVELOPMENT				B2.4 Rehabilitation and Maintenance of Community Facilities	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		
				B3.2 Law enforcement for environmental and waste management	Pillar 2: Delivering Basic Services – Improved Policing	3.5. Enhance safety and security
	B4		Increase Community Safety	B4.1 Reduce Road Carnage		
				B4.2 Licensing		
				B4.3 Road Law Enforcement		
NKPA 4: MUNICIPAL FINANCIAL	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	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

Mthonjaneni 5th Generation IDP

				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 D3.2 MFMA Compliance	Pillar 4: Sound Financial Management	6.4. Promote participative, facilitative, and accountable governance
	D4		Improve Asset Management	D4.1 Asset Management Strategy	Pillar 4: Sound Financial Management	6.4. Promote participative, facilitative, and accountable governance
				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

Mthonjaneni 5th Generation IDP

	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
	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 F1.2 SPLUMA	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
	F2		Improve HIV Aids awareness and	F2.1 Functionality of WAC and LAC	Pillar 1: Putting people first	3.2. Enhance health of communities

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			coordination			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

(COPIES ARE ANNEXED HEREWITH FOR EASE OF REFERENCE - SEPARATE FILE)

11. ORGANISATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

SECTION F – ORGANISATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

18. 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

Mthonjaneni 5th Generation IDP

	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

Mthonjaneni 5th Generation IDP

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.
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Table 93- Mthonjaneni PMS Year Plan

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.

