

TO IMPROVE THE LIVES OF ALL RESIDENTS

INTEGRATED DEVELOPMENT PLAN 2014-2015





VULAMEHLO MUNICIPALITY
Integrated Development Plan
2014–2015



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ACRONYMS

ASGISA	Accelerated Shared Growth Initiative of SA	LRAD	Land Redistribution Programme
BEF	Business Enabling Fund	MIG	Municipal Improvement Grant
CDWs	Community Development Workers	MSIG	Municipal Systems Improvement Grant
CF	Commercial Farmers	MPA	Municipal Plan of Action
DEAT	Department of Environmental Affairs and Tourism	MDG	Millennium Development Goals
DFA	Development Facilitation Act	NSDP	National Spatial Development Perspective
DFID	Department for International Development	PC	Project Consolidate
DLGTA	Department of Local Government and Traditional Affairs	PCPMU	Project Consolidate Project Management Unit
DoH	Department of Housing	PGDS	Provincial Growth and Development Strategy
DoL	Department of Labour	PMS	Performance Management System
DTI	Department of Trade and Industry	PSEDS	Provincial Spatial Economic Development Strategy
EMP	Environmental Management Plan	RDP	Reconstruction and Development Programme
EPWP	Expanded Public Works Programme	Scheme	LUMS Scheme
EPWP	EPWP Provincial Steering Committee	SLA	Sustainable Livelihood Approach
PSC		SF	Subsistence Farmers
ESDP	Electricity Sector Development Plan	SDF	Spatial Development Framework
FBS	Free Basic Services	SEDA	Small Enterprise Development Agency
HH	Households	SMMEs	Small Medium Micro-Enterprises
IDP	Integrated Development Plan	SUMMIT	District Growth and Development Summit
IDPRF	IDP Representative Forum	TA	Traditional Authority
ISRDP	Integrated Sustainable Rural Development Programme	TKZN	Tourism KwaZulu-Natal
KPA	Key Performance Area	TORs	Terms of Reference
KZN	KwaZulu-Natal	VM	Vulamehlo Municipality
LCF	Local Competitiveness Fund	UYF	Umsobomvu Youth Fund
LUF	Land Use Framework	WSDP	Water Services Development Act
LUMS	Land Use Management System		

ABBREVIATIONS OF LEGISLATIVE ENACTMENTS

The Constitution	South African Constitution Act 106 of 1996
The MSA	Municipal Systems Act No 32 of 2000
The Structures Act	Municipal Structures Act No 117 of 1998
DFA	Development Facilitation Act No of
DMA	Disaster Management Act No 57 of 2002
MFMA	Municipal Finance Management Act No of



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SECTION A: EXECUTIVE SUMMARY

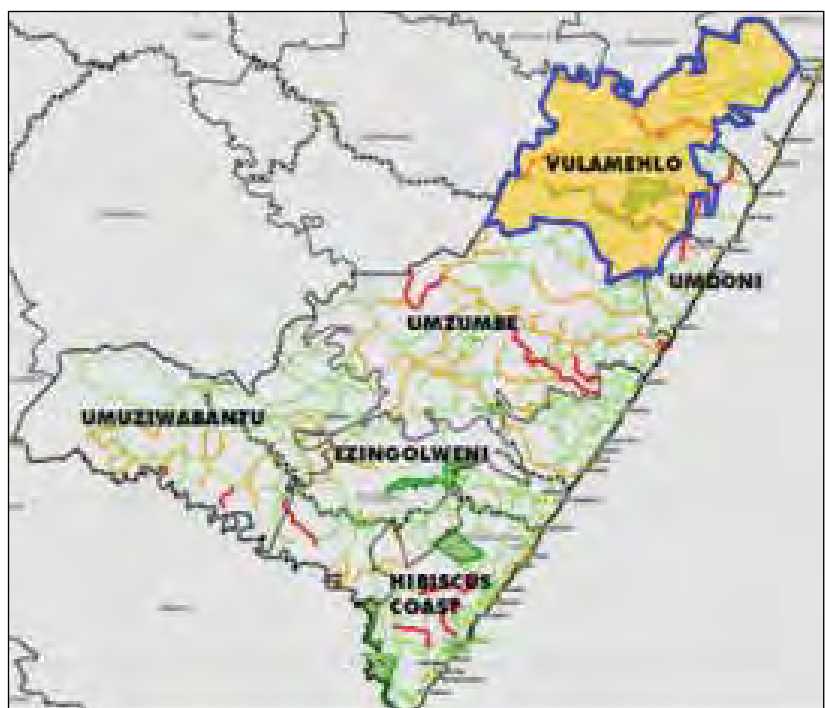
1. Who are we?

The Vulamehlo Local Municipality (KZN 211) forms part of the Ugu District Municipality (DC21). It is located south of the eThekweni municipality and is bordered by Umdoni to the east, Mkhambathini and Richmond to the north and Ubuhlebezwe to the west. It was established in 2000 with limited existing capacity at the time.

The municipality is characterised by incisive valleys, river systems, hilly and broken terrain. The fragmented and steep topography has limited development in the area and greatly determined settlement patterns. The major river systems within the area are the uMkhomazi, Mpambanyoni and Mthwalume rivers. The other perennial rivers which flow through Vulamehlo include Nungwane, Lovu, Msimbazi, Mzimayi, uMzinto and Mkhumbane Rivers.

The Vulamehlo Municipality comprises of eight traditional areas under the Vulamehlo House of Traditional leadership made up of Izimpethu Zendlovu, Mandleni, KwaLembe, AmaNyuswa, Qiko, Zembeni, Kwa-Cele and Ukuthula. There are, however, three other traditional houses which form part of Umbumbulu Traditional house namely Thoyana, Maphumulo and Isimahla traditional houses also forming part of the Vulamehlo Municipality (refer to land legal context map)

The traditional settlement areas located in the Northern parts of Vulamehlo (falling under the uMbumbulu stream) are separated from the rest of the municipality by the uMkhomazi River. With regards to development form, there is an almost equal split of land between commercial agriculture and traditional settlement areas. Approximately 48% of the area is held under communal ownership through traditional authorities and is administered together with the Ingonyama Trust Board. The balance of the area is privately owned, except for Vernon Crookes Nature Reserve, which is managed by KZN Ezemvelo Wildlife.



Map 1: UGu District Context



Vulamehlo Municipality has a total population of approximately 77,403, which constitutes of 41 341 of that population being female and 36 062 being male from the total population. The Municipality also has a total number of 16,135 of households. These statistics are based on the 2011 Census undertaken by Statistics South Africa

1.1 How was this plan (IDP) developed?

The preparation of the Municipality's Integrated Development Plan was that of an integrated participatory approach that began in July 2012 with the development of the process plan, the first IDP Forum.

Table 1: The development of the IDP

First Quarter																
PHASE	ACTIVITY	RESPONSIBILITY	KEY DEADLINES	AUGUST				JULY				SEPTEMBER				
				1	2	3	4	1	2	3	4	1	2	3	4	
Preparation	1. Drafting of Process Plan	Manager IDP	July – Sep 2013													
	1.1. Submission draft Framework & Process Plan to Cogta for comment		31 July 2013													
	1.2. Submit draft IDP, Budget & PMS Process Plan to IDP Steering Committee, IDPRF and EXCO for consideration and recommendation		23 August 2013													
	1.3. Adoption of the final 2014/2015 IDP Process Plan through Council and submission to Cogta on by Council		30 August 2013													
	1.4. Advertise on local news paper for commencement of the IDP review process.	UGu family	31 July 2013													
Analysis	2. Submit Annual Performance Report to AG	Manager IDP/ PMS	31 August 2013													
	3. Finalize and sign Performance contracts that are linked to the PMS of the Municipality for all Section 57 managers		31 August 2013													
	3.1. Determine which sector plans need to be reviewed and commence with the process of reviewing thereof		September 2013													
	4. Consider MEC Comments															
	4.1 Action Plan to Address MEC Comments															
	5. Submission of the 1st Draft Annual Report to Auditor General.	CFO	31 August 2013													
	6. Determination of Revenue Projection	CFO	23 September 2013													



Second Quarter																
PHASE	ACTIVITY	RESPONSIBILITY	KEY DEADLINES	OCTOBER				NOVEMBER				DECEMBER				
				1	2	3	4	1	2	3	4	1	2	3	4	
Strategic & Projects	7. Commence with the SDF review	Manager; Development Planning & Department: Rural Development & Land Reform	October 2013													
	8. Conduct Community needs Consultation	Manager IDP, Manager Public Participation	October - November 2013													
	8.1. Mayoral Izimbizo															
	9. Hold strategic sessions (to include sector departments and feed local analysis into sector strategic plans thereof)	Manager IDP	December 2013													
	9.1. Submit Budget instructions to all relevant persons	CFO	30 November 2012													
	10. Submit 2014/2015 budget framework to all relevant persons (Budget framework to include salary, operational and capital budget related information).		31 December 2013													
	10.1 Submit 2013/2014 budget framework to all relevant persons (Budget framework to include salary, operational and capital budget related information).															
	10.2 District IDP mini assessments	CFO	10 December 2013													
	10.3 Preparation of a summary of available funds from: Internal Funds, e.g. CRR and External Funding, e.g. MIG		December 2013													
	10.4 Council finalises draft tariff policies in principle for 2013/2014 budget year.		November 2013													
	11. Sector - Municipal Alignment sessions under the auspices of COGTA	COGTA	20 November 2013													
	12. Integrate Reviewed Sector Plans into the IDP.	Manager IDP	December 2013													
	13. COGTA's Best Practice workshop/ meeting															



Third Quarter																	
PHASE	ACTIVITY	RESPONSIBILITY	KEY DEADLINES	JANUARY				FEBRUARY				MARCH					
				1	2	3	4	1	2	3	4	1	2	3	4		
Integration	14. Assess financial Feasibility of proposed new projects based on existing and potential funds. (Budget Examination)	CFO	21 January 2014														
	15. Mid-Year Review and submission of report to COGTA Provincial	Manager IDP/PMS	31 January 2014														
	16. Tabling of Draft Annual Report to Council	CFO	31 January 2014														
	17. 1st draft 2014/15 IDP review	Manager IDP	January –2014														
	17.1 Submit 1st draft IDP review to Steering Committee, IDRF and EXCO for recommendations.	Manager IDP	March 2014														
	17.2 Submit 1st draft IDP review to Council for adoption	Manager IDP	31 March 2014														
	17.3 Submit 1st draft IDP review to province (CoGTA) for assessment.	Manager IDP	28 March 2014														
	17.4 Advertise IDP for public comments	UGu Family	March 2014														
	18. Tabling of Annual Report to Oversight Committee and adoption	CFO	31 March 2014														
	19. Consideration of 2014/2015 Draft Budget by a joint meeting of the Budget Steering Committee and EXCO		19 March 2014														
	20. Tabling of 2014/2015 draft budget to Council		31 March 2014														
	21. Noting of draft budget by the FBM Committee of 2013/2014 budget		14 March 2014														



Fourth Quarter															
PHASE	ACTIVITY	RESPONSIBILITY	KEY DEADLINES	APRIL				MAY				JUNE			
				1	2	3	4	1	2	3	4	1	2	3	4
Approval	21.1 Publicize tabled budget within 5 days after tabling, on website and the media	CFO	07 April 2014												
	21.2 Send copy of tabled budget to National and Provincial Treasury for comments		10 April 2014												
	21.3 Revising Budget documentation in accordance with consultative processes.		30 April 2014												
	22. UGu Decentralised IDP Assessment Forums	CoGTA	07 April 2014												
	22.1 Incorporate comments received from IDP Provincial Assessment and all other outstanding comments	Manager IDP	30 April 2014												
	23. Conduct Community Consultation	Manager IDP, Manager Public Participation	April /May 2014												
	23.1 Attend IDP/Budget Roadshows		April/May 2014												
	23.2 Ward Committee Imbizo Consultations	Manager IDP	May 2014												
	24. Submission of Budget for 2014/15 to Council for approval	CFO	30 May 2014												
	24.1 Prepare Budget in the required format and submit Provincial and National Treasury.		31 May 2014												
	24.2 Set up expenditure, revenue and asset management system, incorporating budget														
	24.3 Publication of the approved 2013/2014 tariffs of charges in Gazette, website and local media.		03 June 2014												
	25. Final draft 2014/15 IDP review	Manager IDP	April – June 2014												
	25.1 Submit final draft IDP review to Steering Committee, IDRF and EXCO for recommendations.	Manager IDP	26 May 2014												
	25.2 Submit final IDP review to Council for adoption	Manager IDP	30 June 2014												
	25.3 Submit final draft IDP review to province (CoGTA) for assessment.	Manager IDP	10 July 2014												



Vulamehlo Strength, Weaknesses, Opportunities and Threats Analysis (SWOT)	
Strengths	Opportunities
<ul style="list-style-type: none"> • Cultural heritage • Community Structures / Participation • Stakeholder Mobilisation • Agriculture & Tourism • Natural Landscape • A hierarchy of service nodes, namely, Dududu, Kenterton, and Imfume have been identified 	<ul style="list-style-type: none"> • Development of tourist attractions and destination • Agriculture & Tourism • Close proximity to markets - Durban, Port Shepstone, Scottburgh, uBuhlebezwe • Capacitating emerging farmers • Natural scenery • Dududu Township establishment • Availability of land and rivers for agricultural, sand winning purposes and water provisions • Development and extension of the P77 corridor - Scottburgh-Dududu-Kenterton
Weaknesses	Threats
<ul style="list-style-type: none"> • Poor Infrastructure • Lack of generation of income • Lack of revenue • Poor institutional capacity • Lack of provision of basic services • No revenue base • Insufficient monitoring • Access to public transport routes • Competition with external markets, especially in agriculture and tourism • Access to the business service hub of Dududu because of boundaries/river • Poor literacy levels 	<ul style="list-style-type: none"> • 2016 municipal demarcation • Crime • High unemployment rate • Lack of provision of basic services • High level of poverty • Lack of Safety and security • Natural disasters • HIV/Aids / Lack of disease control • Strong rural component • Natural pest affecting subsistence farming (Bush Pigs & Warthogs) • Economic leakage to neighbouring thriving centres • Lack of entrepreneurship; low skills base and lack of infrastructure to support LED

1.2 Key Development Challenges

- Limited access to basic household and community services e.g. water, roads
- Lack of maintenance of infrastructure e.g. sports fields, community halls
- No local economic development initiatives that are sustainable
- High rates of unemployment
- Financial Viability-there is no turn over (grant Dependent)
- Poor project management
- Unsustainable developmental practises
- Low levels of skills development and literacy
- Institutional inadequacies: Lack of service delivery mind set



Table 2: Vulamehlo Key Priorities

Vulamehlo Key Priorities	
Basic Service Delivery	<ul style="list-style-type: none"> • Maintenance of existing infrastructure • Provision of basic services, spending money for provision of services • Land-Use Management and settlement
Local Economic Development	<ul style="list-style-type: none"> • Implementation of the LED strategy • Ensuring access to agricultural markets • Skills development and capacity building of the community • Development of SMME (specific activities to be elaborated) • Implementation of the LED strategy • Ensuring access to agricultural markets • Skills development and capacity building of the community • Development of SMME (specific activities to be elaborated)
Good Governance and Public Participation	<ul style="list-style-type: none"> • Improve oversight role and public participation
Financial Viability and Management	<ul style="list-style-type: none"> • Improve audit opinion • Revenue management • Expenditure management • Development of a financial plan
Municipal Transformation and Institutional Development	<ul style="list-style-type: none"> • Review all outdated policies • Improve communication within established structures • Skills Development and Trainings
Cross cutting Issues	

Long term Vision

VISION:

“By 2025 Vulamehlo Municipality will be self-sustaining and economically viable, with an established vibrant town”.

VULAMEHLO MUNICIPALITY’S MISSION STATEMENT:

“Is to facilitate and coordinate the provision of sustainable infrastructure and services, thereby creating an enabling environment that allows the active involvement of the broader community in order to improve the quality of life of all Vulamehlo residents.improve the quality of life of all Vulamehlo residents.



1.3 What are we doing to improve ourselves?

For the Municipality to unlock the challenges that it is facing the following mechanisms have been identified in-order to improve ourselves as a Municipality and achieve our 2025 vision.

- To improve access to Basic services for all communities
- Ensuring the provision of services in an integrated manner
- Transforming emerging entrepreneurs to compete commercially in the value chain
- Rehabilitating and constructing infrastructure for economic development
- Creating an enabling environment by providing access to health care, education and security

1.4 Development Objectives for the Next five years

Implementing “new development approach” that strategically addresses the key challenges of the people.

- To ensure institutional development & Sound administration
- Improve access to basic services and community facilities
- To create economic growth and development
- To ensure institutional development & Sound administration
- To promote the development of a safe and secure community
- To promote human rights and social upliftment of vulnerable groups
- To improve budget implementation in the municipality
- To facilitate access to land
- To protect and continually improve the environment and ensure the preservation of our environmental assets
- To promote integrated development planning and proper co-ordination of development initiatives.

1.5 How will our progress be measured

The Municipal Systems Act (32 of 2000) requires municipalities to develop their own performance management system (PMS). They need to set performance targets and monitor and review their performance based on indicators that are linked to their Integrated Development Plan (IDP).

In addition, the Municipal Finance Management Act (56 of 2003) embeds the need for performance management in local government and requires municipalities to develop a Service Delivery and Budget Implementation Plan (SDBIP).

Vulamehlo has developed its SDBIP and on an annual basis the SDBIP is reviewed. Our SBIP serves as a “contract” between the administration, council and the community expressing goals and objectives set by Council as quantifiable outcomes to be implemented over the next twelve months. The Municipals SDBIP provides the basis for measuring performance in service delivery against end-of-year targets and implementing the budget. Consequently, providing credible management information and a detailed plan for how the municipality will provide such services and the inputs and financial resources to be used. The SDBIP indicates the responsibilities and outputs for each of the senior managers in the top management team, the inputs to be used, and the time deadlines for each output.



The SDBIP together with the OPMS will therefore determine the performance agreements of the municipal manager and senior managers, including the outputs and deadlines for which they will be held responsible. The SDBIP also provide all expenditure information (for capital projects and services) per municipal ward, so that each output can be broken down per ward, where this is possible, to support ward Councillors in service delivery information.

Measuring our progress in relation to the IDP (MEC Comments)

In the review of the IDP, the municipality received its comments from Cogta MEC. The following issues were highlighted by the MEC and actions will be undertaken thereafter. The municipality's intention is to address them within the current period of the IDP.



SECTION B: PLANNING & DEVELOPMENT PRINCIPLES AND GOVERNMENT PRIORITIES AND IMPERATIVES

This section reflects the applicable and relevant government priorities, this is than informs and align to our development and forward planning as Vulamehlo Local municipality. As we understand that local government is one of three government spheres and it's a sphere that is closest to the people.