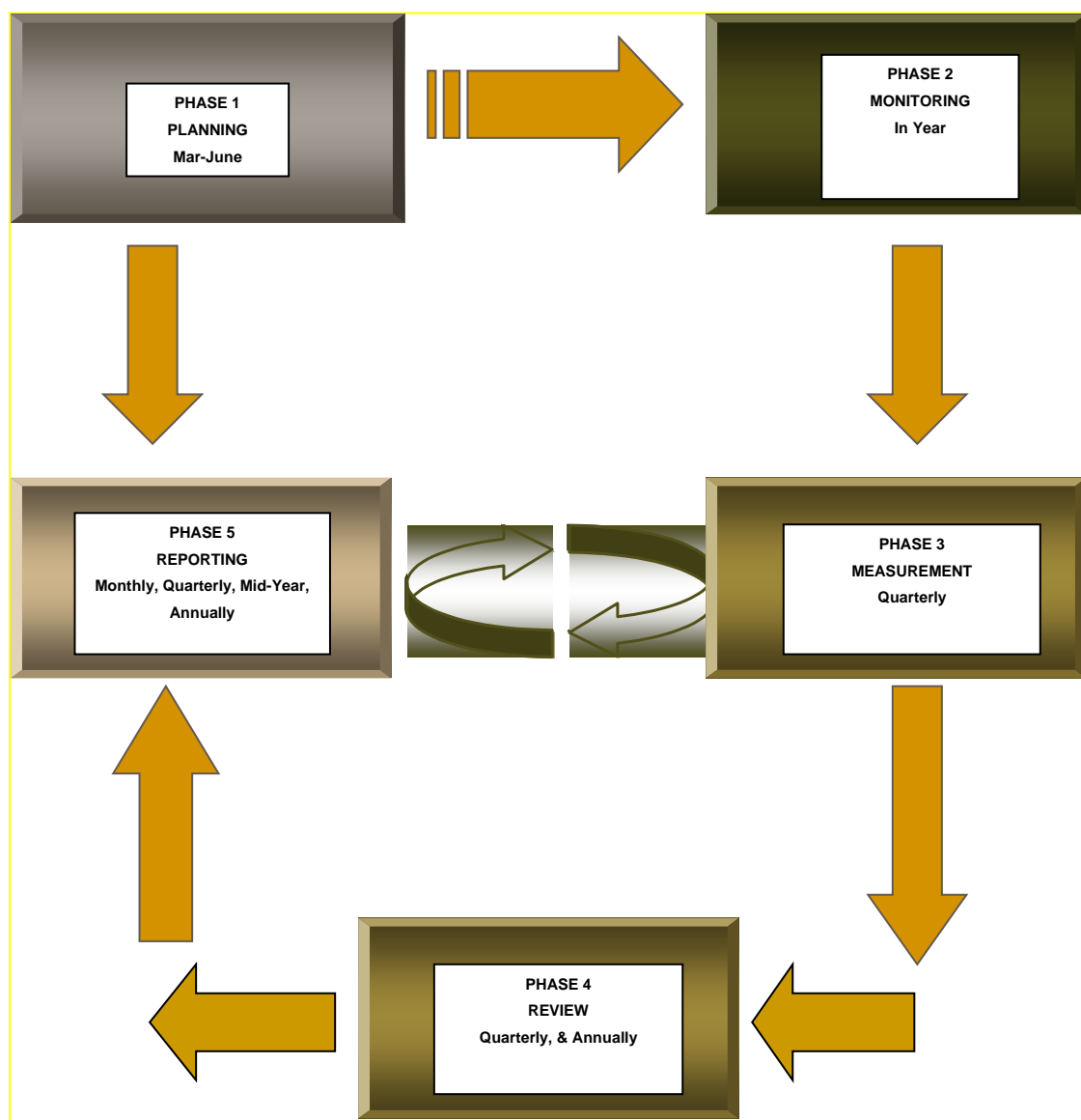


Figure X: The Performance Management Cycle

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. 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.

Section 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 in the 2021/2022 Financial year obtained an unfavourable Audit opinion. Number of indicators were not achieved and one of the main contributors of these results was poor planning and not following the approved reporting standards. Below the areas of underperformance and reasons thereof are discussed briefly. As at Mid-Term the municipality improved the performance and the achievement of targets and that was due to the improved reporting templates and correct POEs required by PMS.

PROJECT NAME	KPI AS PER 2022/23 FINANCIAL	STATUS (ACHIEVED/NOT ACHIEVED)	REASON FOR NON-ACHIEVEMENT	CORRECTIVE MEASURES

	YEAR			
LED Strategy	Ensure draft LED/Tourism strategy	NOT ACHIEVED	Indicators not achieved due to Financial Constraints	The LED Strategy is under review to ensure that it only includes the projects that will be budgeted for.
Nqekwane Electricity Project	Number of Electricity connections completed	NOT ACHIEVED	1. Local Business Forum Interference demanding 30% and more of the contract value. 2. Delays in the approval of designs by Eskom. 3. Delays in the inspection of the completed sections by Eskom Clerk of Works due to shortage of staff.	The Municipality will ensure that Local Business Owners are trained on SCM processes, the Municipality will also ensure that SCM processes are started in time for each project.
Njomelwane Electricity Project	Number of Electricity connections completed	NOT ACHIEVED	1. Local Business Forum Interference demanding 30% and more of the contract value. 2. Delays in the approval of designs by Eskom. 3. Delays in the inspection of the completed sections by Eskom Clerk of Works due to shortage of staff.	The Municipality will ensure that Local Business Owners are trained on SCM processes, the Municipality will also ensure that SCM processes are started in time for each project.
Kataza Electricity Project	Number of Electricity connections completed	NOT ACHIEVED	1. Local Business Forum Interference demanding 30% and more of the contract value. 2. Delays in the approval of designs by Eskom. 3. Delays in the inspection of the completed sections by Eskom Clerk of Works due to shortage of staff.	The Municipality will ensure that Local Business Owners are trained on SCM processes, the Municipality will also ensure that SCM processes are started in time for each project.
UMhlathuze Electricity Project	Number of Electricity connections completed	NOT ACHIEVED	1. Local Business Forum Interference demanding 30% and more of the contract value. 2. Delays in	The Municipality will ensure that Local Business Owners are trained on SCM processes, the Municipality

			the approval of designs by Eskom. 3. Delays in the inspection of the completed sections by Eskom Clerk of Works due to shortage of staff.	will also ensure that SCM processes are started in time for each project.
Dubeni Electricity Project	Number of Electricity connections completed	NOT ACHIEVED	1. Local Business Forum Interference demanding 30% and more of the contract value. 2. Delays in the approval of designs by Eskom. 3. Delays in the inspection of the completed sections by Eskom Clerk of Works due to shortage of staff.	The Municipality will ensure that Local Business Owners are trained on SCM processes, the Municipality will also ensure that SCM processes are started in time for each project.
Inkisa Electricity Project	Number of Electricity connections completed	NOT ACHIEVED	1. Local Business Forum Interference demanding 30% and more of the contract value. 2. Delays in the approval of designs by Eskom. 3. Delays in the inspection of the completed sections by Eskom Clerk of Works due to shortage of staff.	The Municipality will ensure that Local Business Owners are trained on SCM processes, the Municipality will also ensure that SCM processes are started in time for each project.
Ntombokazi Electricity Project	Number of Electricity connections completed	NOT ACHIEVED	1. Local Business Forum Interference demanding 30% and more of the contract value. 2. Delays in the approval of designs by Eskom. 3. Delays in the inspection of the completed sections by Eskom Clerk of Works due to shortage of staff.	The Municipality will ensure that Local Business Owners are trained on SCM processes, the Municipality will also ensure that SCM processes are started in time for each project.

Sangoyana Electricity Project	Number of Electricity connections completed	NOT ACHIEVED	1. Local Business Forum Interference demanding 30% and more of the contract value. 2. Delays in the approval of designs by Eskom. 3. Delays in the inspection of the completed sections by Eskom Clerk of Works due to shortage of staff.	The Municipality will ensure that Local Business Owners are trained on SCM processes, the Municipality will also ensure that SCM processes are started in time for each project.
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Table 94- Reasons for Non Achievement and Corrective measures

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.

Finding	Finding detail	Indicator	Progress and Activities to be undertaken
Various Indicators (10): Insufficient appropriate POE	The achievements were reported in the annual performance report for the indicators tabulated below. However, some supporting evidence provided materially differed from the reported achievement, while in other instances I was unable to obtain sufficient appropriate evidence. This was due to the lack of accurate and complete records.	Ensure 20 MVA Substation P-1 Bulk supply upgrade in Ward 2 by 30 June 2022 (Multiyear project ending 30 June 2023)	Projects not clearly defined – multi-year projects, not clustered and consolidated through 5-year plan and related project plans.
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 35 new connections to households in Nqekwane area ward 1, for the first time by 30 June 2022 (multiyear project ending June 2023)	Municipality is in process of separating top and bottom layer SDBIPs and ensuring proper TIDs for top layer and project plans for bottom layer
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 50 new connections to households in Njomelwane area ward 3, for the first time by 30 June 2022 (multiyear project ending June 2023)	Happy letters not in place (should be part project plan and outputs)
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 61 new connections to households in Kataza area ward 4, for the first time by 30 June 2022 (multiyear project	Project plans need to be developed properly – acting PMU Project files for all projects need to be

		ending June 2023)	established and reviewed to ensure detail on basic services delivery is captured
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 100 new connections to households in Umhlathuze area ward 5, for the first time by 30 June 2022(multiyear project ending June 2023)	
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 25 new connections to households in Dubeni area ward 6, for the first time by 30 June 2022(multiyear project ending June 2023)	
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 85 new connections to households in Inkisa area ward 08, for the first time by 30 June 2022(multiyear project ending June 2023)	
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 42 new connections to households in Ntombokazi area ward 12, for the first time by 30 June 2022(multiyear project ending June 2023)	
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 72 new connections to households in Sangoyana area ward 13, for the first time by 30 June 2022(multiyear project ending June 2023)	
		Ensure provision of electricity connections on 1777 Households around Melmoth town and thubalethu area (Ward 3 and ward2) excluding	

		Eskom area of supply , by 30 June 2022	
Various Indicators (10): No corrective measures in APR	I was unable to obtain sufficient appropriate evidence to support the measures taken to improve performance against targets as reported in the annual performance report for the indicators tabulated below. This was due to limitations placed on the scope of my work.	Ensure 20 MVA Substation P-1 Bulk supply upgrade in Ward 2 by 30 June 2022 (Multiyear project ending 30 June 2023)	Municipality is ensuring that quarterly reports reflect corrective measures Will be included in 22/23 APR Planning and reporting formats will have clear fields for corrective measures Municipality will include corrective measures in the IDP revision 23/24
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 35 new connections to households in Nqekwane area ward 1, for the first time by 30 June 2022(multiyear project ending June 2023)	
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 50 new connections to households in Njomelwane area ward 3, for the first time by 30 June 2022(multiyear project ending June 2023)	
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 61 new connections to households in Kataza area ward 4, for the first time by 30 June 2022(multiyear project ending June 2023)	
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 100 new connections to households in Umhlathuze area ward 5, for the first time by 30 June 2022(multiyear project ending June 2023)	
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 25 new connections to households in Dubeni area ward 6, for the first time by 30 June 2022(multiyear project ending June 2023)	
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 85	