Table 3: Planning Principles

	Identified Principle	Proposed Local Intervention
4.7.1 The National Development Plan (NDP)	<p>The National Planning Commission (NPC) has developed the National Development Plan: Vision for 2030 (NDP) for South Africa. It integrates previous strategic policies with new approaches to make the economy work better for all. The Diagnostic Report which was released in June 2011 set out South Africa's achievements and shortcomings since 1994.</p> <p>The plan focuses on addressing three relevant core challenges which are reducing poverty, inequality and unemployment. In reaction to these fundamental challenges, the NDP outlines the key development areas which require focus. These are:</p> <ul style="list-style-type: none"> • Creating jobs and livelihoods; • Expanding infrastructure; • Transition to a low-carbon economy; • Transform urban and rural spaces; • Improving education and training; • Providing quality health care; • Building a capable state; • Fighting corruption and enhancing accountability; • Transforming society and uniting the nation 	<p>The municipality has developed both OPMS and SDBIP where various strategies and indicators where developed e.g. D.3/b creating jobs through CWP/EPWP & LED, D.2/g (facilitation of provision of Human settlements, D.2/h Establish new gravel roads and D.2/l Provision of new community facilities are all few of many strategies that the municipality have developed.</p>
National Framework for LED in South Africa (2006 – 2011)	<ul style="list-style-type: none"> • Development of sustainable local economies through integrated government action • Mobilisation of local people and local resources to address local economic issues • Addressing poverty, economic potential, access to initiatives, etc all at local and community level. • Coordination of economic development planning across all spheres of government. • Democratic and accountable governance. • Public- Private Partnership and coordination in economic development. • Public Sector Leadership and governance and Sustainable community Investment programmes 	<p>LED Plan District LED Plan</p>



	Identified Principle	Proposed Local Intervention
4.7.2 Comprehensive Rural Development Programme (CRDP)	<p>Vulamehlo is predominantly, a rural Municipality, thus taking account of how existing rural development policies from the Department of Rural Development & Land Reform are relevant. Overarching to these policies is the Comprehensive Rural Development Programme (CRDP), which has the aim of development of rural South Africa, particularly creating vibrant, sustainable and equitable rural communities. The CRDP is different from past government strategies in rural areas due to its approach which focus on proactive participatory community-based planning rather than an interventionist approach to rural development.</p> <p>The CRDP has two main themes which it wishes to address, namely (a) Agricultural Reform; and (b) Land Reform.</p> <p>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.</p>	<p>The Spatial Development Framework will be the tool that ensures the future development of the rural municipalities by providing direction on the provision of facilities, and identifying economic catalytic projects which will kick-start the development and exponential growth of the rural communities in all areas that is deemed as being part of a vibrant community.</p>
4.7.3 The Spatial Planning and Land Use Management Act No. 16 of 2013 (SPLUMA)	<p>The main objective of the Spatial Planning and Land Use Management Act is <i>"to provide a framework for spatial planning and land use management and to specify the relationship between the spatial planning and land use management systems and other kinds of planning..."</i>.</p> <p>It also provides five main principles which are outlined below as:</p> <ul style="list-style-type: none"> • Spatial Justice • Spatial Sustainability • Efficiency • Spatial Resilience • Good Administration 	<p>The preparation of the Vulamehlo Local Municipality SDF since it is currently under review is guided by Section 21 of SPLUMA which stipulates the content of municipal spatial development frameworks and the municipality through its SDBIP and OPMS has developed KPI's that address the issue of Good administration</p>



	Identified Principle	Proposed Local Intervention
Kwazulu-Natal Provincial Growth and Development Strategy (PGDS)	<p>The Provincial Growth and Development Strategy recognises that environmental vulnerability, social need and economic development are not evenly distributed and spatial disparities will always exist due to the spatial distribution of natural resources, historical imperatives and cultural factors. These spatial disparities have often been aggravated by past spatial planning. This has resulted in a disjuncture between where people live and where social and economic opportunities are concentrated. This spatial marginalization from economic opportunities of the majority of the population needs to be addressed in order to reduce poverty and inequality and ensure shared growth and the protection of vulnerable bio-resources.</p> <p>Spatial rationale Spatial vision and approach The envisaged spatial vision for KwaZulu-Natal could be summarised as follow: “Optimal and responsible utilisation of human and environmental resources, building on addressing need and maximising opportunities toward greater spatial equity and sustainability in development”</p> <p>Spatial Principles Principle of Environmental Planning Principle of Economic Potential Principle of Sustainable Communities Principle of Local Self-Sufficiency Principle of Spatial Concentration Principle of Sustainable Rural Livelihoods Principle of Balanced Development Principle of Accessibility Principle of Co-ordinated Implementation</p>	Alignment with IDP objectives and strategies



	Identified Principle	Proposed Local Intervention
Breaking New Ground: from Housing to Sustainable Human Settlements	<p>Poverty is understood to involve three critical dimensions: income, human capital (services and opportunity) and assets. Housing primarily contributes towards the alleviation of asset poverty.</p> <p>“Sustainable human settlements” refer to: “well-managed entities in which economic growth and social development are in balance with the carrying capacity of the natural systems on which they depend for their existence and result in sustainable development, wealth creation, poverty alleviation and equity”</p> <p>Sustainable human settlements are supportive of the communities which reside there, thus contributing towards greater social cohesion, social crime prevention, moral regeneration, support for national heritage, recognition and support of indigenous knowledge systems, and the ongoing extension of land rights.</p> <p>In line with the NSDP and the Draft National Urban Strategy, the Department will enhance its contribution to spatial restructuring by:</p> <ul style="list-style-type: none"> • Progressive Informal Settlement Eradication • Informal settlements must urgently be integrated into the broader urban fabric to overcome spatial, social and economic exclusion. • Promoting Densification and Integration 	<p>The municipality has developed a Housing sector plan that clear outline the housing needs in the area and the various programmes it has to implement. And with the OPMS there are strategies (D.2/g Facilitate the provision of Human Settlement), hence Vulamehlo has responded to BNG.</p>
Provincial Spatial Economic Development Strategy	<ul style="list-style-type: none"> • Focus on where government directs its investment and development • Capitalize on complementarities and facilitate consistent and focused decision making • Bring about strategic coordination, interaction and spatial alignment • Attempt to build on the principles of the NSDP 	<p>Alignment with IDP objectives</p>



	Identified Principle	Proposed Local Intervention
The New Growth Path Framework	<p>Government recently adopted the New Growth Path (NGP) as the framework for economic policy and driver of the country's jobs strategy. There is growing consensus that creating decent work, reducing inequality and defeating poverty can only happen through a new growth path founded on a restructuring of the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth. To achieve that step change in growth and transformation of economic conditions requires hard choices and a shared determination as South Africans to see it through.</p> <p>The Government is committed to forging such a consensus and leading the way by:</p> <ol style="list-style-type: none"> I. Identifying areas where employment creation is possible on a large scale as a result of substantial changes in conditions in South Africa and globally. II. Developing a policy package to facilitate employment creation in these areas, above all through: <ol style="list-style-type: none"> a) A comprehensive drive to enhance both social equity and competitiveness; b) Systemic changes to mobilize domestic investment around activities that can create sustainable employment; and c) Strong social dialogue to focus all stakeholders on encouraging growth in employment-creating activities. 	<p>Amongst various strategies within the municipality drawn in the OPMS and SDBIP there is a strategy D.3/b Create jobs through CWP/EPWP & LED with respective budgets assigned to these areas.</p>
Millennium Development Goals	<ul style="list-style-type: none"> • Eradicate extreme poverty and hunger • Achieve universal primary education • Promote gender equality and empower women • Reduce child mortality • Improve maternal health • Combat HIV & AIDS, malaria and other diseases • Ensure environmental sustainability • Develop a global partnership for development 	<p>Alignment with the IDP targets and indicators, these refer to D.2/c facilitation of basic water programme, there are strategies that talk to gender equality and women D.6. To promote human rights and social upliftment of vulnerable groups (Municipal Objective)</p>



	Identified Principle	Proposed Local Intervention
Ugu District Growth and Development Strategy (UDGSD)	<p>The Ugu Growth and Development Strategy (GDS) commits all stakeholders (public, private and civil society) to achieving a shared vision that by 2030 the Ugu district will be a leading tourism destination and manufacturing and agricultural hub where jobs are created and everyone benefits equally from socio-economic opportunities and services. This intent is based on a shared understanding of the inter-relationships amongst communities and the challenges facing the district economy as a whole. It is based on a commitment to working collaboratively to achieve the most beneficial outcomes for all. The vision of the Ugu GDS is that “By 2030 the Ugu District will be a leading tourism destination and manufacturing and agricultural hub where jobs are created and everyone benefits equally from socio-economic opportunities and services”. It has six economic drivers which are:</p> <ol style="list-style-type: none"> 1. Strategic infrastructure investment 2. Education & skills development 3. Institutional development 4. Strategic sector engagements 5. Environmental Sustainability 6. Safety Nets & Civic empowerment 	Alignment with the IDP and municipal SDF will attempt to align its current on-going review.
4.7.4 State of the Province Address 2014	<p>4.7.1 The 2014 State of the Province Address (SOPA) emanates from the State of the Nation’s Address which was delivered by President Jacob Zuma. In highlighting the priorities set by the National Development Plan, SOPA is based on the theme, “Moving forward with speed, ensuring a better quality of life for all”. Whilst acknowledging the strides of development during 20 years of democracy, the Premier outlined five key priorities for the province as part of the Province’s commitment to the priorities of the National Development Plan.</p>	Alignment with IDP



	Identified Principle	Proposed Local Intervention
4.7.6 KwaZulu- Natal Planning Development Act No. 6 of 2008 (PDA)	<p>The Planning and Development Act, (Act No. 6 of 2008) is provincial planning legislation that regulates planning and development in KZN. This new legislation was developed in order to streamline the planning and land administration processes, as well as environmental requirements. It also gives effect to the preparation of wall to wall schemes in all municipalities by 2016. This therefore impacts on the spatial decisions which will have to be able to give clear strategic direction to suitable land uses in Vulamehlo Municipality as part of the basic guidelines for land use management</p>	<p>This will inform the municipalities SDF, schemes and Dududu township establishment programme</p>
4.7.1 Spatial Alignment between District and Local Development Vision 4.7.2	<p>The Ugu District development vision reads as follows: “A place where everyone benefits equally from socio-economic opportunities and services”</p> <p>With Vulamehlo as part of the wider Ugu region, it is essential that the vision of the Vulamehlo Municipality be properly aligned and informed by the Ugu District vision in order to ensure that goals and development visions of the region are strengthened and can be reached through collective effort. The alignment of the two visions lies in the fact that both are aimed at economic development of the region, uplifting the population through provision of sustainable social and basic infrastructure.</p>	<p>The formulation of the Vulamehlo SDF needs to provide a framework that will allow agglomeration economies to take place in the municipality thus ensuring that development is directed by the set vision of both the local and district municipality.</p>



SECTION C: SITUATIONAL ANALYSIS

Introduction and Overview

Municipalities are now expected to play an important role in the country's fight against poverty and underdevelopment. Government policies require municipalities to play a developmental role. This suggests that local government must be committed to work with different groups within the community in order to find ways to meet their social, economic and material needs and improve the quality of their lives. It should target especially those members and groups within communities that are marginalised, such as women, disabled people, and very poor people (White Paper on Local Government 1998).

In responding to the developmental role that municipalities are supposed to play, it is crucial that government works jointly with local communities and businesses and adopt a developmental approach that is going to be more responsive, efficient, effective and accountable to the people it serves.

Integrated development planning has "evolved", and having evaluated previous experiences is now at the stage whereby its requirements, contents, approaches and best-practice have been widely communicated to be utilized – to ensure effective developmental planning at municipal level. It has also been the belief that municipalities "plan...plan ...plan", we therefore need to overcome this perception and ensure that our IDP's are fully implementable and that they talk to situations on the ground.

Integrated Development Planning is a process through which municipalities decide on their strategic development path for a five year period: the IDP is a product of the process. The document intends to give the municipality a tool for development and indication of the status quo of levels of development that already exists and where the needs for development are.

The third sphere of government is a key vehicle of the state in implementing its developmental goals. Prior to implementing programmes, however planning is required and hence integrated development planning at a municipal level is legally required.

The IDP helps to:

- Make more effective use of scarce resources
- Speed up delivery
- Attract traditional additional investment;
- Attract additional funds;
- Strengthen democracy and hence institutional transformation;
- Overcome the apartheid legacy at local level; and
- Promotes intergovernmental co-ordination.



1. KPA: Cross-Cutting Issues

1.1 Spatial Analysis

The existing Vulamehlo Spatial Development Framework was last reviewed in 2007. This document is therefore considered outdated as new policies, guidelines and legislations have evolved since then. The review is therefore necessary to be undertaken.

The Department of Rural Development and Land Reform (DRDLR) has acknowledged that various rural municipalities within South Africa do not enjoy the same level of Spatial Planning as that of the urban areas. This has prompted the Department to have embarked on a process of assisting a number of rural municipalities like Vulamehlo, with financial contributions and subsequent assistance from Black Balance Projects to formulate a contextualised rural-based Spatial Development Framework for the municipality. This SDF is a draft document that was prepared by Black Balance subject to amendments if needs arises and will be adopted finally in September 2014 by Council.

Vulamehlo Municipality is one of the six local municipalities within Ugu District Municipality; covering an area of approximately 966km². The municipal population is estimated at 77340 (Census 2011), and dispersed unevenly in ten municipal wards. Vulamehlo Local Municipality is located on the north-eastern part of Ugu District Municipality. It is bordered by the Mkhambathini Municipality to the north, eThekweni Metropolitan Area to the north-east, Ubuhlebezwe Municipality to the west, Umzumbe Municipality to the south, and Umdoni Municipality to the east.

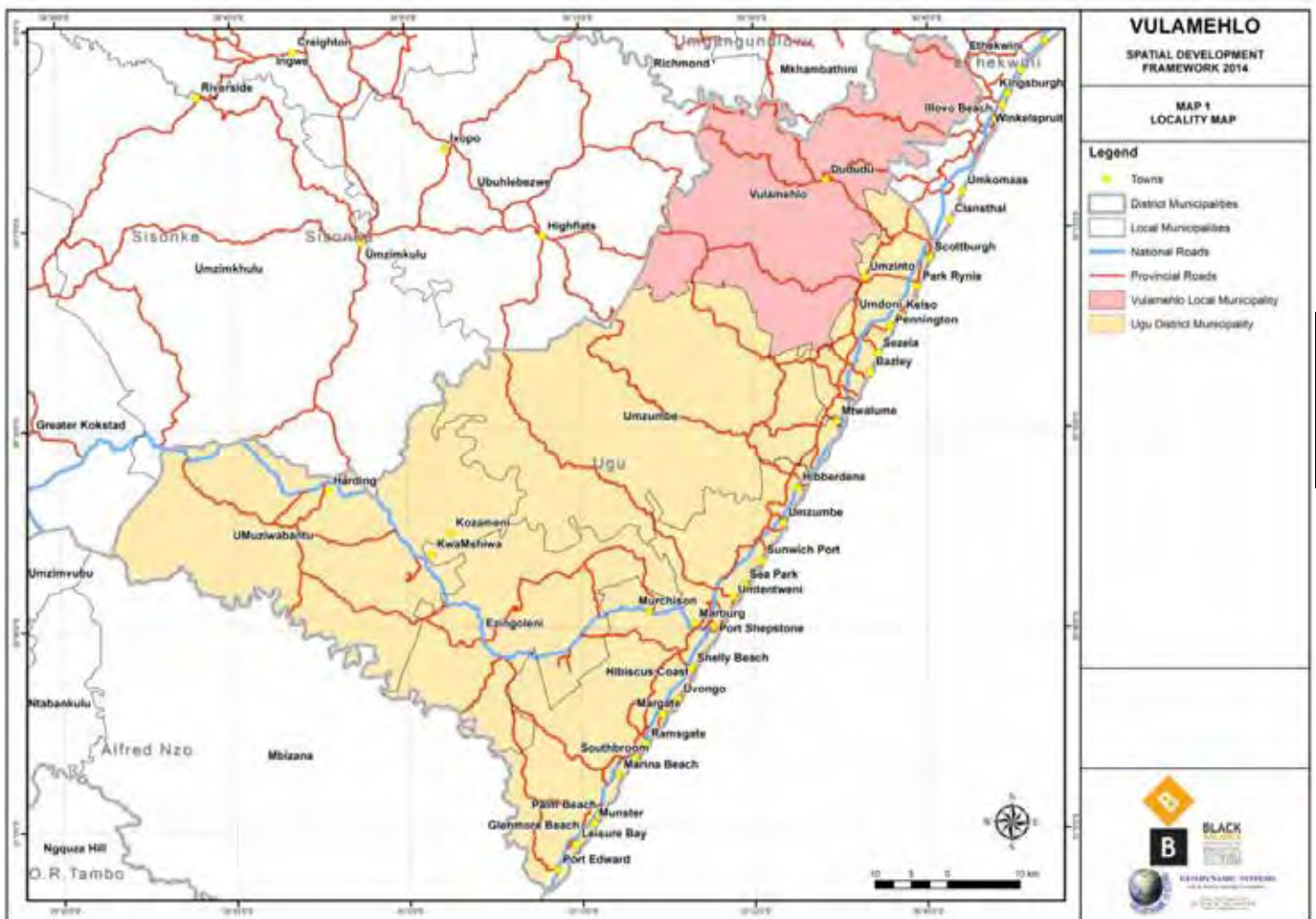
Majority of the municipal population live in traditional authority areas stretching from north-west to north east of the municipality. Settlements are mainly scattered in nature and of low densities. A cluster of residential settlements is also found around the mid and southern portions of the region.

The municipality largely exhibits rural characteristics, with dominant land uses being sugarcane and forestry plantations, and some conservation areas.

The main town offering urban-related services and facilities is Dududu, where the municipal office is also housed. Small towns such as Kenterton, Mfume, and Odindini are intended to become rural service centres as part of decentralising essential services within the region. Scottburgh and Umzinto, both located in adjacent Umdoni Municipality, are relatively large urban centres where high order goods and services are accessed by inhabitants of Vulamehlo.

The municipality's main access is off the N2 which joins the P188, which is the major link between Dududu and the town of Scottsburg. Another important linkage is the R612, which runs along the southern part of the municipality emerging from Umzinto, through Kenterton, and towards Ixopo in Ubuhlebezwe Municipality. Vulamehlo Local Municipality appears to be well integrated into the provincial transportation network.

Map 2: Locality map



Source: Black Balance

1.2 Administrative entities

The Vulamehlo Municipality comprises of eight (8) traditional areas under the Vulamehlo House of Traditional leadership made up of Izimpethu Zendlovu, Mandleni, KwaLembe, AmaNywswa, Qiko, Zembeni, Kwa-Cele and Ukuthula. There are, however, three other traditional houses which form part of Umbumbulu Traditional house namely Thoyana, Maphumulo and Isimahla traditional houses also forming part of the Vulamehlo Municipality (refer to land legal context map on the following page).

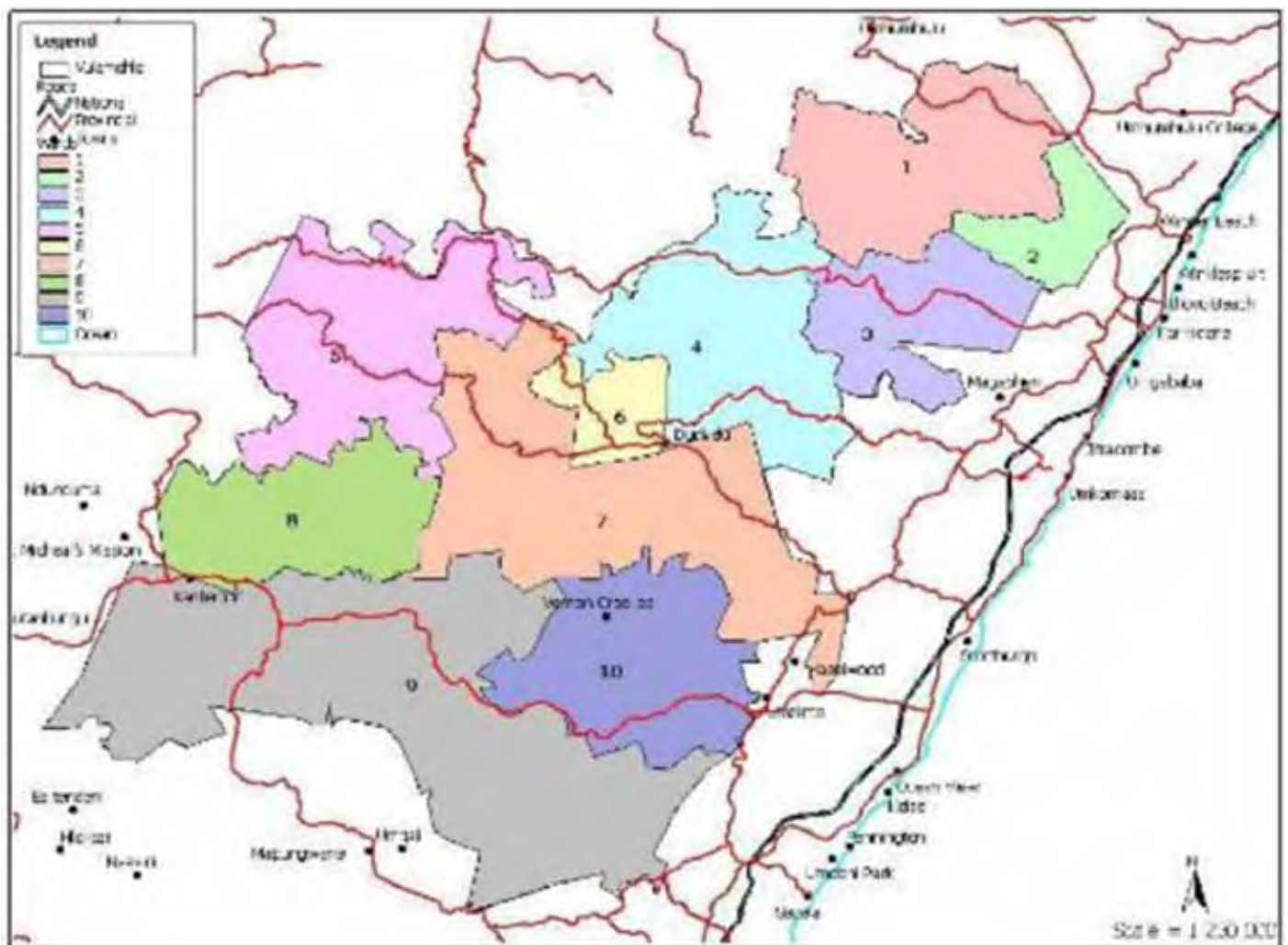
The traditional settlement areas located in the Northern parts of Vulamehlo (falling under the uMbumbulu stream) are separated from the rest of the municipality by the uMkhomazi River. With regards to development form, there is an almost equal split of land between commercial agriculture and traditional settlement areas. Approximately 48% of the area is held under communal ownership through traditional authorities and is administered together with the Ingonyama Trust Board. The balance of the area is privately owned, except for Vernon Crookes Nature Reserve, which is managed by KZN Ezemvelo Wildlife.



It is important to note the following from the map and table above:

- A number of wards are well located in terms of major transport routes, notably the N2; R 603 (Kingsburgh to Eston) and the R 612 (Umzinto to Highflats / Ixopo) i.e. ward 1, 2, 3, 10 & 9.
- Other wards are, however isolated from major transport routes and access to markets.
- The northern wards, 1, 2, 3 and parts of ward 4, are separated from the rest of the municipality and people in these areas have strong links with Umbumbulu and eThekweni as opposed to Dududu which is deemed as the centre of the municipality.
- There is clear distinction between wards that are primarily commercial farming and wards where land is in communal ownership.

Map 3: Traditional Authorities/Areas in Vulamehlo



1.3 Existing Nodes and Corridors

1.3.1 First Order Node (Dududu)

Dududu has been identified as the main nodal area in the municipality. Currently, the town plays a core administrative function of providing municipal services, government services and acts as the main thoroughfare into the central parts of the municipality. The focus of Dududu's development is to continue



in its current administrative role such as housing various government departments and where a range of urban housing typologies promoting densification can occur. On the contrary, Dududu does not currently led itself as a commercial hub, however, neighbourhood retail and low order commercial facilities can be encouraged. Public investment towards housing provision, a higher standard of water and sewerage infrastructure, frequent waste removal and road upgrades will have the potential of enhancing the current functionality and image of the town. Other areas of importance include environmental management and better land use practices to contribute towards its spatial sustainability.

1.3.2 Second Order Nodes (*Kenterton and Imfume*)

Two second order nodes have been identified in Vulamehlo Municipality. These nodes are Kenterton and Imfume located in the south and north respectively.

Kenterton is located to the west of the municipal boundary with Ubuhlebezwe Municipality. It can be described as a rural conurbation made up of with a number of adjoining settlements (i.e. Dumisa, Ncombololo and Kenterton) of a relatively dense nature.

It abuts commercial agricultural land and significantly lends itself as an important service centre to its surrounding farming communities. Its role currently is one of a rudimentary nature, providing basic retail and agricultural support services, yet a significant public transport hub in the southern parts of the municipality and to the eastern settlements in Ubuhlebezwe Municipality. Its potential lies in its location on an important public transport and activity route, the R612, which connects the coast to the southern hinterlands of KwaZulu-Natal. The current state of Kenterton would require an injection of public and small scale private investment to boost its ability to function more effectively and efficiently as a public transport hub and agricultural service centre.

Imfume is one of the oldest mission stations in the South Coast. It is a small town laid down on a modified grid pattern. It is mainly accessed by the P728 and the R102. Imfume boasts of a number of economic and social facilities including schools and a clinic. It links the north-eastern part of the subject municipality with eThekweni Metropolitan area, and is also located in close proximity to the N2 national route. Its location gives it the impetus to serve the needs of the vast surrounding traditional settlements, as communities around this town rely on it for basic services. Facilities such as a Satellite Community Services Centre and a taxi rank, should be encouraged so as offer the public a whole range of services, and maximise spatial equity.

1.3.3 Third Order Nodes (*Braemar and Odidini*)

Two third order nodes have been identified in Vulamehlo Municipality. These nodes are Braemar and Odidini.

Braemar is located in the south of the municipality amidst commercial agricultural land, along the R612. It consists of a relatively small cluster of essential services such as a convenience store, fuel garage, a clinic and taxi stop. This node can be best described as an essential service centre servicing surrounding farms and farmworkers. Though small in size, its role in the agricultural economy can be seen to be of importance.



Its potential also lies in its location on an important public transport and activity route, the R612 and ability to provide small-scale essential services to its surrounding communities. Public investment recommended in this node would be the provision of a public transport shelter as it currently plays a complementary role to Kenterton.

Odidini is located on the north-eastern corner of Vulamehlo Municipality, and is bordered by Mkhambathini and eThekweni Municipalities. It is made up of a several homesteads with the predominant activity being subsistence agriculture. Its role within the municipal context is that of a rural service centre, accounting for a number of social facilities including a clinic, church, two schools and a community hall. At a sub-regional level, it access higher order services from Umbumbulu in eThekweni.

With the 2016 re-demarcation to take effect, Odidini will become part of eThekweni and is most likely to lose its status as a node but will still be required to service its rural catchment.

Given the dominant activity being subsistence agriculture, it is expected that Odidini could benefit from the Agro-ecology Programme being implemented by eThekweni Municipality which focuses on poverty and unemployment reduction.

1.3.4 Specialised Activity Areas (*Ntshenkombo*)

Specialised activity areas in Vulamehlo Municipality involve areas currently contributing to development of the region and also areas of potential where particular types of activities can be harnessed. Tourism in Vulamehlo remains redundant at this stage yet has potential to develop and contribute positively to the local economy. One such area identified with potential to foster heritage and cultural tourism is Ntshenkombo which houses the famous KwaQiko Execution Rock. Lying a short distance from Dududu, is the imposing Execution Rock, a distinctive natural feature shrouded in myth and legend

One of the striking features of the Ntshenkombo area is the fact that, it offers great views to surrounding areas, more in particular towards the Umkomaas River. It consists of rolling hills and a huge rock outcrop (commonly known in the area as etsheni), which also adds to the overall aesthetic environment. The area has a potential to offer a wide range of tourism related activities, which may include water sport (at Umkomaas River), hiking trails etc. Although traditional-type holiday chalets have already been established at the bottom and top end of the rock, these will need to be rehabilitated and value added to the current

Tourism development projects include the development of a market for traditional rural arts and crafts, and of 'traditional rural lifestyle' cultural tours. A further aim is establish diverse initiatives through four anchor projects at Tshelophe, the Isintu Cultural Village, EhluhlweKwaTikwalala, and community involvement in operating Vernon Crookes Nature Reserve. Investigation into the Imfume Mission and its counterpart mission sites in the south coast if found feasible, will also be an added advantage to heritage tourism in the municipality.

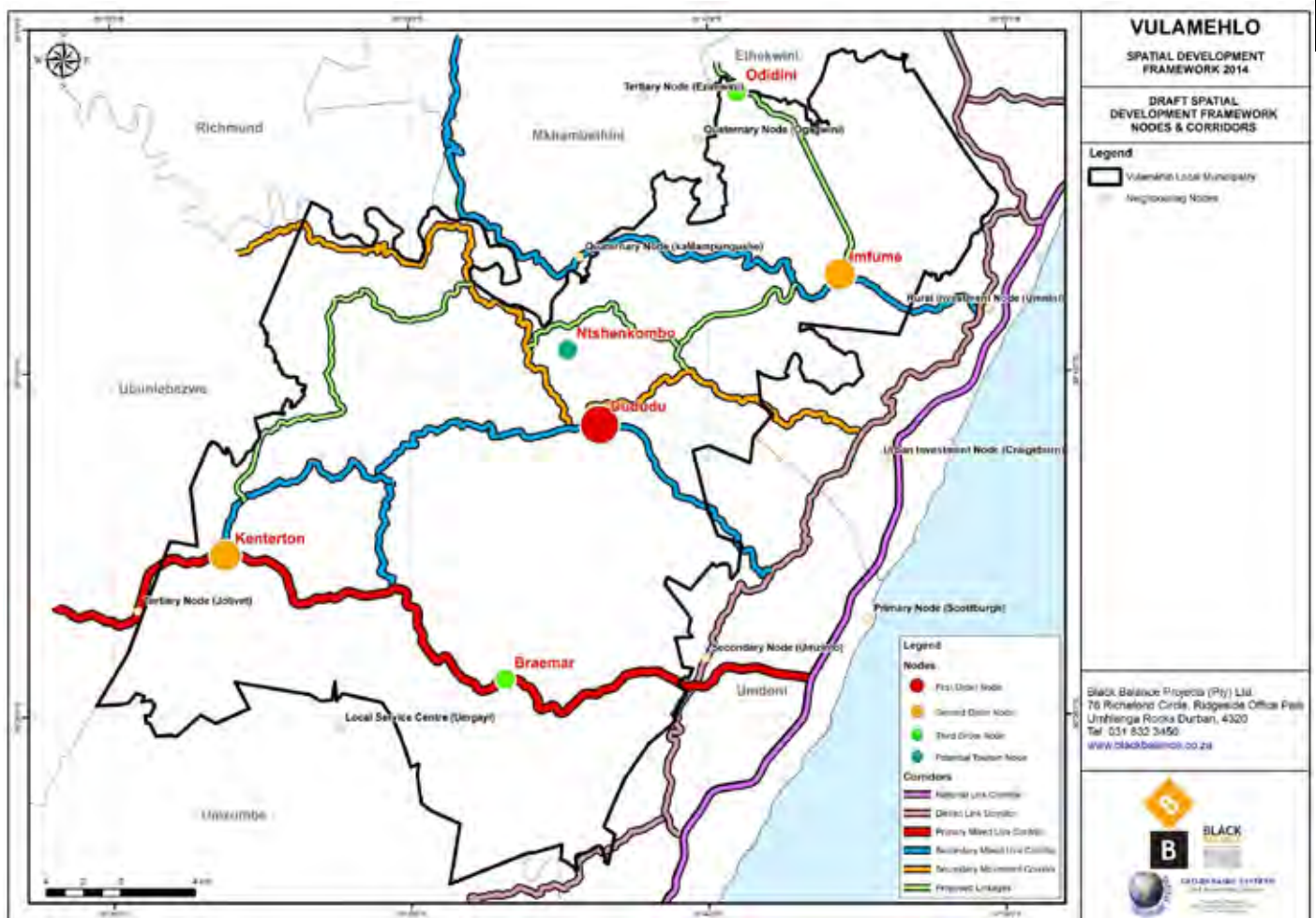
Table 4 is a summary of the dominant roles which each of the nodes identified are to play in Vulamehlo Municipality and to surrounding settlements:



Table 4: Expected Key Roles of Nodal Areas in Vulamehlo Municipality

Nodal Designation	Node	Key Role
First Order Node	Dududu	Administrative Centre and Public Transport Hub
Second Order Node	Kenterton	Rural Service Centre and Public Transport Hub
	Imfume	Rural Service Centre and Public Transport Hub
Third Order Node	Braemar	Agricultural Service Centre
	Odidini	Rural Service Centre
Specialised Activity Area (tourism)	Ntshenkombu	Area with potential for future eco-tourism development

Map 4: A Hierarchy of Nodes and Corridors in Vulamehlo Municipality



Movement Network and Corridors

Movement and connectivity within Vulamehlo Municipality is influenced by the need for a spatial structure based on the nodal development approach which is supported by public transport. An efficient spatial form will address matters of spatial restructuring and socio-economic equality. Included is the need to for mobility as an essential element of promoting access to economic and social opportunities within space.



Movement in Vulamehlo is characterised by two main modes of transportation, road and pedestrianism. Currently, movement by road is supported mainly by public transport. Movement dominated by regional connections. The concept of movement and connectivity is intended to ultimately define movement between nodal areas whilst promoting public transport connections between them. This is also to enhance mobility as a fundamental move towards access to social services and economic opportunities.

This concept seeks to identify the key roles of existing movement connections and how they influence movement within the municipality and its surroundings. Through this, areas with good connectivity and those without can be identified for the necessary interventions.

Hierarchy of Corridors

One of the major structuring elements determining the existing and future concentration of development, activity and investment in a municipality is corridors (developmental and movement oriented) which are intended to facilitate an acceptable level of spatial equity. The system of development corridors is based on the function of each corridor and the nature of the activities that occurs within its area of influence.

In Vulamehlo Municipality, a hierarchy of corridors have been linked to existing road linkages and their current roles. In respect of future aspirations, it is expected that these identified corridors will become the stimuli for decentralisation of development initiatives and economic opportunities at appropriate scales.

a. Primary Mixed Use Corridor

The most important route and also identified as a primary development corridor in the municipality is the R612. At a regional level, this road runs from the coast of Park Rynie (Umdoni) and traverses the hinterlands of Ixopo to join the R617 (P22-1) towards Underberg (Vulamehlo Municipality) and Bulwer (Ingwe Municipality). It plays a significant role, particularly in moving people and goods (timber and sugarcane) from parallel-lying towns and agricultural areas such as Highflats, Jolivet, Kenterton, Sawoti, Braemar and Umzinto.

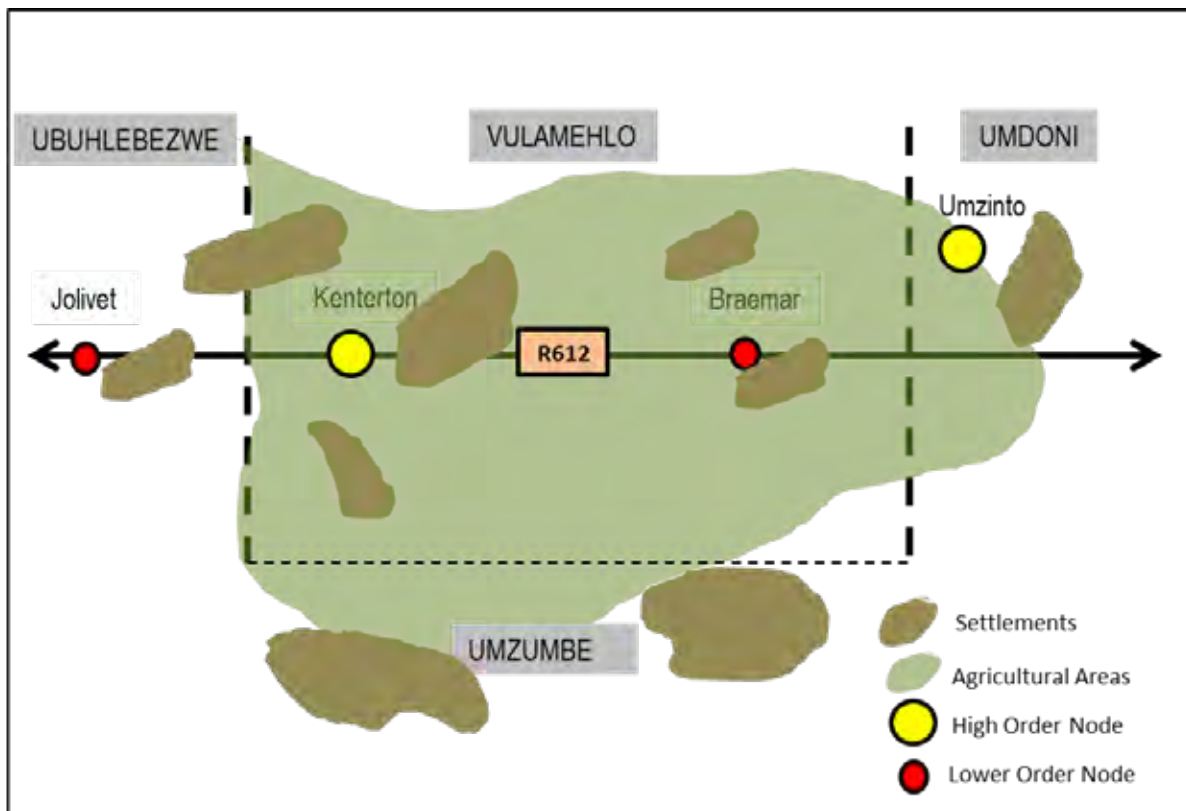
At a municipal level, the R612 facilitates movement of both people and goods to commercial towns such as Umzinto where majority of rural dwellers in Vulamehlo municipality access high order services. It also connects nodal areas such as Kenterton and Braemar and is also the distributor of traffic to the southern settlements in the municipality. Apart from its major role, it is also the main route which links the southern areas of Vulamehlo Municipality with the P245-1 to the northern areas of Umzumbe Municipality.

Considering the important characteristics of the R612 on the spatial environment of Vulamehlo Municipality, the nodal areas of Kenterton and Braemar will be the most preferred and strategic locations where public investments can be made as part of developmental efforts to decentralise services within the municipality. Figure 1 is a conceptual diagram showing the symbiotic relationship between the identified Primary Mixed Use Corridor and nodal areas in Vulamehlo Municipality and adjacent municipalities.

This suggests the role which this corridor plays in linking nodal areas and to inform the nature and location of public investment both within the local and sub-regional space. Further development on adjacent agricultural land should be minimised at all cost in order to maintain the economic advantages this sector provides to the municipality.



Figure 1: Relationship between Nodal Areas and Primary Mixed Use Corridor



Source: Black Balance Projects, 2014

b. Secondary Corridors

Two secondary mixed use corridors and one secondary movement corridors have been identified in Vulamehlo Municipality. These routes have been defined according to the core roles they play in the municipal space. The secondary mixed use corridor plays a similar role to the Primary Mixed Use Corridor but at a much lower magnitude. They act as connectors between a number of hinterland settlements whilst a movement corridor on the other hand, provides for high accessibility and constant flow of movement between nodes and areas situated some distance from each other.

c. Secondary Mixed Use Corridors

The P77 connected to Scottburgh by the P197-3 and P188 is considered the main route to Dududu, the first order node in Vulamehlo Municipality. The road, P77 serves as the major public transport route for all the settlements on the trajectory of Dududu. Together with the P188 from Scottburgh, the P77 serves as trade distributor route as it distributes and collects traffic from the national route - N2 south development corridor.

The D962, D971 and D972 act as the link between Kenterton and Dududu, with the D335 linking Dududu to Sawoti, Dumisa and Braemar. These routes play a support role to the P77 from Dududu to connect with the R612 in the south. Bearing this in mind, it is ideal that these routes are adequately upgraded to provide ease of access to communities living along these routes to the various nodal areas.



The P728 which traverses Imfume towards the north to KaMpungushe in Mkhambathini Municipality has been identified as a secondary mixed use corridor. This designation stems from the fact that this route acts as a significant north-south linkage for the scattered settlements in the north and also the presence of subsistence agricultural areas in adjacent areas along this route.

Any proposed development along these routes should have a positive economic and social impact to local communities, making use of nodes as focal points with a view that in future a more linear approach will suffice. This is in line with the SPLUMA and PDGS principles of ensuring that development has positive outcomes on the local residents in an attempt to address social inequalities.

d. Secondary Movement Corridors

The P529 route which emanates from Craigeburn (eThekweni), in conjunction with the P739 which joins the P77 en-route to Ntshenkombu, together make up an important movement corridor for settlements situated north-east of Dududu. This movement corridor serves as the public transport route by which these inland settlements are able to access services in towns such as Dududu, Umzinto and Scottburgh. In terms of maintaining this important relationship between these settlement areas and activity areas, these routes would require upgrading to road surfaces to facilitate better public transport movement whilst promoting a fair level of spatial equity.

e. Proposed Linkages

Currently, there exists a weak north-south linkage in the municipality, particularly between the midland areas and the northern areas such as Vulindlela, Ndaya, Odidini and Imfume. Reasons for this disconnection include topography and rivers which hinder movement opportunities.

However, there exists an opportunity to bridge this gap through the identification of possible rerouting and further investigation. Possible linkages include the D963 from Vulindlela towards eThenjane. Also, the upgrading and re-aligning of the L1281 and L1827 between Odidini and Imfume as an alternative public transport route will assist in better linking these two nodal areas and its surrounding communities.

Broad Land Use Patterns

The land use pattern in Vulamehlo is congruent to the rural nature of the region. The existing land use patterns have developed in response to physical characteristics such as topography, areas of high agricultural potential, water courses and road patterns.

Settlements

Vulamehlo Municipality is characterised by a predominantly rural settlements scattered across the regional landscape. These settlements are mainly found on hills and gentle slopes. Majority of settlements are concentrated in the northern region with few clusters in the south (see Map). The northern settlements fall within traditional authority areas whereas those of the south are mainly settlements of the farming communities. There again, settlement patterns have been highly influenced by access routes, rugged terrain and social structure.

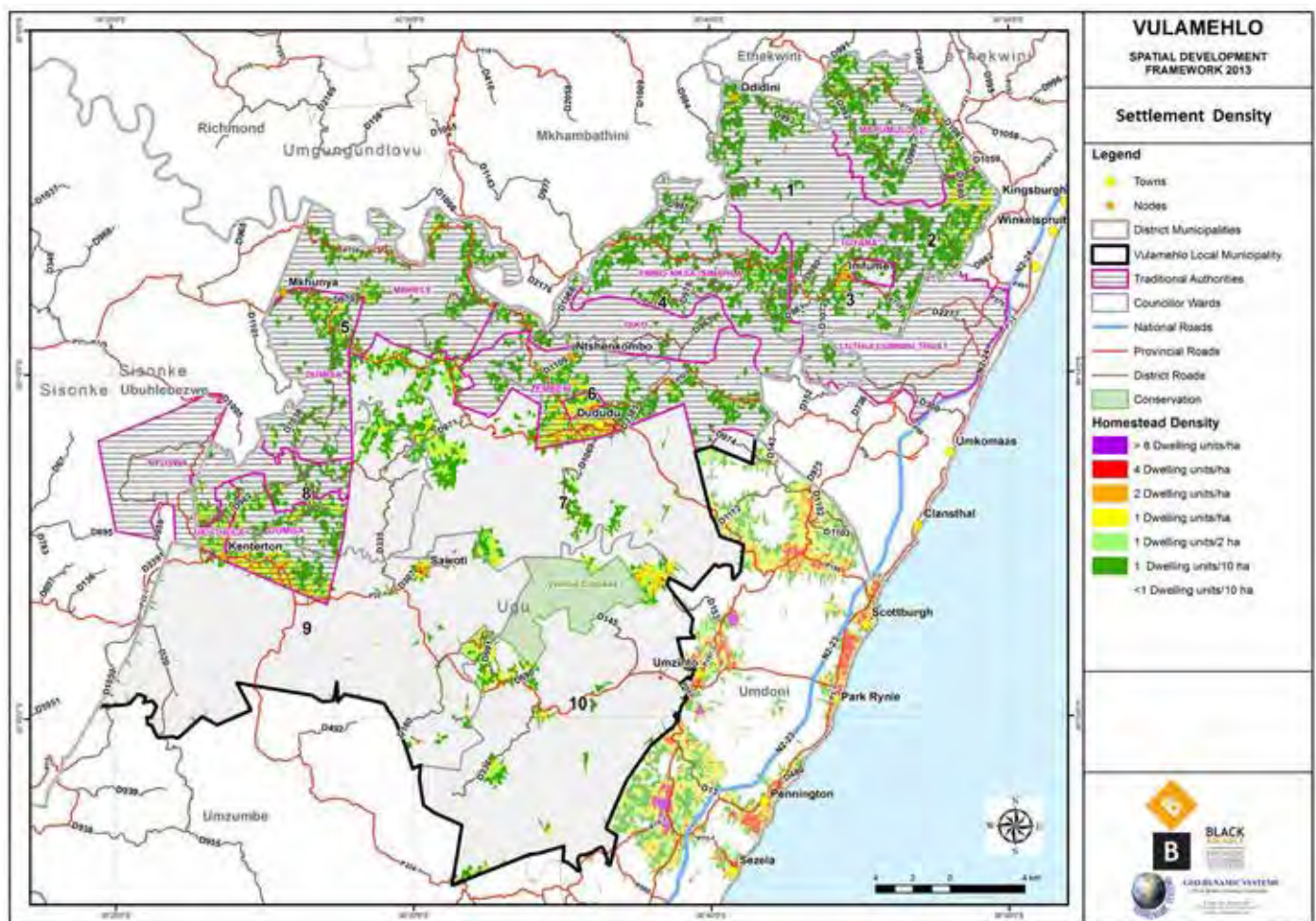


The expansive rural settlement characterises the landscape of the Vulamehlo Municipality with the majority of the dispersed settlement located on land owned by traditional authorities. These scattered settlements pose considerable pressures and perpetuate current backlogs in the provision of basic services.