		<p>new connections to households in Inkisa area ward 08, for the first time by 30 June 2022(multiyear project ending June 2023)</p> <p>Ensure the eradication of electrification backlogs in Mthonjaneni by providing 42 new connections to households in Ntombokazi area ward 12, for the first time by 30 June 2022(multiyear project ending June 2023)</p> <p>Ensure the eradication of electrification backlogs in Mthonjaneni by providing 72 new connections to households in Sangoyana area ward 13, for the first time by 30 June 2022(multiyear project ending June 2023)</p> <p>Prepare and submit 11 reports annually for electricity meter auditing to Manco,portfolio,exco and council by 30 June 2022.</p>	
Various Indicators (9): No comparisons with previous year	A comparison between the performance of the year under review and previous year was not included in the annual performance report for the below listed indicators.	<p>Ensure the eradication of electrification backlogs in Mthonjaneni by providing 35 new connections to households in Nqekwane area ward 1, for the first time by 30 June 2022(multiyear project ending June 2023)</p> <p>Ensure the eradication of electrification backlogs in Mthonjaneni by providing 50 new connections to households in Njomelwane area ward 3, for the first time by 30 June 2022(multiyear project ending June 2023)</p> <p>Ensure the eradication of electrification backlogs in Mthonjaneni by providing 61 new connections to households in Kataza area ward 4, for the first time by 30 June 2022(multiyear project</p>	Same as above, also include baseline

		ending June 2023)
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 100 new connections to households in Umhlathuze area ward 5, for the first time by 30 June 2022(multiyear project ending June 2023)
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 25 new connections to households in Dubeni area ward 6, for the first time by 30 June 2022(multiyear project ending June 2023)
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 85 new connections to households in Inkisa area ward 08, for the first time by 30 June 2022(multiyear project ending June 2023)
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 42 new connections to households in Ntombokazi area ward 12, for the first time by 30 June 2022(multiyear project ending June 2023)
		Ensure the eradication of electrification backlogs in Mthonjaneni by providing 72 new connections to households in Sangoyana area ward 13, for the first time by 30 June 2022(multiyear project ending June 2023)
		Prepare and submit 11 reports annually for electricity meter auditing to Manco,portfolio,exco and council by 30 June 2022.

Target not specific and measurable	I was unable to obtain sufficient appropriate evidence for the achievements against targets in the annual performance report , due to the lack of accurate and complete records. The planned targets for the listed indicators were not specific in clearly identifying the nature and required level of performance and also not measurable. Achievement of 3 reports submitted to Manco, portfolio, exco and council was reported against the indicator and its planned target of submit 11 electricity meter audit reports annually to MANCO by 30 June 2022 that are unrelated to the planned indicator and its predetermined measurement processes.	Prepare and submit 11 reports annually for electricity meter auditing to Manco , portfolio, exco and council by 30 June 2022.	Project plans need to be developed properly, which will be linked to TIDs for Top layer
Material reporting differences between POE and actuals - no deadline for delivery	The achievements below were reported in the annual performance report for the listed indicators. However, some supporting evidence provided materially differed from the reported achievement, while in other instances I was unable to obtain sufficient appropriate evidence. This was due to the lack of accurate and complete records. The planned target of 2000 for this indicator did not also specify the period or deadline for delivery.	Provide affordable Services to Indigent Community by ensuring that 2000 households have access to Free basic electricity services in terms of the Indigent Policy by 30 June 2022	Outdated register, municipality need to be pro-active in update and verify Indicator will be re-developed to meet SMART criteria Municipality will consider ESKOM register and attempt to align, also with District register
SDBIP target not reported in APR	The planned and approved indicator per the service delivery and budget implementation plan was not included and reported upon in the annual performance report for the indicator below.	Ensure the eradication of electrification backlogs in Mthonjaneni by providing 608 new connections to households in Thubalethu Township for the first time by 30 June 2022	IA and AC were not given sufficient time to complete its processes – omissions and alignment was not audited and corrected Incorrect APR was submitted to AG