Dududu is the main urban settlement and is currently designated as the primary node due to the majority of essential government services located there. The Municipality also consist of other small settlements such as Imfume and Kenterton which have been identified as secondary nodes. Sawoti and Odidini have been identified as tertiary nodes whilst Mkhunya and Ntshekombi are regarded as tourism development potential nodes.

As in Map 5, settlement density is greatest in areas such as Dududu, Kenterton and also Mkhunya but of a lesser density compared to the two aforementioned towns. From a Municipal perspective, the population density works out to 81 people/km² which signifies a sparsely populated regional characteristic

Map 5: Settlement Density





Commercial Agriculture

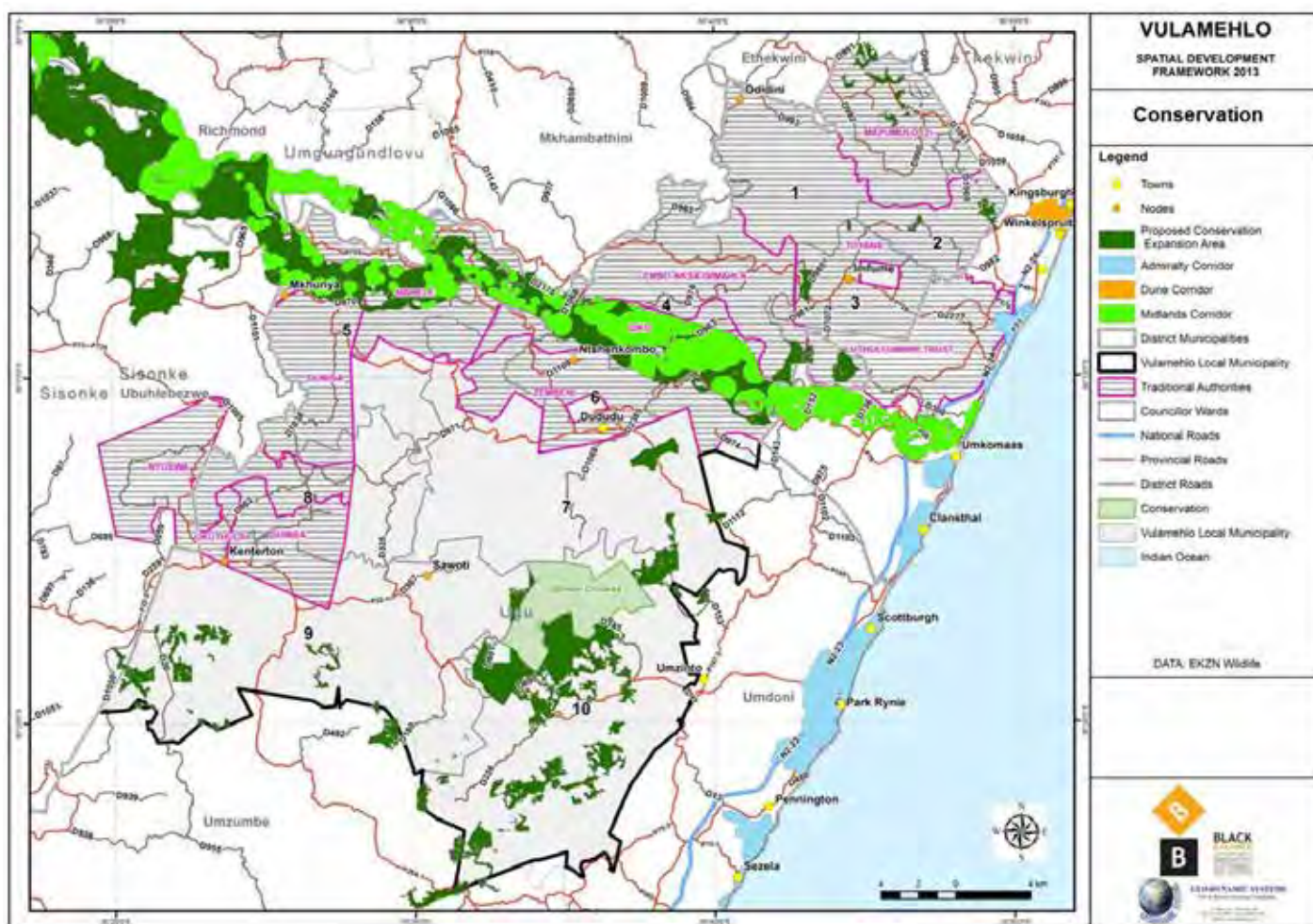
Commercial farmlands account for approximately 50% of the Municipal area, mostly located in the southern region of Vulamehlo Municipality. Sugarcane, forest plantation and dry land crop production are the dominant agricultural land uses. Irrigated agriculture occurs mainly along the Rivers and to a limited extent away from the rivers. Livestock farming is mainly concentrated in areas with marginal crop production potential especially within the communal environment.

Land Use Management

Land Use in Vulamehlo Municipality area is subjected to two sets of planning regulations, namely the Subdivision of Agricultural Land Act (No. 70 of 1970) and the KwaZulu-Natal Planning and Development Act (No 6 of 2008) but also unwritten rules applied by the traditional authorities in land allocation.

Despite these land use and management legislation in operation, traditional areas tend to operate within the premise of indigenous knowledge systems which sometimes have not proven to be effective and conducive for public and private investment. Furthermore, poor land use management and agricultural practice have also resulted in the degradation of land.

Map 6: Current and Proposed Conservation Status for Vulamehlo Municipality



SECTION C

In addition, Map 7 illustrates areas of high potential vulnerability in which half of the municipal area particularly on the western section is vulnerable, and the eastern section being critically endangered. The critically endangered areas are seen as major constrain for development as it might not be developable.

The northern part of the municipality is characterised by traditional settlements and indigenous forests. Due to high population concentration, the northern section of the municipality has been subjected to development pressure, which has resulted in a number of areas being cultivated. The southern portion of the municipality area is mainly characterised by a combination of exotic plantations, indigenous forest, grasslands and a number of water bodies (see Map 10).

VULAMEHLO
SPATIAL DEVELOPMENT
FRAMEWORK 2013

**Natural Remaining
Vegetation
Conservation Status**

Legend

- Towns
- Nodes
- District Municipalities
- Vulumehlo Local Municipality
- Traditional Authorities
- Councillor Wards
- National Roads
- Provincial Roads
- District Roads
- Conservation

**Remaining Vegetation
Conservation Status**

- Critically Endangered
- Endangered
- Vulnerable

DATA: SANBI

B BLACK
MOUNTAIN
SCHOOL OF
LEADERSHIP
AND
MANAGEMENT

4 3 2 1 0 1 2 3 4 km

SECTION C



This section of the report takes a look at the current situation of land reform in Vulamehlo Municipality given the spatial impact of land legal issues either to hamper or accelerate development.

Land ownership plays a major role in where development can and cannot occur. Vulamehlo has the second largest area (i.e. 60% of total municipal area) under Ingonyama Trust in Ugu District. Within Vulamehlo Municipality, land ownership is generally split between land held in trust by the Ingonyama Trust Board and Private ownership. There are approximately ten traditional authorities in Vulamehlo Local Municipality as listed in Table .

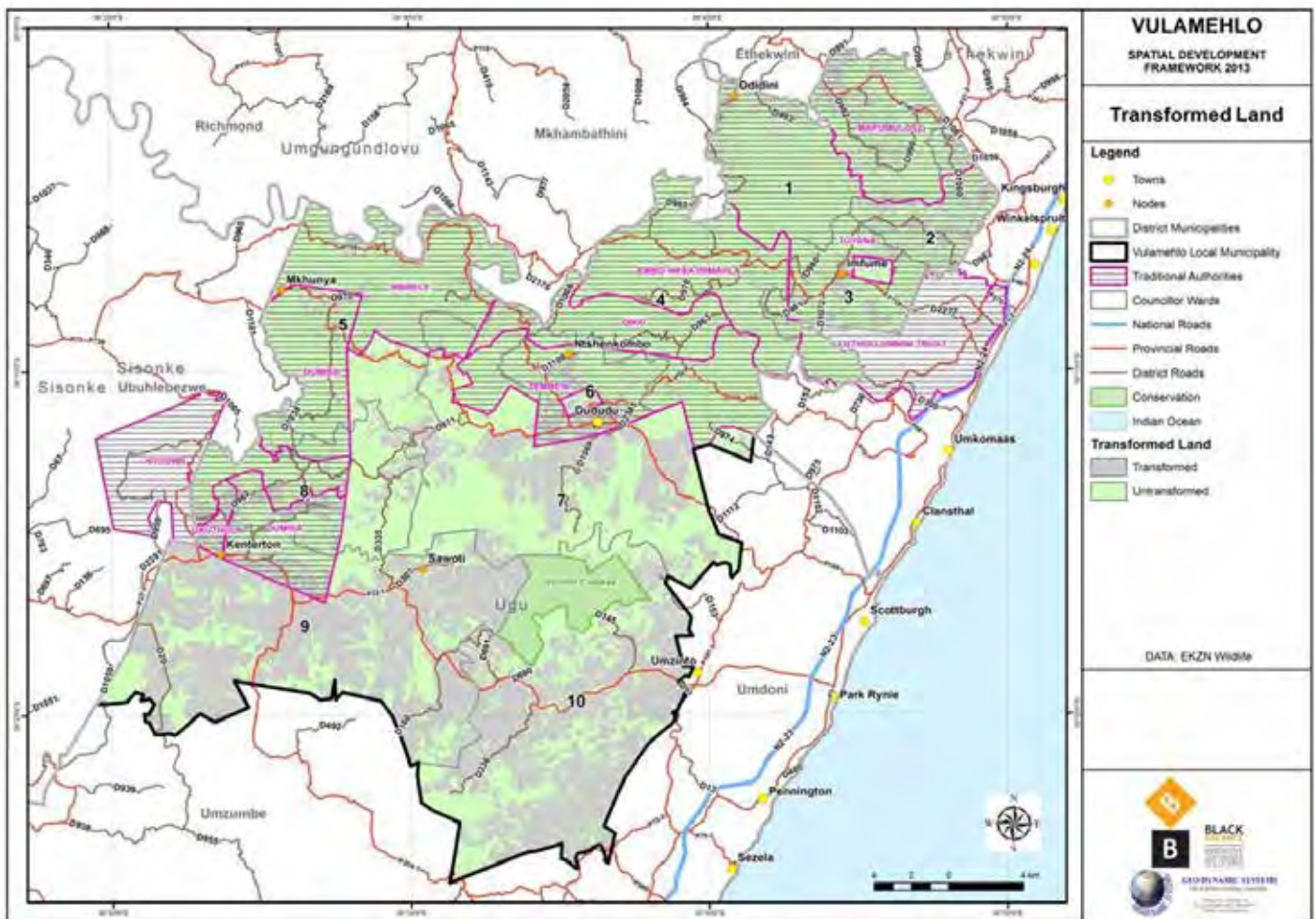


Table 5: Traditional Authorities in Vulamehlo Municipality

Amanyuswa Traditional Authority	Emandleni Traditional Authority	Isimahla Traditional Authority	Izimpethu Traditional Authority	Maphumulo Traditional Authority
Mbhele Traditional Authority	Qiko Traditional Authority	Toyane Traditional Authority	Ukuthula Traditional Authority	Zembeni Traditional Authority

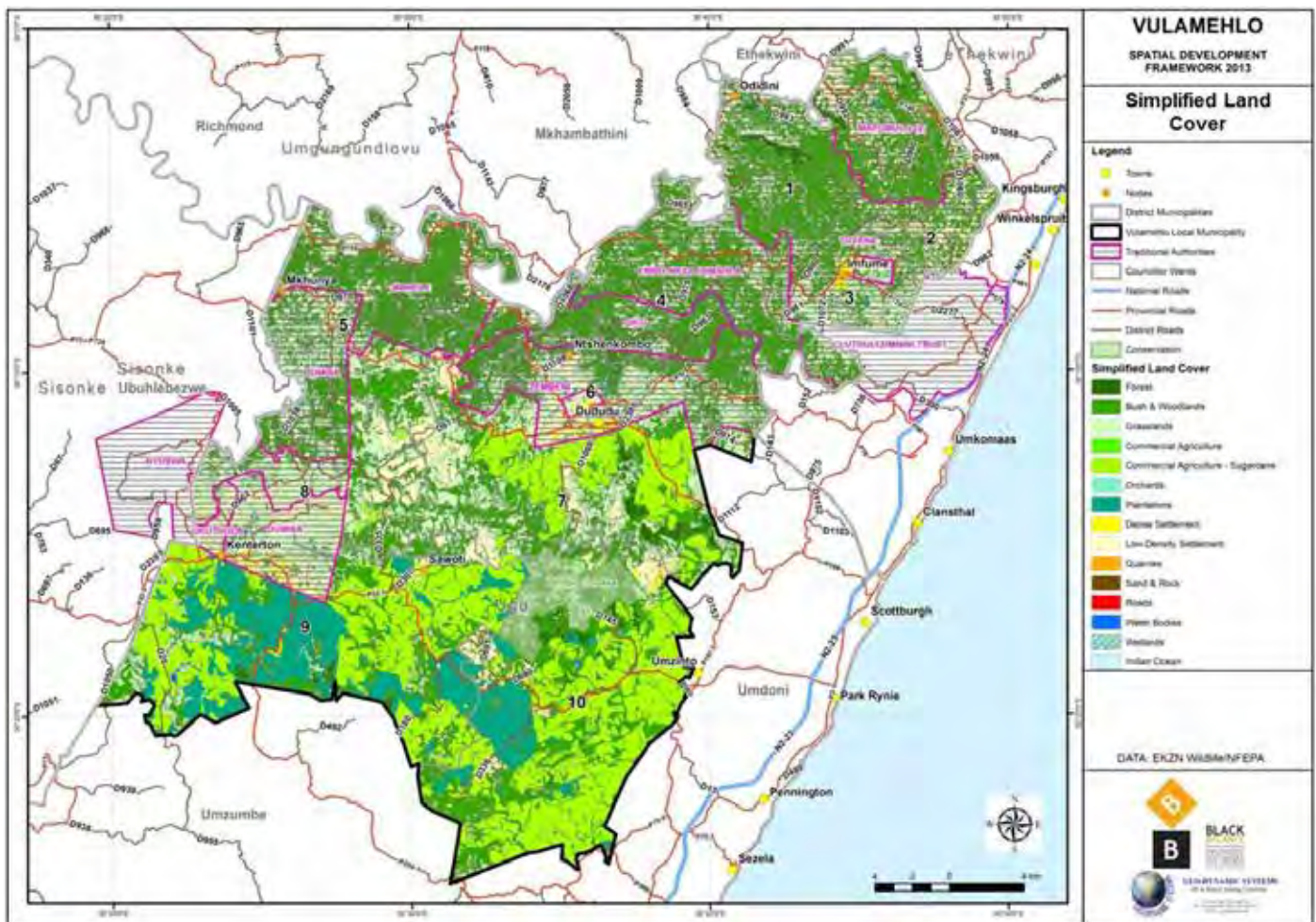
Traditional authority areas are mainly located along the northern portion of the subject municipality. The majority (50%) of the household land in the Vulamehlo Municipality are owned and fully paid off by their occupants, with about 27% being occupied rent free and those rented making up 4%. The households that are owned but not yet paid off are 14%. It is important to note that most of the ownership type is long term lease or PTO, with title deeds being limited to the urban areas as the rural areas are under Ingonyama Land Trust as 80% of the population reside in the traditional areas. The southern part of the municipality is mainly under private ownership where the bulk of commercial farms are located.

Map 9: Status of Land Transformation in Vulamehlo Municipality





Map 10: Municipal Land Cover Status



Land Redistribution and Restitution

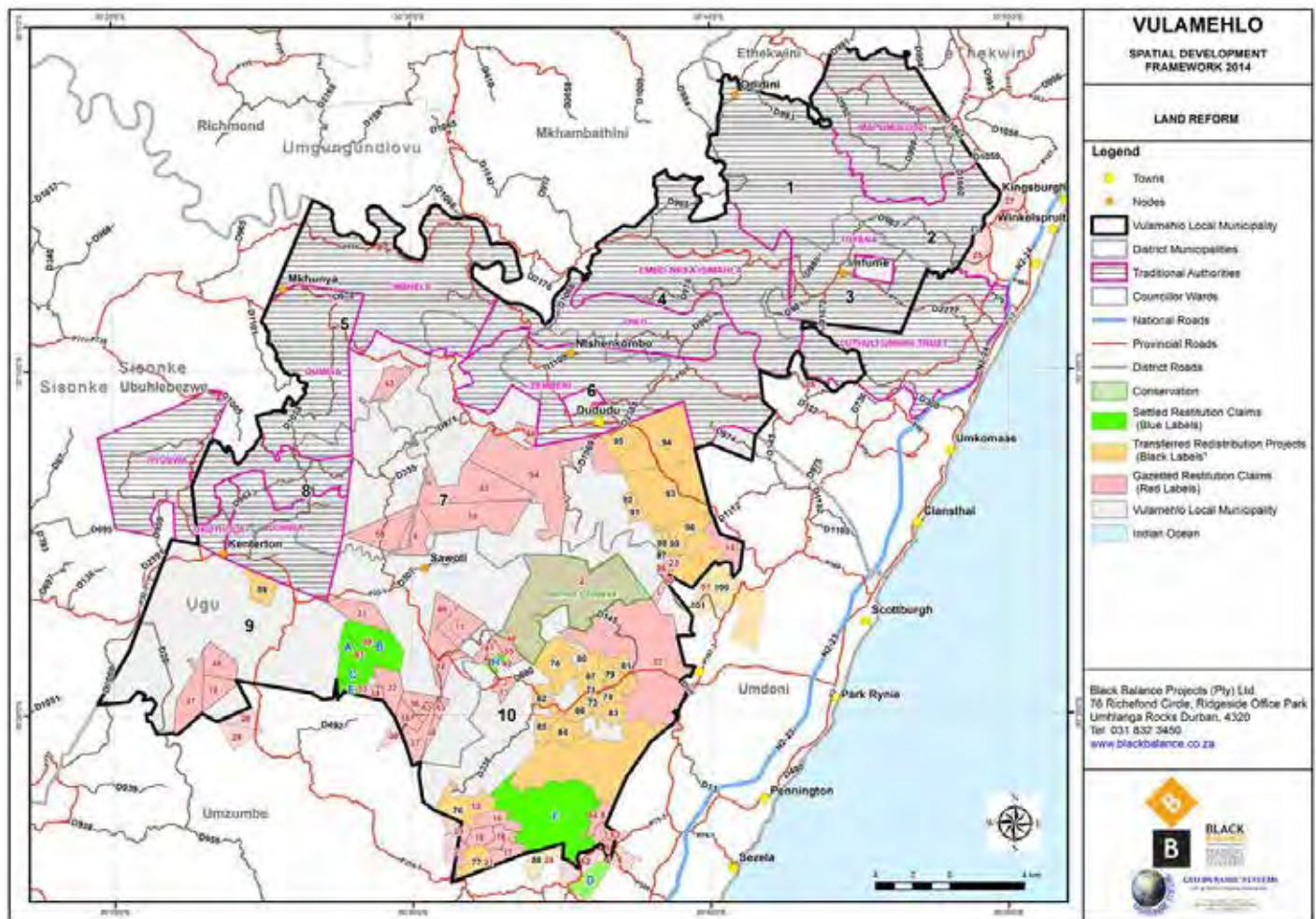
A number of land reform projects were identified within the study area (Map), and they include:

- Invernettie – This claim has been transferred to beneficiaries and business plan prepared.
- Mount Lewis – This is a claim currently being negotiated, and
- Glen Ogle – This claim has been settled and the provision of housing through an in-situ programme is to occur on the site.

It is worth noting that majority of land under claims fall within areas currently under commercial agriculture. In the absence of a strategic direction as to the future uses on such sites would be, there is a likelihood of land fragmentation which will prove detrimental to the commercial agricultural sector in the municipality.



Map 11: Municipal Land Cover Status



Public and Private Investment Areas

The current national and provincial agenda is geared towards infrastructure development as the backbone of job creation, particularly driven by the New Growth Path Strategy. Also taking into account the strategies and objectives of the PGDS, the following nodes in Vulamehlo Municipality are proposed for both public and private investment:

a. Dududu

The PGDS indicates that the water requirements of the KwaZulu-Natal metropolitan coastal areas are growing rapidly. This is due to the current economic growth, improved water supply services, urbanisation of the population and associated expansion of residential and other developments being implemented. The current formalisation of Dududu may result in increased densities and this would have an impact on the provision of water and sanitation infrastructure. Public investment would be required for water and sanitation infrastructure as part of achieving a liveable human settlement, attract economic investment and in turn, impact positively on the quality of life.



b. Kenterton

This is known to be a major transport hub in Vulamehlo Municipality. Therefore, investments in the road network development will be required. Development of public transportation facilities serving the nodal area and its surrounding settlements is also required.

c. Ntshekombo

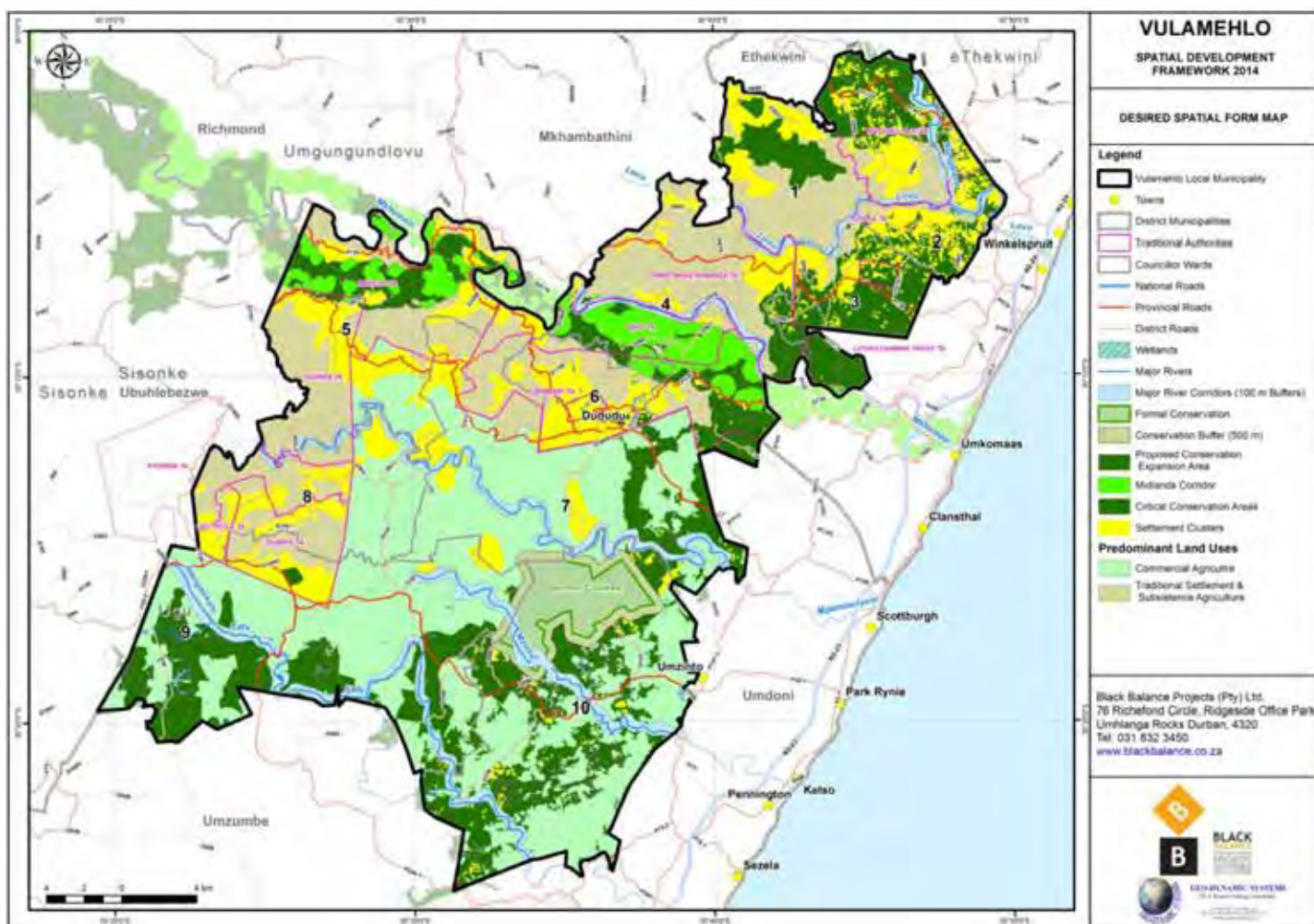
This area is identified as a potential tourism node in Vulamehlo Municipality with tourism assets which can be harnessed. Public investment is required in terms of road upgrades to provide better access to the tourism site, tourism marketing as well as private or community investment in rustic accommodation in support of the tourism activities in Ntshenkombo.

d. Basic Services Priority Areas

These are areas identified by the PGDS are deprived in terms of service delivery. This would require a deliberate injection of public investment into basic services such as water, sanitation, electricity and waste collection as part of achieving the spatial equity and a better quality of life in rural settlements.

Map 12 presents the desired spatial form as per the proposals which have been made.

Map 12: Desired Spatial Form for Vulamehlo Municipality





Environmental Analysis

The environmental state of Vulamehlo Municipality can be described as one in need of strategic interventions in order to attain a balance between development and environmental capability. The municipality is characterised by areas suitable for conservation such as water catchments, indigenous vegetation and landscapes of visual significance.

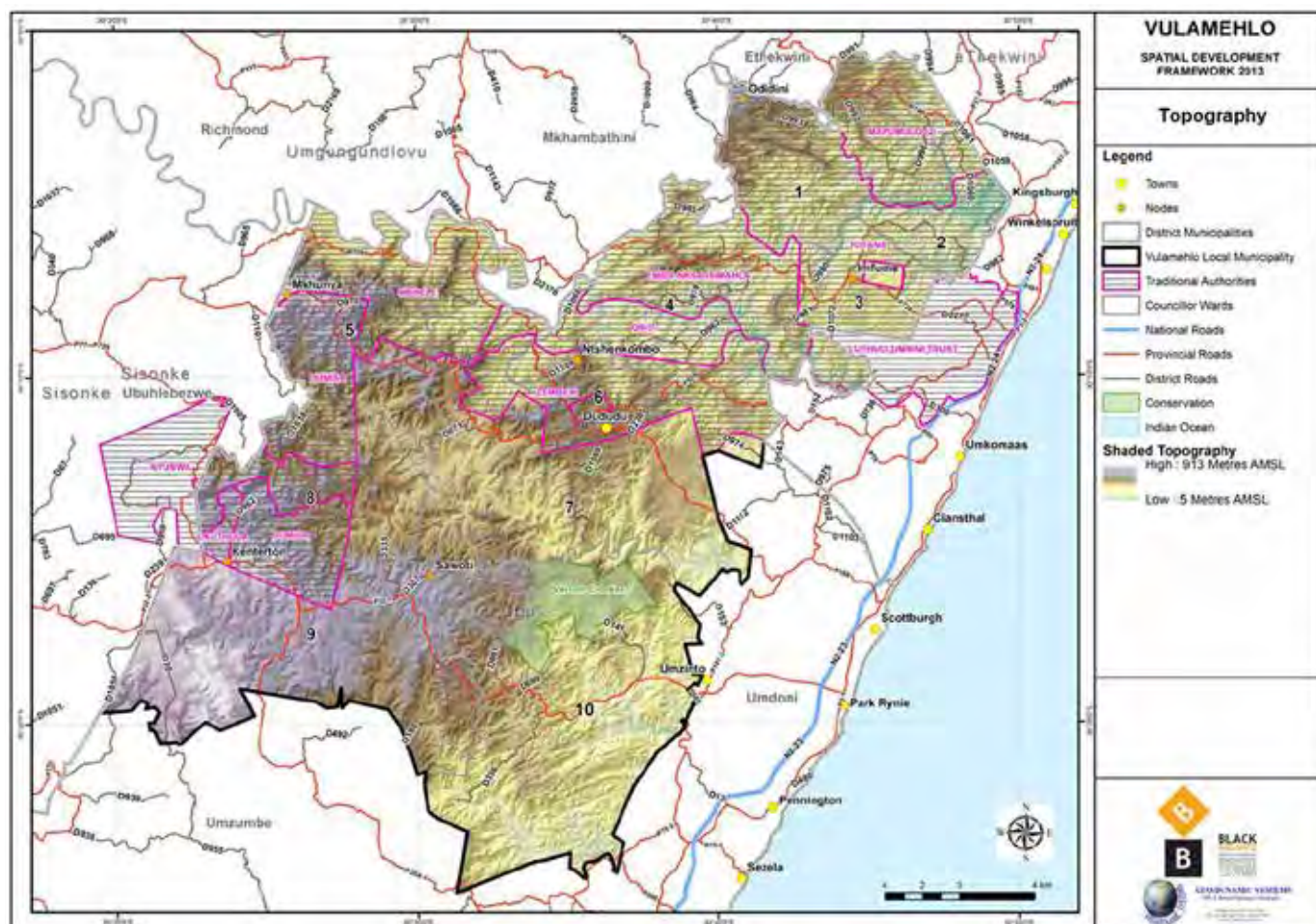
Topography

The municipality is characterised by incised valleys, river systems, hilly and broken terrain. High altitude areas are found mainly in the south-western corner of the region as seen in Map 8 (topography). In Map 9 (slopes), areas of pronounced steepness are located in the north-west and mid portions of the municipality. These topographical characteristics can be said to have justified the scattered settlement pattern present in these areas. The fragmented and steep topography has had negative impacts on service provision and development in the area, and has greatly determined the scattered and clustered pattern of settlements in Vulamehlo Municipality.

Climate

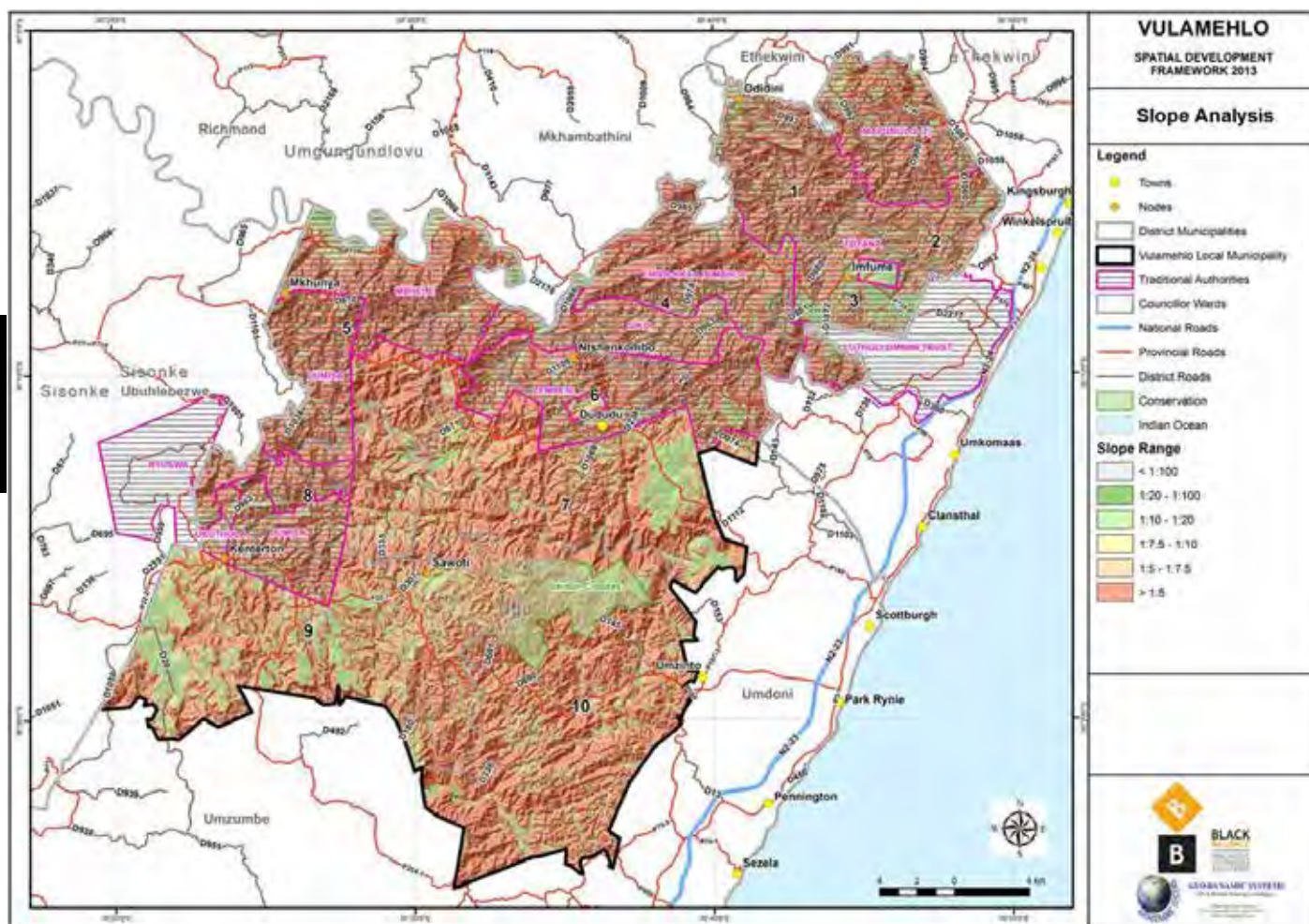
The climate of Vulamehlo is linked largely to its topography. The municipality lies within the Indian Ocean coastal belt and Savannah belts. Mean annual temperatures range from 17°C in the south west, to 20°C in the north and to the west. Temperatures are generally high and there are generally no limitations due to the incidence of frost.

Map 13: Topography of Vulamehlo Municipality





Map 14: Municipal Slope Analysis



Drainage and Associated Catchments

A number of perennial rivers flow through Vulamehlo Municipality (Map 10), including: Nungwane, Lovu, Msimbazi, Mkomazi, Mpambanyoni, Mzimayi, Mzinto, Mkhumbane and Mtwalume. These rivers are an important water resource for agricultural development, acting as water sources for irrigation and household usage. The drainage system is associated with about 150 wetland areas covering an approximated area of 603 hectares.

A catchment-based strategic approach is intended to integrate environmental resources and potential issues/impacts into strategic planning. It is an effective approach for forming strategic planning units as many of the impacts generated by development are manifested within river systems. For example, extensive development and the increase in sealed surfaces in the upper catchment can increase the risk of flooding in downstream low-lying areas to increased storm water run-off. Environmental impacts (e.g. flooding, diminished water supply and increasing incidences of water-borne diseases) are often the result of development exceeding the capacity of environmental assets to deliver services.

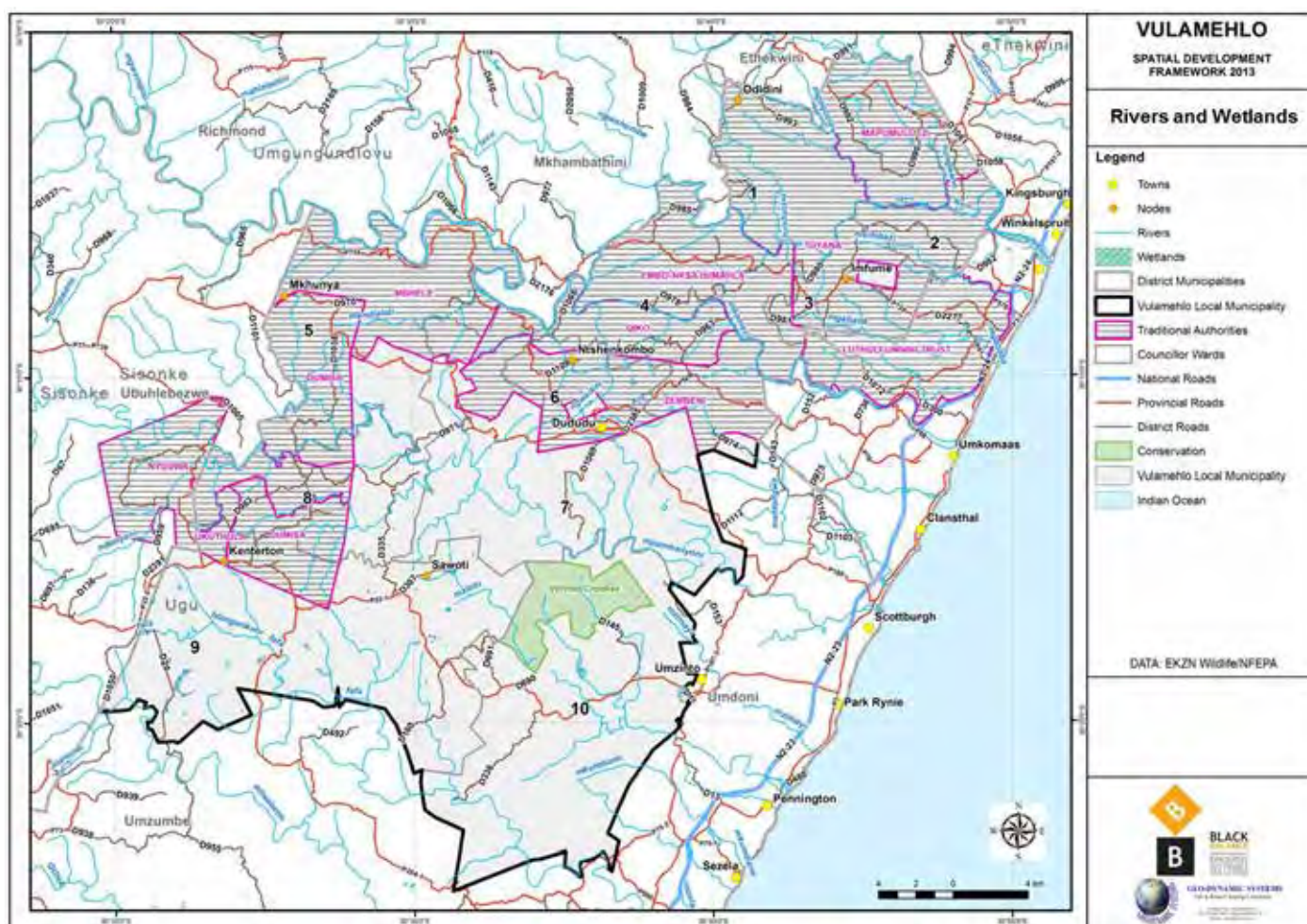


Catchments are therefore a convenient planning unit for ensuring that the capacity of the environmental assets within a river catchment is not exceeded. A catchment-based approach is also an effective way in which to integrate the interconnectedness of natural ecosystems into strategic planning. In many instances, the river system acts as the linkage between the environmental assets of terrestrial, freshwater and marine systems. The condition of the river is therefore an indicator of environmental issues and the ability of environmental assets within its catchment to provide ecosystem services. For example, poor water quality in the river indicates that there are polluting activities upstream. It may also indicate that the functionality of the river system in terms of its ability to assimilate and dilute wastes may be degraded.

As it is impractical to undertake a situational analysis at the local municipal level, the Vulamehlo LM, was divided up into a number of sub-catchments. These sub-catchments were delineated using sub-quinary catchment boundaries. The name for each sub-catchment was derived from the major river / stream which flow through that particular catchment unit. For each catchment unit, the following was assessed:

- Catchment system overview – contextualises the catchment unit (e.g. size of unit, larger catchment within which unit is situated etc.).
- Land uses within the catchment – indication of the potential pressures/threats within the catchment.

Map 15: Rivers and Wetlands





- c) Natural open spaces within the catchment – identification of threatened vegetation types and habitat for red data fauna and flora species.
- d) Condition of habitats – indication of ability of environmental assets to generate ecosystem goods and services.
- e) Threats/Pressures – to key generators of ecosystem goods and services within the catchment.
- f) Ecosystem services supply vs. demand – analysis of the supply versus the demand for key ecosystem services within the catchment.
- g) Opportunities – opportunities provided by environmental assets within the catchment.
- h) Constraints – constraints environmental assets place on development within the catchment.

A total of five catchment units were identified for the Vulamehlo Local Municipality which are namely Lovu; Mkomazi; Mpambanyoni; Mzinto and Fafa. Table 6 is a summary of the situation analysis of catchments units in Vulamehlo Municipality.

Table 6: Status of Catchment Units in Vulamehlo Municipality

Catchment Unit	Statement on Key Land Uses within the Catchment	Threats / Pressures	Statement on Ecosystem Services Supply vs. Demand	Opportunities	Constraints
ILLOVO	<ul style="list-style-type: none"> Natural open space (70.9%) Sugarcane – Emerging farmers (17.7%) Rural dwellings (7.9%) Urban (1.2%) Subsistence rural (0.02%) 	<ul style="list-style-type: none"> Uncontrolled burning regime, Intense resource harvesting, Uncontrolled grazing, AIP infestation in rural settlement areas. Soil erosion of drainage lines resulting from overgrazing and removal of riparian trees in rural settlement areas. Low levels of seepage from VIPs – potential overflows. Legal / illegal sand winning operations – modification of stream channel. Localised air and water pollution from Illovo Sugar Mill (adjacent Catchment Unit). 	<ul style="list-style-type: none"> Grazing potential reduced – lower carrying capacity. Flow regulation and flood attenuation services reduced by poor vegetative cover and hard surfacing in rural settlement areas. Demand for harvesting of natural resources exceeding supply - demand driven by dependence on natural resources base to sustain rural livelihoods. Increased risk of disease - reliance on water from rivers for domestic purposes. 	<ul style="list-style-type: none"> Potential for revitalizing and intensifying agriculture on gentle slopes in rural settlement areas. Grasslands along Nungwane River and surrounding Mfume identified as being irreplaceable in terms of preserving biodiversity. Employment opportunities through implementation of AIP clearing projects – Link to Working for Water. 	<ul style="list-style-type: none"> Steep topography. Condition of Environmental assets is largely compromised in rural settlement areas, reducing ability to accommodate impacts from future development. Lack of access limits potential of Establishing community based ecotourism venture.