Table 95- PMS AG Actions

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

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 accessibility	Construction of Roads	B1.1.1	Construction of gravel roads	Number of kilometres of Gravel Road constructed	11.3KM	10.5km	2.3km	7km	10km	10km	R5 316 091,45

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 financial viability 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 financial viability 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 financial viability 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 financial ly viable and sustaina ble municip ality	Improve budget and strengthen financial governanc e	MFMA Complia nce	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 financial ly viable and sustaina ble municip ality	Improve budget and strengthen financial governanc e	MFMA Complia nce	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 financial ly viable and sustaina ble municip ality	Improve budget and strengthen financial governanc e	MFMA Complia nce	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 financial ly viable and sustaina ble municip ality	Improve budget and strengthen financial governanc e	MFMA Complia nce	D3.2.5	S71 Report	Number of s71 Report submitted to Mayor, Provincial Treasurt and National Treasury	12	12	12	12	12	12	R0,00
D3	D3.2	Goal 4: To ensure financial ly viable and sustaina ble municip ality	Improve budget and strengthen financial governanc e	MFMA Complia nce	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 financial ly viable and sustaina ble municip ality	Improve budget and strengthen financial governanc e	MFMA Complia nce	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 financial ly viable and sustaina ble municip ality	Improve budget and strengthen financial governanc e	MFMA Complia nce	D3.2.8	Submission of s72 Mid-Year Reports to National Treasury and	Number of s72 Mid Year Reports submitted to National Treasury and Provincial Treasury	1	1	1	1	1	1	R0,00

						Provinc ial Treasur y								
D3	D3.2	Goal 4: To ensure financial ly viable and sustaina ble municip ality	Improve budget and strengthen financial governanc e	MFMA Complia nce	D3.2.9	Annual Financi al Stateme nts	Number of AFS submitted to AG by deadline	1	1	1	1	1	1	R0,0 0
D3	D3.2	Goal 4: To ensure financial ly viable and sustaina ble municip ality	Improve budget and strengthen financial governanc e	MFMA Complia nce	D3.2.10	AG Report	Number of AG Report tabled to council	1	1	1	1	1	1	R0,0 0
KPA 5: GOOD GOVERNANCE														
E1	E1.1	Goal 5: To provide a democr atic and account able govern ment for local commu nities	Promote broaden local democrac y	Ward Committ ee Govern ance	E1.1.2	Ward Committ ee Function ality	Percentage of ward committee functionality	93%	100%	100%	100%	100%	100%	R1 595 200,0 0
E2	E2.1	Goal 5: To provide a democr atic and account able govern ment for local commu nities	Strengthe n Corporate governanc e	Improve d Audit Opinion	E2.1.1	AG Action Plan	Percentage of AG Findings resolved	70%	100%	100%	100%	100%	100%	R0,0 0
E2	E2.1	Goal 5: To provide a democr atic and account able govern ment for local commu nities	Strengthe n Corporate governanc e	Improve d Audit Opinion	E2.1.3	Audit Committ ee Report	Number of Audit Committee Reports tabled to council	4	4	4	4	4	4	R145 340,0 0
E3	E3.1	Goal 5: To provide a democr atic and account able	Strengthe n Intergover nmental relations	Impleme ntation of IGR Resoluti ons	E3.1.3	DDM Reports	Number of DDM Reports tabled to council	4	4	4	4	4	4	R0,0 0

		government for local communities											
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	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	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	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	R400 000,00
F5	F5.1	Goal 6: To promote Social Responsibility and Cohesion	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	R600 000,00

		through sustainable development initiatives											
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	R0,00

Table 96- 5 Year Implementation Plan

SECTION I: BACK TO BASICS PROGRAMME

12.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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