Catchment Unit	Statement on Key Land Uses within the Catchment	Threats / Pressures	Statement on Ecosystem Services Supply vs. Demand	Opportunities	Constraints
MKOMAZI	<ul style="list-style-type: none"> Natural open space (88.9%) Rural dwellings (5.3%) Sugarcane — commercial (3%) Subsistence rural (0.5%) Urban (0.3%) 	<ul style="list-style-type: none"> Uncontrolled burning regime, Intense resource harvesting, Uncontrolled grazing, AIP infestation in densely populated rural settlement areas. Soil erosion of drainage lines resulting from overgrazing and removal of riparian trees in densely populated rural settlement areas. Low levels of seepage from VIPs — potential overflows. Legal and illegal sand winning operations on lower Mkomazi R. Localised air pollution from Sappi Saiccor Plant (adjacent eThekweni Municipality) 	<ul style="list-style-type: none"> Grazing potential reduced — lower carrying capacity. Flow regulation and flood attenuation services reduced by poor vegetative cover and hard surfacing in rural settlement areas. Demand for harvesting of natural resources exceeding supply - demand driven by dependence on natural resources base to sustain rural livelihoods. Increased risk of disease - reliance on water from rivers for domestic purposes. Large biodiversity conservation service in Bushveld and Thicket areas in north-west corner. 	<ul style="list-style-type: none"> Potential form revitalizing and intensifying agriculture on gentle slopes in rural settlement areas. Potential for intensive market gardening on floodplains, but outside 1:100 year floodline, near Dududu. Grasslands to south Dududu and Bushveld along Mkomazi River identified as being irreplaceable in terms of preserving biodiversity. Potential to establish community based ecotourism venture in Mkomazi River valley — link to proposed eco adventure trail in adjacent Mkambathini Municipality. 	<ul style="list-style-type: none"> Steep topography. Condition of environmental assets is largely compromised in rural settlement areas, reducing ability to accommodate impacts from future development. Lack of access limits potential of establishing community based ecotourism venture, particularly in Mkomazi River valley.
MPAMBANYONI	<ul style="list-style-type: none"> Natural open space (43.3%) Sugarcane — commercial (13.1%) Rural dwellings (8.2%) Urban (0.8%) 	<ul style="list-style-type: none"> Uncontrolled burning regime, intense resource harvesting, uncontrolled grazing, AIP infestation in densely populated rural settlement areas. Soil erosion of drainage lines resulting from overgrazing and removal of riparian trees in densely populated rural settlement areas. 	<ul style="list-style-type: none"> Grazing potential reduced — lower carrying capacity. Flow regulation and flood attenuation services reduced by poor vegetative cover and hard surfacing in rural settlement areas. Demand for harvesting of natural resources exceeding supply - demand driven by dependence on natural resources base to sustain rural livelihoods. 	<ul style="list-style-type: none"> Potential for revitalizing and intensifying agriculture on gentle slopes in rural settlement areas and floodplains outside 1:100 year floodline. Grasslands in south-east corner identified as being irreplaceable in terms of preserving biodiversity. Potential to establish ecotourism venture in Bushveld and Grassland areas near Sawoti. 	<ul style="list-style-type: none"> Steep topography. Condition of environmental assets is largely compromised in rural settlement areas, reducing ability to accommodate impacts from future development. Lack of access limits potential of eco-tourism ventures.



Catchment Unit	Statement on Key Land Uses within the Catchment	Threats / Pressures	Statement on Ecosystem Services Supply vs. Demand	Opportunities	Constraints
MPAMBANYONI (continued)		<ul style="list-style-type: none"> • Low levels of seepage from VIPs — potential overflows. • Reduced infiltration and surface-runoff feeding streams and rivers due to large commercial sugarcane farms. • Increased abstraction from rivers and dams to irrigate sugarcane and other crops. • Seasonal air pollution resulting from burning of sugarcane. 	<ul style="list-style-type: none"> • Increased risk of disease - reliance on water from rivers for domestic purposes. 		
UMZINTO	<ul style="list-style-type: none"> • Sugarcane — Commercial (44.7%) • Natural open space (38%) • Rural dwellings (2.9%) • Urban (0.9%) 	<ul style="list-style-type: none"> • Uncontrolled burning regime, • intense resource harvesting, • uncontrolled grazing, • AIP infestation in rural settlement areas. • Soil erosion of drainage lines resulting from overgrazing and removal of riparian trees in rural settlement and commercial agricultural areas. • Low levels of seepage from VIPs — potential Overflows Reduced infiltration and surface-runoff feeding streams and rivers due to large commercial sugarcane farms. • Increased abstraction from rivers and dams to irrigate sugarcane and other crops. • Seasonal air pollution resulting from burning of sugarcane. 	<ul style="list-style-type: none"> • Grazing potential reduced — lower carrying capacity. • Flow regulation and flood attenuation services reduced by poor vegetative cover and hard surfacing in rural settlement areas. • Demand for harvesting of natural resources exceeding supply - demand driven by dependence on natural resources base to sustain rural livelihoods. • Increased risk of disease - reliance on water from rivers for domestic purposes. • Large biodiversity conservation service in Grasslands of Vernon Crookes Nature Reserve. 	<ul style="list-style-type: none"> • Potential for revitalizing and intensifying agriculture on gentle slopes in rural settlement areas. • Potential for diversifying commercial agriculture, particularly on gentle slopes. • Grasslands in Vernon Crookes Nature Reserve and in adjacent area identified as being irreplaceable in terms of preserving biodiversity. • Potential to establish conservancy / nature reserve along White Nkwifa River — Link to Vernon Crookes N.R. 	<ul style="list-style-type: none"> • Steep topography. • Condition of environmental assets is largely compromised in rural settlement areas, reducing ability to accommodate impacts from future development. • Commercial plantations and agriculture considerably reduce water supply — limit opportunities for large-scale commercial agriculture or forestry.



Catchment Unit	Statement on Key Land Uses within the Catchment	Threats / Pressures	Statement on Ecosystem Services Supply vs. Demand	Opportunities	Constraints
FAFA	<ul style="list-style-type: none"> • Sugarcane — commercial (38.7%) • Natural open space (33.5%) • Plantation (23.2%) • Rural dwellings (1.6%) • Urban (0.4%) 	<ul style="list-style-type: none"> • Uncontrolled burning regime, • intense resource harvesting, • uncontrolled grazing, • AIP infestation in rural settlement areas. • Soil erosion of drainage lines resulting from overgrazing and removal of riparian trees in rural settlement and commercial agricultural areas. • Low levels of seepage from VIPs — potential overflows. • Reduced infiltration and surface-runoff feeding streams and rivers due to large commercial sugarcane farms. • Increased abstraction from rivers and dams to irrigate sugarcane and other crops. • Seasonal air pollution resulting from burning of sugarcane. • AIP infestation of grassland areas — likely due to change natural burning regime to protect commercial plantations. • Legal and illegal quarries / borrow pits. 	<ul style="list-style-type: none"> • Grazing potential reduced — lower carrying capacity. • Flow regulation and flood attenuation services reduced by poor vegetative cover and hard surfacing in rural settlement areas — resulting in downstream flooding in 2008. • Demand for harvesting of natural resources exceeding supply - demand driven by dependence on natural resources base to sustain rural livelihoods. • Increased risk of disease - reliance on water from rivers for domestic purposes. 	<ul style="list-style-type: none"> • Potential for revitalizing and intensifying agriculture on gentle slopes in rural settlement areas. • Potential for diversifying commercial agriculture, particularly on gentle slopes. • Grasslands in south and southeast of Catchment Unit identified as being irreplaceable in terms of preserving biodiversity. 	<ul style="list-style-type: none"> • Steep topography. • Condition of environmental assets is largely compromised in rural settlement areas, reducing ability to accommodate impacts from future development. • Commercial plantations and agriculture considerably reduce water supply — limit opportunities for large-scale commercial agriculture or forestry.

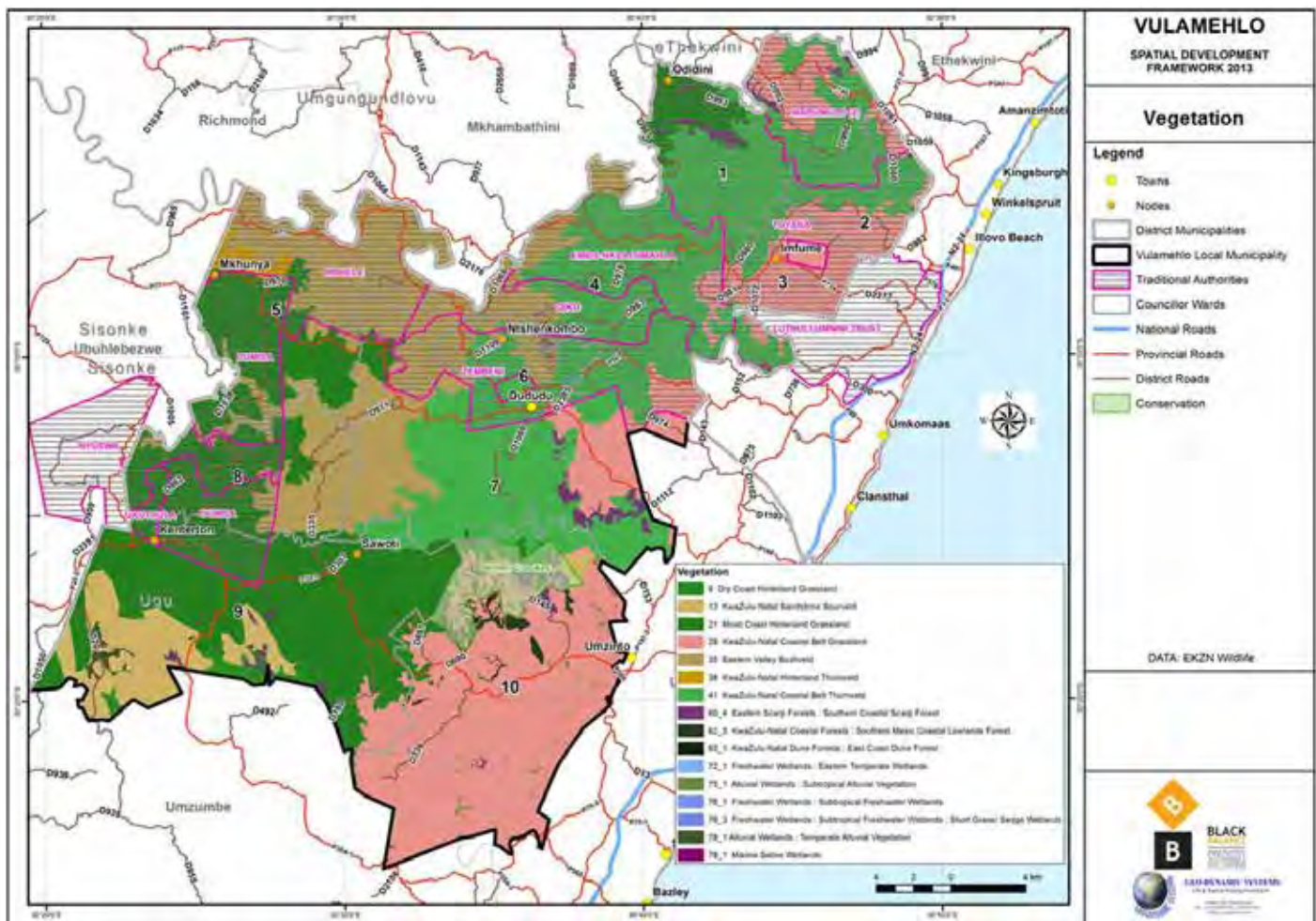
Vegetation

The vegetation in Vulamehlo Municipality is largely linked to climate and its topography. As illustrated in Map 11, the majority of the municipal land is mostly covered by the Moist Coast Hinterland Grassland located on the lower south and upper northern section of the municipality. In Map 11, areas located on the eastern section of the municipality are characterised by the KwaZulu-Natal Coastal Belt Grasslands with the Eastern Valley Bushveld on the upper north-western section.



The municipal IDP 2013/2014 reports that there is a noticeable loss of indigenous vegetation communities within the municipality which are mainly due to poor farming practices, alien plant invasion, poor catchment management, lack of appreciation of the value of the natural environment and its benefits etc. This is further exacerbated by the excessive harvesting of medicinal plants and herbs which jeopardise the environmental integrity of the area.

Map 16: Vegetation Classification in Vulamehlo Municipality



Summary of Environmental Issues

Based on the above analysis, a number of environmental challenges have come to the fore with respect to state of the environment in Vulamehlo Municipality. The following are some of the issues identified

- Soil erosion is a serious problem particularly in communally held land. This is particularly problematic because social erosion results in lower soil productivity and sometimes permanent loss of valuable topsoil and the siltation of rivers and wetlands. If agriculture is one of the key economic drivers in the coastal region, it will obviously be negatively affected.
- Over utilisation of soils in some areas, with no crop rotation for instance, results in reduced agricultural potential and eventually soil erosion and subsidence. The problem of illegal sand winning operations



without permits is also of serious concern within Vulamehlo. Related to this problem is the issue of quarries and borrow pits (usually as a result of road building) which have not been rehabilitated and this is leading to environmental degradation in terms of erosion, scarring of the landscape, proliferation of alien invasive plants, collection of standing water and the associated diseases etc.

- c) Access roads are also not suitably maintained often resulting in erosion of the road surface and generally the speed of runoff from such roads is not attenuated by cut off drains or any form of drainage. The municipality is also not currently having plans to protect valuable environmental resources even though these have been mapped out as part of the LUMS. The riparian zones, particularly in agricultural areas are not at present protected and instead they have been planted to cane or allowed to become invaded by alien weeds.
- d) There is also a noticeable loss of indigenous vegetation communities due to poor farming practices, alien plant invasion, poor catchment management, lack of appreciation of the value of the natural environment and its benefits etc. Excessive harvesting of medicinal plants and herbs without restocking might also jeopardise the environmental integrity of the area.
- e) With regards to unsustainable agricultural practices, some people continue to cultivate in drainage lines and within 1:100 year flood lines. The municipality has a high tourism potential, which has not yet been properly exploited, environmentally or otherwise. Numerous sites of tourism significance need vigorous marketing.
- f) Whilst it is not yet a major problem, the issue of incorrect citing of high impact developments in close proximity to rivers, dams etc. in future must be carefully monitored.
- g) There is also a concern that environmental issues and impacts are often not addressed in developments and projects. Environmental accounting needs to become more integrated into the development planning processes and must be considered in the initial phases of planning of any new development.
- h) There are a number of legal and illegal quarries, borrow pits, and sand mining operations in Vulamehlo. If not managed correctly, these areas can result in significant soil erosion and siltation of water courses, AIP infestations, and impact on visual amenity of surrounding landscape (i.e. less attractive to tourists).
- i) The condition of natural ecosystems in rural settlement areas are significantly threatened by uncontrolled burning regimes, intensive harvesting of natural resources (muthi, firewood etc.), uncontrolled grazing, crop cultivation on steep slopes and in drainage lines, and AIP infestations.
- j) Dongas and deeply incised river channels are evident in many of the rural settlement areas. These features are largely the result of uncontrolled burning regimes, removal of indigenous riparian vegetation, uncontrolled grazing, and AIP infestations.
- k) There is a need to respect floodlines and function of drainage lines within all commercial agriculture areas, particularly sugar cane and forestry. Setbacks must be established and riparian areas rehabilitated to restore their flood attenuation and water supply regulation ecosystem services.



Potential Intervention Areas

Based on the spatial issues identified and emanating from this analysis, a number of potential interventions would be necessary to change the current trajectory of spatial planning and development in Vulamehlo Municipality. These interventions each have a dimension of spatial implication which will inform the spatial strategies to be formulated. Despite all the challenges and shortcomings that exist in the Municipality, there are a number of interventions which can be adopted which include but not limited to:

- a) Protecting the natural environment and resources: the natural environment forms one of the most important resources of the municipality, providing the basis for agriculture and tourism development as well as a functioning and attractive landscape. This calls for spatial restructuring which epitomises a balanced development within the context of rural compaction through the delineation of edges.
- b) Linking access and development: different levels of development should be related to the different levels of accessibility, e.g. development requiring high levels of accessibility and visibility should be located in proximity of primary access corridors etc., the access hierarchy therefore provides one element in the structuring of development in the municipality.
- c) Utilising linkages to surrounding opportunities: the municipality is located in proximity of a wide range of existing and potential developments outside its boundaries, potentials emanating from this location needs to be utilised.
- d) Integrating traditional settlement areas: there is a need to better integrate the traditional settlement areas into the functioning of the municipality in terms of social, economic and institutional development ensuring that the communities benefit from improved development without losing their particular unique background.
- e) Facilitating economic development: ensuring that all sectors and communities of the municipality form part of and contribute their particular abilities to the economic development of the area. It is about putting to practice the agenda of local development through the use of local resources.
- f) Facilitating social development: ensuring the provision of adequate social amenities in appropriate locations, and facilitating social integration.
- g) Maximising and coordinating the tourism and recreation potential: while the municipality accommodates potential for tourism activities, there is scope for better utilisation of opportunities. This will have to take place bearing in mind that such development is not detrimental to the natural environment. Tourism activities should be in accordance with the image of the tourism features of the municipality, and various initiatives are to be coordinated.

Spatial and Environmental analysis and trends

The municipality is rural in nature and is characterised by undulating terrain which has influenced the existing dispersed settlement patterns. The municipality is enriched with rivers which provide water throughout the year. Large amount of the land within the municipality falls under tribal authority and



commercial agriculture (50%) and leaving very few pockets under private ownership and a game reserve. Along with the influence of the terrain the settlement patterns have also been influenced by the land ownership patterns as we know that tribal land has not been formally subdivided and there are no norms and standards which administer settlement patterns or land use management in tribal areas, however this phenomena can change as the municipality has prepared a Land Use Management Framework which will be implemented as a pilot. Most parts of the municipality is characterised by areas which have a land capability below medium low however the commercial farmers have been able to maintain the continuous use of land for agriculture thus creating/ maintaining job opportunities within the municipality.

Half of the municipal wards are strategically located along major transport routes which give them an upper hand with regards to access to markets and overall transportation access; however it is important to note that within these wards there are areas which have poor road linkages/ access.

Wards 1 and 2 are shares its borders with EThekwini municipality which places these wards at an advantage as they are able to tap into the opportunities offered by eThekwini Metro.

Dududu is the main hub (only urban area) within the municipality as it provides administrative services and commercial activities, this centre is anticipated to grow in terms of the services it offers as there are a number of proposed initiatives, this will in future influence a change in the spatial pattern and expansion of the area which will present a need for intense land use management in order to preserve and maintain proper usage of land within the area.

Spatial & Environmental SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">• Vast tracts of rich land to produce bulk organic agricultural products	<ul style="list-style-type: none">• Steep terrain• Unused agricultural land /tourism sites• Alien plant invasion
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">• Potential tourism sites• Accessibility and close proximity to major transport routes	<ul style="list-style-type: none">• Climate change• Land ownership, limiting development



1.7 Disaster Management

1.7.1 Municipality Institutional Capacity

According to the Vulamehlo Municipality organisational structure, Disaster Risk Management falls under the umbrella of the Public Participation Unit. There's no formal unit dedicated to the discipline. A shared service with Umdoni Municipality Fire & Rescue was entered into through a Service Level Agreement (SLA) to assist with fire related matters. Vulamehlo comprises of ten (10) wards. From those wards, ten (10) community members from each ward were capacitated in Basic Fire Fighting, which makes it a total of 100 community volunteers trained in that discipline. Ten more community members were trained from all wards in First Aid, Disaster Management & Fire Fighting. All councillors were trained by an accredited service provider in Disaster Management. Amakhosi were also trained in Disaster Management. Some of the municipal staff members were also trained in Disaster Management.

Two (2) members of the community are currently being trained by our shared service and they will be deployed at Vulamehlo Municipality after their training is complete.

The Municipality has a Disaster Management Local Advisory Forum currently in existence. The plan for the forum is to at least meet once in a quarter. It comprises of government departments, NGOs, NPOs and other stakeholders tasked with the well-being of the community.

1.7.2 Risk Assessment

Risk Assessments throughout the municipality were done and a risk profile, prioritising the risks was formulated.

Kindly peruse below prioritised risks in order of their level of priority per ward:

Table 7: Risk Assessment per Ward

WARD NO.	RISK/S
1	Floods; Drought; Human Diseases
2	Floods; Lightning; Human Diseases
3	Floods; Fires; Drought
4	Fire; Floods; Human Diseases
5	Drought; Floods; Human Diseases
6	Floods; Fire; Human Diseases
7	Floods; Human Diseases; Fire
8	Lightning; Fire; Floods
9	Fire; Floods; Landslides
10	Human Diseases; Floods; Lightning

1.7.3 Risk Reduction and Prevention

Risk reduction and prevention plans are in place, but with meagre resources to implement the plans. Sector departments have been sensitized through the Local Advisory Forum to take part in implementing risk reduction and prevention measures.



1.7.4 Response and Recovery

In case of a disaster occurring, the municipality is only equipped to respond to minor incidents. In a case of an event of a greater magnitude, communication is established with the shared service. In a true form of a disaster, the Joint Operations Centre (JOC) is evoked in conjunction with the shared service. The municipality always aims to respond within 24hrs of the incident.

1.7.5 Training and Awareness

A co-opted personnel tasked with attending incidents has to undergo advanced training in Disaster Risk Management, Fire and Rescue.

Two (2) awareness campaigns are targeted annually.

1.7.6 Funding Arrangements

Any incidents are well dependant on the municipal equitable share. There's no external or alternative funding for either the disaster programmes or the shared service.

In an event of the municipality being declared a disaster, then an emergency fund can be applied for via the district and the provincial disaster management centre, to the national disaster management centre.

Disaster Management SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">Support from the Umdoni/Vulamehlo shared service.	<ul style="list-style-type: none">Inadequate budgetInsufficient resourcesThe National Disaster Management Centre takes too long to respond in terms of the Emergency Funding.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">Creating employment & sensitizing our community of dangers that might be afootIncreasing the safety of our communityReducing damage to our currently existing infrastructure	<ul style="list-style-type: none">Increment of Disaster related deaths



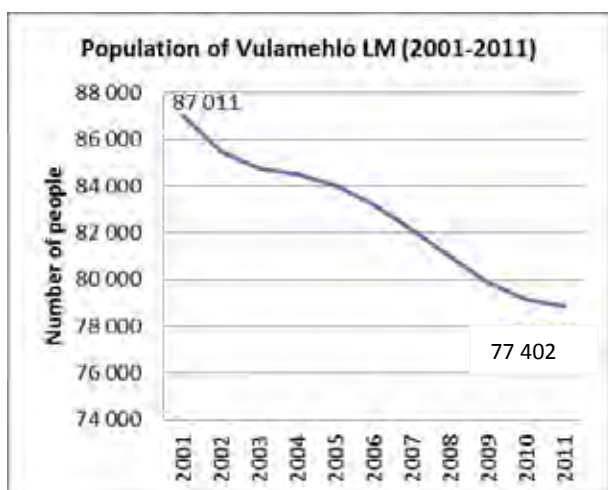
2. Demographic Characteristics

2.1. Demographic Indicators

2.1.1. Population size

In 2011 Vulamehlo Municipality had a population of 77,403 and contributed 10.7% of UGu's population and 8.5% of KwaZulu-Natal's population. The population has decreased from 83,039 in 2001 to 77,403 in 2011 which indicates a negative average annual population growth rate of -0.69%, which is lower than Ugu District (population growth rate of 7.0%) and KwaZulu-Natal (population growth rate 1.3%) during the same period. Vulamehlo's population growth rate is also the lowest when compared to other 5 local municipalities in Ugu District. This is possibly due to factors such as an increase in out-migration patterns as people seek better employment opportunities outside the municipality or the impact of HIV/AIDS on the population

Figure 2: Population for Vulamehlo



Source: Stats SA 2011

Table 8: Vulamehlo Population Demographics (Stats SA 2011)

Municipality	Population trend (2001-2011)				
Vulamehlo	Growth Rate		-0.69%		
	Population by Gender				
	Male	36,062 (47%)			
	Female	41, 341(53%)			
	Black	Indian/Asian	White	Coloured	Other
	76,555	382	254	150	61
Total Population	77, 403				

Source: Stats SA 2011



2.1.2. Population Composition

The population of Vulamehlo Municipality is dominated by Black Africans at a percentage of 98.90% of the total population whilst the remaining population groups are the minority just forming only 1.09% of the total population. The municipality is not the most racially mixed municipality within the District, however the nature of the municipality (predominantly rural and traditional in nature) allows for such analysis to exist. With Whites making up 0.33% of the population, while Indians/Asian constitute 0.49% and Coloureds at 0.2% of the total population. There could be an indication that development plans and public participation should be communicated in IsiZulu.

2.1.3. Gender

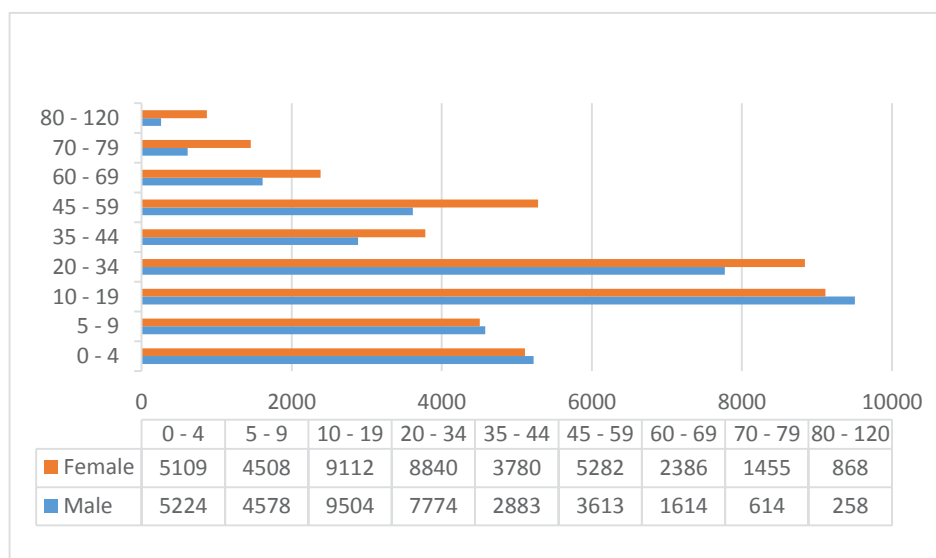
The census 2011, has recorded that females make up the majority of the population in the municipality with a female: male ratio of 100: 75, 7. this is higher than the national (male: female 100:111) and provincial (male: female 100:107) ratios indicating that the population of the district is more female than the province and the country. This is in line with the population growth figures shown earlier indicating an out-migration in the district. Women, especially in rural areas such as Vulamehlo, tend to remain behind looking after children while males leave to look for work opportunities elsewhere. Again suggesting a need for the adoption of gender sensitive development strategies.

Table 9: Population Outline 1996-2011:

	1996	2001	2011
Male	43 245 (44%)	37 751 (46%)	36062 (47%)
Female	54 049 (56%)	45 211 (54%)	41 341 (53%)
Total Population	97 294	82 961	77 403

Source: Stats SA 2011

Figure 3: Population Distribution of the population in five-year group by gender, Vulamehlo Municipality 2011



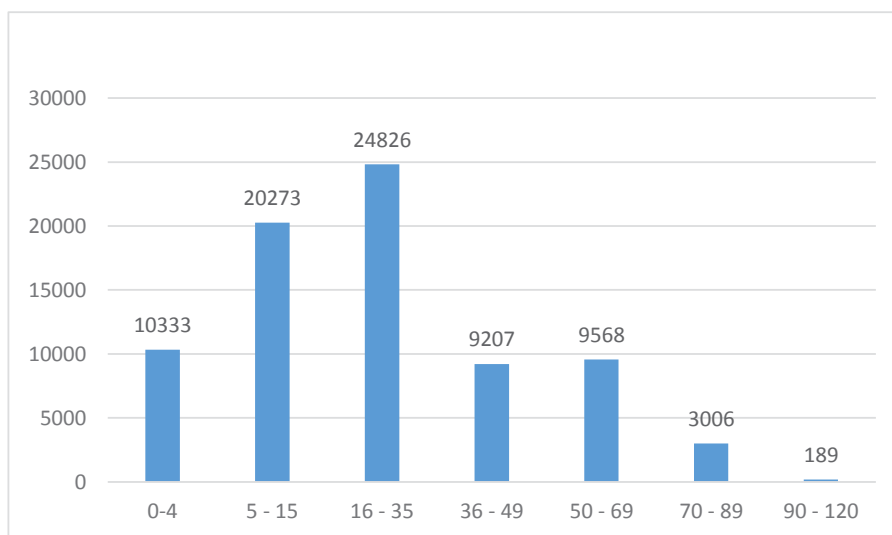
Source: Stats SA 2011



2.1.4. Age and Gender

The figure above displays the gender and age breakdown in Vulamehlo LM in 2011. The population of the municipality consists of more females than males. A total of 36062 (53%) males and 41 341 (47%) females make up the population. It is evident that that majority of the population falls 10-19 years age category. This indicates that almost of the population (49.1%) are currently within the school-going age bracket (either in primary/secondary school or tertiary institutions). 57.6% of the population are within the working age bracket (16-65 years old). It is also evident that the population numbers in the age categories drop significantly beyond the age of 19 years. A reason for this is that the working-age population migrate to other areas where more economic opportunities, especially income generating activities and employment opportunities, exist outside the Vulamehlo jurisdiction.

Figure 4: Age in completed years in Vulamehlo



Source: Stats SA 2011

The youth segment (16-35) in Vulamehlo has a large population of 24826 (32%), and number of people between (5-15) amounting to 26% from the total population, making this the second largest group within the municipality, also putting into consideration that this is the dependent group, followed by the 0-4 age group 10333 (13%) with the other ages groups (36-49) amounting to 9207 (12%), 50-69 age group with 9568 people (12%), where the 70-89 age group is 3006 (4%) and the 90-120 age group makes the smallest percentage from the total population at only 0.2% with only 189 people. this could have serious implications in terms of planning for development and requires the development and implementation of programmes addressing the needs of the youthful population which may include educational facilities, creation of job opportunities and improving access to social facilities. Most importantly, emphasis should be paid to promoting a positive living and managing the devastating impact of HIV/AIDS.

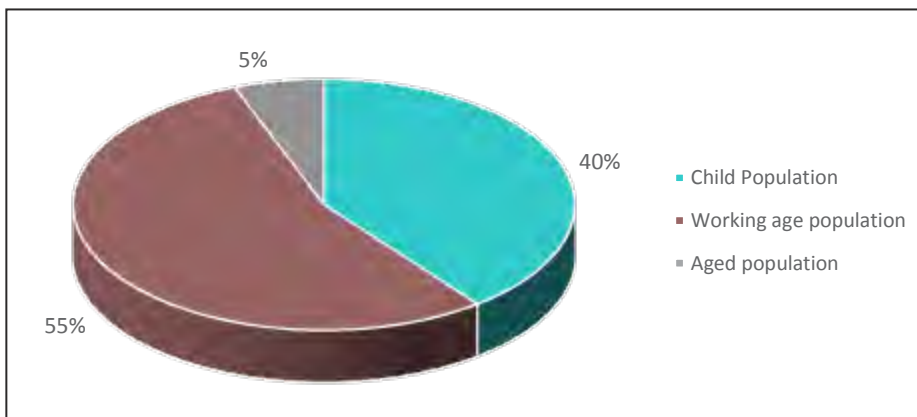
2.1.5. Dependency Ratio

There is a notable difference between the female and the male population above 19 years with the female population being significantly higher. This trend mirrors many rural areas throughout South Africa as most of the male members of the rural households migrate to urban areas to seek employment opportunities and females are left to attend the daily running of these household.



The graph below indicates the distribution of child, working age and aged population in Vulamehlo LM in 2011. The child population between the 0-15 years makes up 30 606 (40%) of the total population. The aged population (66+) makes up 5% with 4484 people from the total population. The working age population (16-65) makes up 55% (42 313) the largest proportion of the population and has experienced a slight growth of 1.5% between 2006 and 2011. Overall the dependency ratio per 100 (15-64) for the population of Vulamehlo is 75.7 in 2011 which has decreased by -2.7% from 83.7 in 2001.

Figure 5: Childhood, Working Age and Aged Population Distribution in Vulamehlo 2011



Source: Stats SA 2011

Population by each ward

The table depicts that the population of ward 5 is the highest in the municipality. Ward 5 is the largest ward, and the population is scattered outwards. In-order to understand the dynamics of the statistics of each ward one needs to understand the description and nature of each ward and once having achieved that.

Table 10: Population Distribution by Ward through ward Location, Description and Landownership

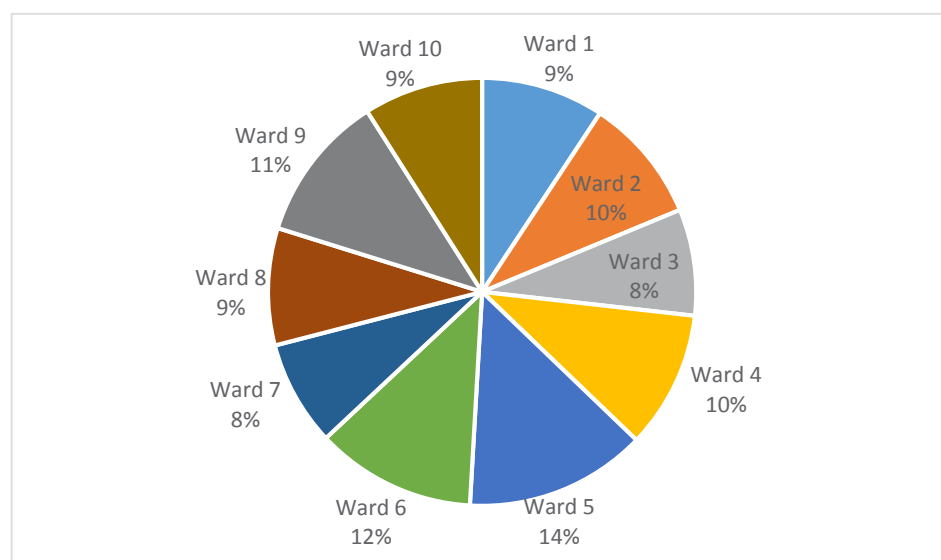
Ward	Description	Number of People	Percentage
Ward 1	Traditional Authority area boarding on EThekwini and Umbumbulu. Separated from the rest of Vulamehlo by Mkhomazi River.	7185	9%
Ward 2	Traditional Authority area in close vicinity to Kingsburgh in the EThekwini Municipality Jurisdiction.	7322	10%
Ward 3	Infume is located in this ward, it is also under Tradition-al Authority and privately owned agricultural land just North West of Magabeni.	6229	8%
Ward 4	Traditional Authority area located to North of Dududu, but South of the Mkhomazi River.	8044	10%
Ward 5	Mkunya is the name of this ward, it is also Traditional Authority area located North West corner of Municipali-ty.	10626	14%
Ward 6	Located immediately West of Dududu.	9370	12%



Ward	Description	Number of People	Percentage
Ward 7	Located South and West of Dududu. It includes Traditional Authority and some Commercial Agricultural Land.	6153	8%
Ward 8	Traditional Authority area located North of Kenterton.	6853	9%
Ward 9	Commercial farming areas located South of Kenterton and includes Sawoti	8639	11%
Ward 10	Commercial Farming areas West of Umzinto which includes the Vernon Crookes Nature Reserve.	6981	9%

Source: Stats SA 2011

Figure 6: Vulamehlo Ward population in Percentage



Source: Stats SA 2011

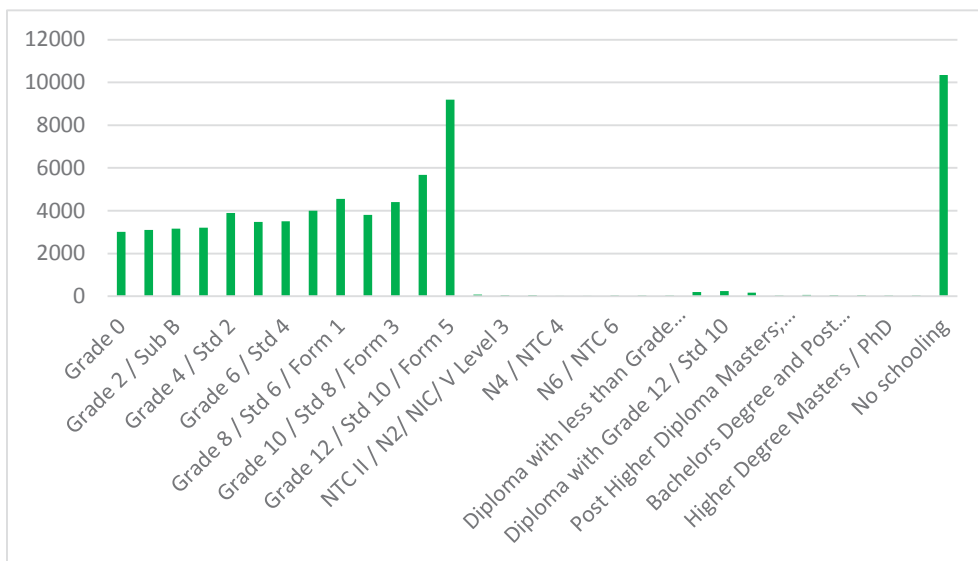
2.1.9. Education

The table on the following page indicates the education levels of the population in Vulamehlo LM in 2011. Majority of the population (16%) have had no schooling. A large proportion of the population (68%) have education levels of between grade 0 and grade 11, with only 14% having reached at least Grade 12 (matric) level of education. Only 2% of the population of Vulamehlo LM has post matric qualifications, which consists of either a diploma with grade 12, bachelor's degree, bachelor's degree and diploma, honours degree or higher degrees.

Overall it is clear from the graph provided on the following page that the majority of the population of Vulamehlo LM have low to very low levels of education which impacts negatively on skill levels of the working age population and may negatively impact on the economic growth and development of the municipality. This is due to the fact that there are no tertiary facilities for further learning. Poverty is also a big contributor to people not being able to move to bigger cities to access tertiary education. This also puts the municipality in a vulnerable position as this situation may negatively impact on local economic development. Therefore it is clear that skills training and development is crucial for the population of Vulamehlo LM.



Figure 7: Highest Educational Level



Source: Stats SA 2011

2.1.10. HIV/AIDS

HIV/AIDS not only negatively impacts on the health and well-being of on the population but it also on economic development and productivity. The table below indicates the number of HIV infections, AIDS deaths and other deaths that occurred within the Vulamehlo LM during the past 5 years between 2006 and 2011. Overall there are more deaths that have been related to AIDS as compared to deaths caused through other reasons. It is evident that the HIV population has decreased from 13 013 in 2006 to 12 330 in 2011 which indicates a negative growth rate of -1.1%. It is further indicated that deaths related to AIDS has also decreased from 1 021 in 2006 to 1 007 in 2011 which indicates a negative growth rate of -0.3%. There has not been any growth in the average growth rate of other deaths that occurred within the Vulamehlo LM and the number of deaths remained at 722 in 2006 and 2011.

Table 11: Number of HIV Infected, AIDS deaths and Other Deaths in Vulamehlo LM (2006-2011)

	2006	2007	2008	2009	2010	2011	Growth Rate
HIV Positive	13 013	12 867	12 683	12 504	12 373	12 330	-1.1%
AIDS Deaths	1 021	1017	1 016	1 013	1 009	1 007	-0.3%
Other Deaths	722	720	718	717	718	722	0.0%

Source: Quantec and Urban-Econ 2012

Although the number of HIV infected individuals has decreased slightly over the past 5 years, the number of HIV infected individuals (which made up 16% of the population in 2011) is still particularly high and the impact that this may have on economic development and productivity within the Vulamehlo cannot be refuted as this may result in a low labour force, low labour productivity through absenteeism and illness and may also result in higher government expenditure on health services.



2.2 Key Findings: Demographics and Trends

Table 12: Key Findings: Demographics and Trends

Indicator	2011	2001
Municipal Area (Km ²)	960	
Total population	77,403	82,961
Growth rate	-0,69% (2001-2011)	-3,66% (2001-2011)
Young (0-14)	36,9%	39,8%
Working Age (15-64)	56,9%	56,9%
Elderly (65+)	6,2%	5,8%
Dependency ratio	75,7%	83,7%
Sex ratio	87,2	83,5
Number of households	16,135	15,794
Average household size	4,7	4,9
Population density	81 persons/km ²	86 persons/km ²
Unemployment rate	52,6%	66,1%
Youth unemployment rate	62,8%	74,6%
No schooling aged 20+	24,2%	37%
Higher education aged 20+	2,3%	2%
Matric aged 20+	20,8%	10,3%
Female headed households	55,3%	54,9%
Formal dwellings	30,5%	30,3%
Housing owned/paying off	63,4%	59,4%
Flush toilet connected to sewerage	2,8%	6%
Weekly refuse removal	1,7%	3,9%
Piped water inside dwelling	5,6%	2,2%
Electricity for lighting	36,9%	23,7%

Source: Stats SA 2011

- The overall municipal population has decreased between 2001 and 2011 this can be attributed to mainly to migration as it has been revealed that since 1996 to present the death rates have decreased. Most of the existing population are women and this has been the phenomena since 2001 and most of these women are between the ages of 10 and 19, this shows the need for gender and development approaches within the municipality as this group is vulnerable and the indicated dominant age population is even more prone to abuse and neglect.
- The municipal population is dominated by employable or potential labour force group ages between 16 – 65 however many people are classified as not economically active and unemployed this shows that it's either a large number of individuals are reliant on family or friends for survival or on government grants.
- Of the employed people (which are very few) many of them earn a monthly salary between R1 – R400 which shows the levels of poverty that the municipality is experiencing.



- The population of municipality is young, unemployed and highly dependent. Hence the municipality should prioritize youth development initiatives and recreational infrastructure development such as sports field, community halls ect. Skills development and capacity build should be incorporated in planning for the young people in Vulamehlo by creating an environment that will allow for in-service training, internships and even volunteering in-order to be capacitated.
- There are very few inhabitants who have completed matric and obtained a post matric qualification which can also be a major cause for the high unemployment rates.
- The household income shows that many households are surviving with a monthly income of less than R1100, meaning that the municipality's indigent policies should be specific in address such issue but also allow people to grow independently cannot depending highly on government
- Based on the HIV/AIDS pandemic in the municipality being of the main contributors of population decline, hence the municipality has programmes and projects in place to minimize this issue. Local Economic development initiatives can be used throughout all issues facing the municipality, those that include business development and expansion, SMME development, commercialization of farms and expanding to the regional market, one-home-one garden initiatives, one-school-one garden initiatives, corporative development ect.
- Infrastructure development has increased in the municipality where electricity used for lighthouse in 2001 was 23.7% and 36.9% in 2011 and access to piped water was only 2.2% in 2001 and now its 5.6%, one can see improvement but it still slow, this could be a result of undirected prioritization.



3. KPA: Municipal Transformation & Institutional Development Analysis

3.1. Organizational Development

3.1.1 Institutional arrangements

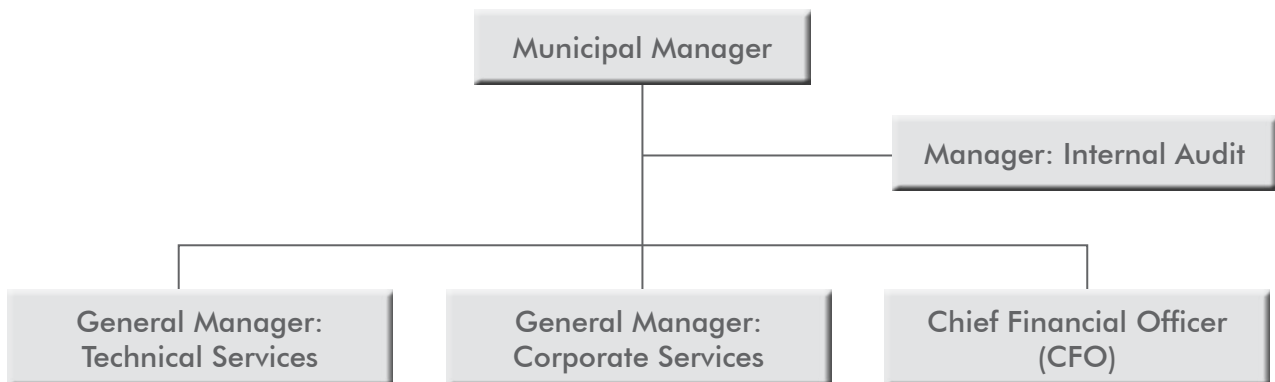
Political arrangements

Vulamehlo Municipality consist of 20 Councillors which form part of the Vulamehlo Council. The Executive Committee (EXCO) in the municipality reports directly to Council. In terms of Section 12 of the Municipal Structures Act of 1998 four portfolio Committees have been established with the reporting line to EXCO. Council nominates chairperson of each portfolio Committee. Each Committee has its own terms reference. Their core function is to look at specific issues that relate to each portfolio committee. The portfolio committees deliberate issues and then make recommendations to EXCO to take decision. The Council and EXCO meet monthly. The four portfolio Committees are the Finance, Budget, and Monitoring Committee (FBM), the LED Committee, the Infrastructure and Planning Committee and the Corporate Services Committee.

Administration

Vulamehlo Municipality has four departments; each department is headed by the General Manger who reports directly to the Municipal Manager. The Municipal Manager reports directly to EXCO via the Mayor who is the chairperson of the executive committee. The Municipal Manager is assisted by the Internal Audit Unit and an independent Performance Audit and Audit Unit in meeting his accountability requirements in terms of the Municipal Finance Management Act and other pieces of legislation.

Figure 8: Administrative Structure



3.1.2 Powers and Functions

In terms of the Municipal Structures Act and the Municipal Demarcation Board the Vulamehlo Municipality is classified as Category B Municipality and falls within the Ugu District Municipality. This act made provision for the division of powers and functions between the District and local municipalities. Vulamehlo Municipality is responsible for a number of functions. The Municipality has entered into a shared service with UMdoni Municipality and Ugu District Municipality in-order to perform some of the functions.



The powers and functions of local government are reflected in the list below. It must be noted that the allocation of powers and functions does not include the adjustments by the MEC following the recommendations of the Municipal Demarcations Board.

Table 13: Powers and Functions

Local Functions		District Functions	Shared services
<ul style="list-style-type: none"> • Building Regulations • Child Care Facilities • Pontoons, Ferries, Jetties, Piers and Harbours • Storm Water Management Systems in Built up Areas • Trading Regulations • Billboards and the Display of Advertisements in Public Places • Cleansing • Control of Public Nuisances • Street Lighting • Traffic and Parking 	<ul style="list-style-type: none"> • Control of Undertakings that Sell Liquor to the Public • Facilities for the Accommodation, Care and Burial of Animals • Fences and Fencing • Licensing of Dogs • Licensing and Control of Undertakings that sell food to the public • Local Amenities • Local Sport Facilities • Municipal Parks and Recreation • Noise Pollution • Pounds • Public Places • Street Trading 	<ul style="list-style-type: none"> • Municipal Health Services • Potable Water • Sanitation • Air Quality Management 	<ul style="list-style-type: none"> • Fire Fighting Services • Local Tourism • Municipal Airports • Municipal Public Transport • Cemeteries, Funeral Parlours and Crematoria • Markets • Municipal Abattoirs • Municipal Roads • Refuse Removal, Refuse Dumps and Solid Waste • Development Planning

3.1.3 Organizational Structure / Organogram (Analysis of Organogram and vacancy rates)

Organizational Structure

The institutional arrangements within the municipality in relation to the IDP process are briefly illustrated in the diagram below. The transformation process commenced in 2001 with the employment of the then two Section 57 Managers in the adopted organogram. Due to salary levels and the municipal grading as regulated by organized local government structures, the municipality faces challenges in retaining staff and this is attributed to the salary packages offered by the municipality as compared to other local municipalities and institutions which often offer more attractive packages. The Municipal Manager is leading the management team of the municipality to carve or consolidate a strategic direction. The organizational structure includes the following Departments:

- Technical Services
- Planning and Development
- Finance
- Corporate Services



Functional Areas of each Department within the Municipality

Corporate Services	<ul style="list-style-type: none"> • Human Resources • Communications • I.T • Administration. • Special Programmes • Public Participation
Finance	<ul style="list-style-type: none"> • Supply Chain management • Budget • Income • Expenditure
Office of the Municipal Manager	<ul style="list-style-type: none"> • Local Economic Development • Town Planning • IDP/PMS • Strategic Planning • Internal Audit
Technical Services	<ul style="list-style-type: none"> • Infrastructure maintenance (Roads and Stormwater) (Building Maintenance) • Project Management Unit(PMU) • Housing

Organogram (Analysis of Organogram and vacancy rates)

The organogram is not adopted but it was reviewed, this is due to the change management, preparing for the 2016 redetermination of municipal boundaries.(

Critical Posts (MM & section 56)

All the critical positions in the municipality are filled. The table following highlights the persons holding the critical positions:

Table 14: Persons Occupying the Municipal Critical Positions

NAME	DEPARTMENT	GENDER
Msizi Zulu	Municipal Manager	Male
Thabani Khwela	Chief Financial Officer (CFO)	Male
Zandile Majola	Corporate Services Manager	Female
Sonwabile Goodman Mkhize	Technical Services Manager	Male

Human Resource Strategy

The Vulamehlo has a revised draft strategy which is to be finalized and approved no later than June 2014. The HR Strategy sets out Vulamehlo Municipality's plan to ensure the recruitment, development and retention of the best quality staff in all departments, in-order to fulfil the municipality's mission and vision and thereby meet its strategic aims and objectives.

In order for Vulamehlo to achieve efficient and functional administrative, the following strategic objectives are provided for in the Council's strategic document: recognizing excellence, skills development and training; improving and adaptable organizational.



Employment Equity Plan

The Municipality understands that this plan is essential as it addresses, or allows for employment of previously disadvantaged and designated groups. Therefore the Municipality is currently developing the plan and aligning it to the Employment Equity Act.

Vulamehlo Municipality's Employment Equity Plan is set to be reviewed to ensure that it is in line with the municipality's employment at present. There is a need to constantly observe and monitor the implementation of the Plan and its integration with the Recruitment and Selection Policy. Vulamehlo Municipality has consciously acknowledged the serious need to address existing gaps on implementation of the Employment Equity Plan.

3.1.5.1 Skills Development and Training

An annual training plan is formulated with the purpose of ensuring that training interventions are in line with the Workplace Skills Plan. An annual training budget is allocated for in-service training interventions and conditional educational grants. The Municipality in turn provides relevant training to its employees in line with their profession. The Municipality has, through the Financial Management Grant (FMG) appointed four budget interns to ensure that the Municipality complies with relevant legislation and legislated reporting requirements.

3.1.5.2 Minimum Competency Levels for Senior Management:

The Municipal Finance Management Act, Sections 83, 107 & 119 prescribe that the Accounting Officer, Senior Managers, the Chief Financial Officer and other financial officials of a municipality must meet the financial management competency levels prescribed by regulation. National Treasury issued regulations on Minimum Competency Levels on the 15 June 2007 the regulation prescribe the minimum competency levels for the following categories of employees:- All section 54/56 managers have received the minimum training (Municipal Finance Management Programme certificate), together with some managers and most finance staff within the municipality.

3.1.5.3 Occupational Health and Safety Plan

In October 2008 the Municipality developed and adopted the Occupational Health and Safety Policy which has been work shopped to municipal employees. The policy is based on the provisions of the Occupational Health and is aimed at ensuring that employee safety controls are in place with the view to guarantee employee health and safety in the work place. An Employee Wellness Programme has been established to strengthen the employer support to employees affected and infected by HIV and Aids and psycho-social and health related problems.

3.1.5.4 Recruitment and Selection Policy and Procedure

The Municipality has formulated and adopted recruitment and selection policy as means of tightening its recruitment strategy. The recruitment and selection policy and its implementation will be aimed at matching the human resources to the strategic and operational needs of the Municipality and ensuring the full utilization and continued development of these employees.



All aspects of the staffing, structuring, recruitment, selection, interviewing and appointment of employees will be non-discriminatory and followed in a fair, objective, consistent and transparent manner thereby reducing the risk of alleged Unfair Labour Practice.

3.1.5.5 Exit & Termination Procedure

The main objective of the Exit and Termination procedure is to facilitate the effective administration associated with all circumstances of termination of employment with the Municipality. The main issues that are covered in the procedure are as follows:

- Resignation, Retrenchment & Dismissal
- Retirement
- Medical Boarding
- Death

3.1.5.6 Workplace Skills Plan

The Municipality prepared the Workplace Skills Plan (WSP) which incorporated the Skills Development Plan for the 2013/14 financial year is still in a draft format it is due for submission on the 30 June 2013. The skills audit and training needs analysis and qualification profile of staff is in the process of being compiled by the municipality prior to the submission of the 2013/14 WSP.

3.2 Municipal Transformation & Organisational Development: SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Portfolio committees are in place and functioning. • All key positions are filled. 	<ul style="list-style-type: none"> • Low Staff Productivity • Insufficient Staff • Maintenance Of Council Infrastructure / Facilities as well as accessibility of the Municipal offices • Insufficient Revenue Streams For Long Term Sustainability • Lack Of Cooperation And Communication Amongst Internal Departments • Poor Network Infrastructure • Lack of Office Space • Favouritism • Inability to meet the equity plan i.e. shortage of disable staff. • Lack of employment equity in the senior staff (1 woman)
OPPORTUNITY	THREATS
<ul style="list-style-type: none"> • Growth of skills of staff, through bursaries- and transfer to the municipality 	<ul style="list-style-type: none"> • Loss of skilled workers – due to location of the municipality • Limited resources • Theft of cables, lack of telephones, internet • Limited space preventing office extension



4. KPA: Basic Service Delivery Analysis

4.1. Water and Sanitation

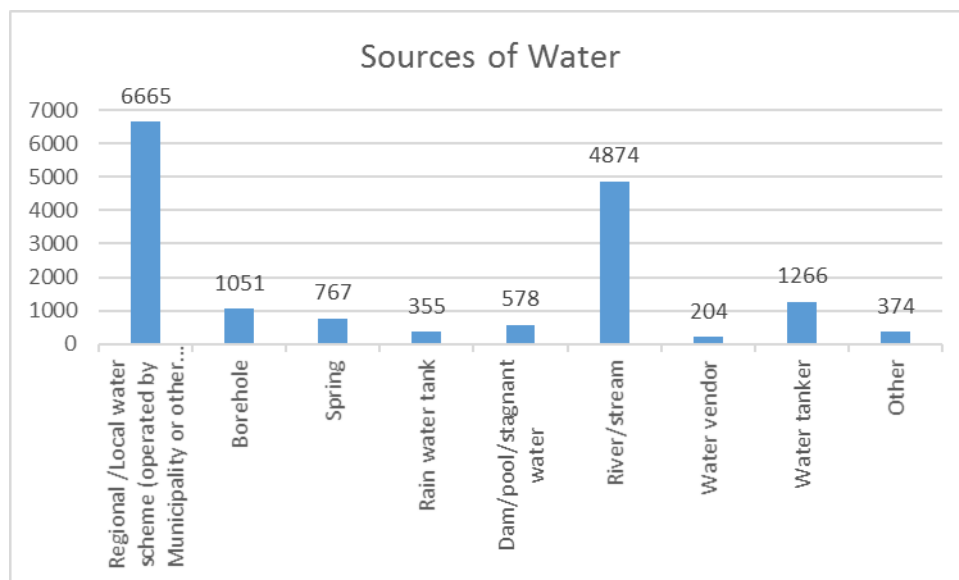
The Ugu District Municipality is the Water Services Authority and the Water Service Provider for the District. They are responsible for the provision of both water and sanitation services within the district.

4.1.1. Water services backlogs

The total number of households in Vulamehlo as per Statistics SA Census 2011 is 16 135. The backlogs analysis in this section is based on that number. According to the Ugu District municipality based on the household size there 10617 households are served and 5518 households are below minimum standards. Figure 8 on the following page shows the levels of access to water for the population of Vulamehlo area of jurisdiction.

From Figure 8 there seems to be a good indication of provision of water from Municipality which is the first source of provision with 6665 (41%), however there are still gaps as rivers/streams a the second highest provider of water within the municipality at 4874 (30%) this indicates that disease are prominent in this Municipality such as diarrahy, cholera etc. noting that the other sources of water only constitute of less than 10% of provision of water within the municipality. This however indicates that there is a lot that needs to be done and prioritization needs to be done in a different approach.

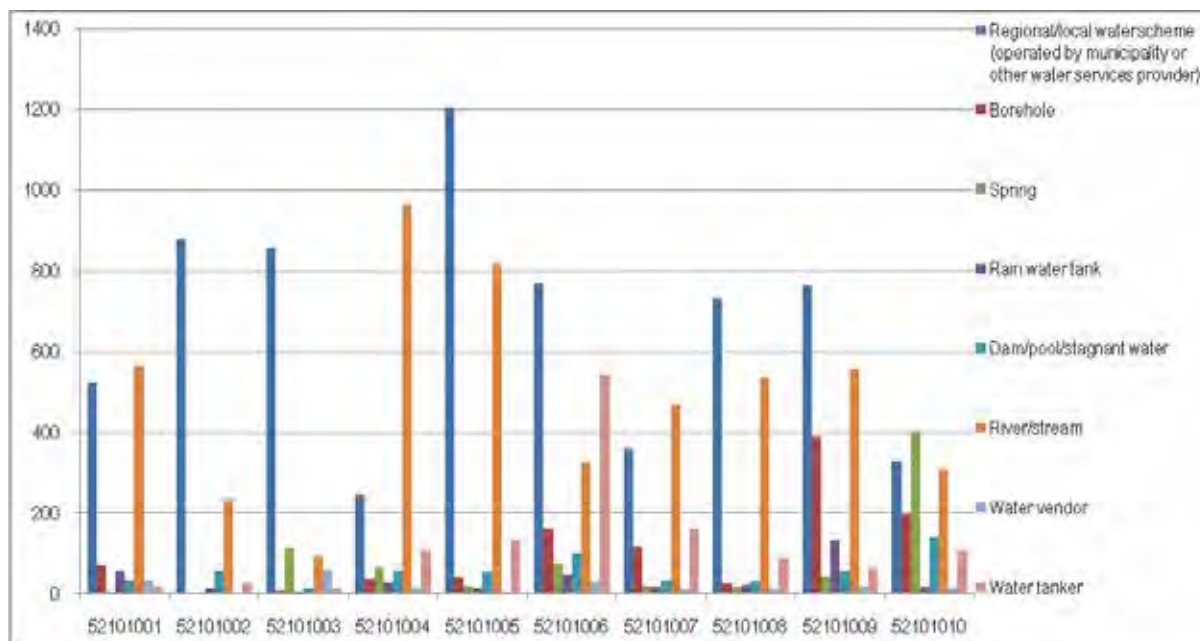
Figure 9: Water Sources in Vulamehlo



Source: Stats SA 2011



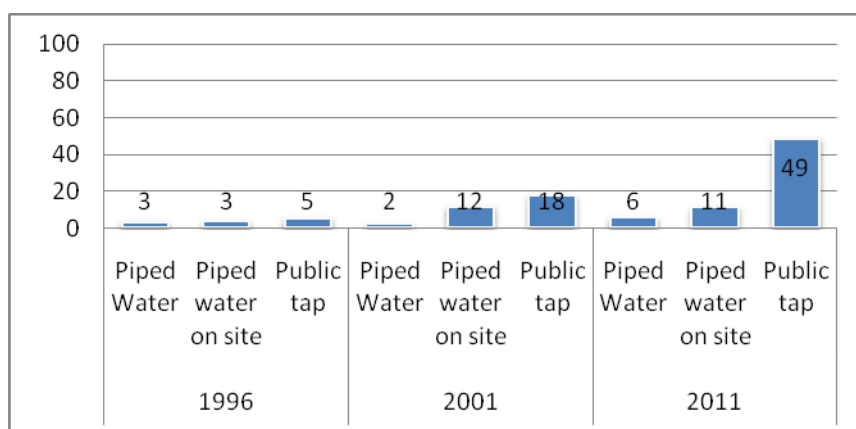
Figure 10: Water Sources at Ward Level



Source: Stats SA 2011

From the above it is clear that Vulamehlo Municipality still has major backlogs in terms of water services. In the year 1996 there was an 89% backlog in terms of access to water services, 68% in 2001 and 34% in 2011. These figures do indicate major improvements however, the major concern is that there are still some people who are using water directly from the river systems which raises health hazards. The figure below shows that in terms of piped water in 2011 only 49% of the households had access to it making the backlog 51%. The municipality is therefore not meeting the millennium development goals as anticipated, however, if new strategies are developed to address backlogs this will assist in achieving all targets.

Figure 11: Water sources from 1996-2011



Source: Statistics SA 2011



The Water Services Development Plan (**WSDP which can also be considered as Water and Sanitation Master Plan**) which was last reviewed in 2011 encompasses amongst others, water, sanitation and infrastructure backlog studies, waste water treatment studies, bulk infrastructure development studies which was completed in 2006. The WSDP is reviewed every year. Additional funding is required to eradicate the water and sanitation backlog etc. from the analyses it is clear that Ugu will not meet the millennium developmental goals of 100% access to water and sanitation by 2014 due to the shortage of funding and resource capacity both human and financial. However, application for additional funding will be made to MIG and loan applications are also being processed through a tender process and applications for additional funding for new staff and training needs.

Ugu has come up with a strategy seeks to integrate the isolated individual water schemes and provide for investment in more reliable water sources that will be more cost effective in addressing backlogs, meeting the demand due to urban development growth, and mitigating the effect of drought.

The construction of the South Coast pipeline has been completed up to Scottburgh. The northern part of the district is the most drought prone area and the water transfer project from Inanda Dam into the Ugu District is an innovative intervention implemented in partnership with Umgeni Water and eThekweni Municipality (R200million investment). The strategy also seeks to see the construction of three dams, the Weza, Mhlabashane and Cwabeneni storage dams. Upgrading of the existing water schemes towards this goal are underway for the Umtamvuna water scheme and augmentation of UMzimkhulu Scheme (incorporating Bhobhoyi water works). Respectively R66m and R250m will be invested in these projects.

4.1.2. Sanitation

As already mentioned above Ugu District has a strategy to ensure that every household has access to decent sanitation especially in the rural areas. According to the Ugu WSDP the total number of serviced households is 13241 and 2894 HH are below minimum standards with a 20% backlog. Below is a table depict the current status in Vulamehlo.

Table 15: Sanitation per ward

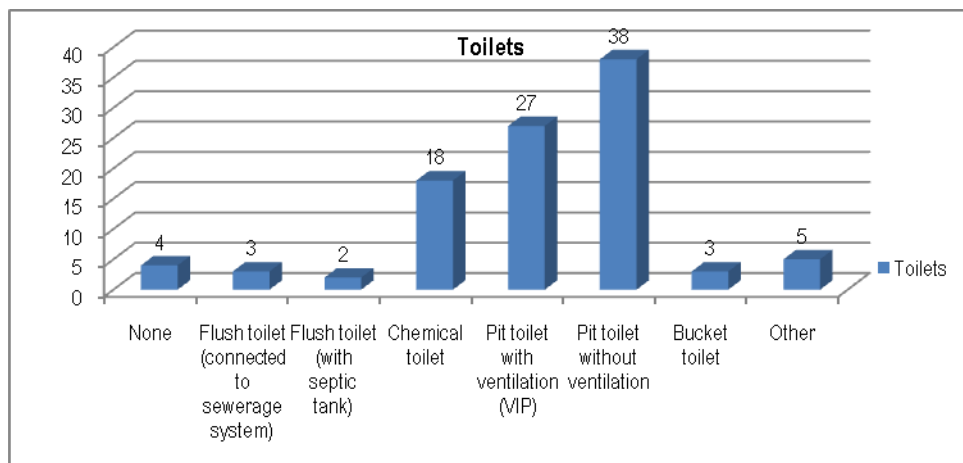
	Vulamehlo	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Ward 10
None	695	8	128	23	148	187	18	26	18	50	88
Flush toilet (connected to sewerage system)	444	28	38	56	4	9	62	44	8	80	116
Flush toilet (with septic tank)	325	30	12	28	18	28	36	19	12	107	36
Chemical toilet	2857	708	521	179	375	28	29	95	271	531	120
Pit toilet with ventilation (VIP)	4421	263	16	104	335	1102	735	304	426	746	391
Pit toilet without ventilation	6154	284	439	588	557	869	1193	600	615	410	599
Bucket toilet	523	4	4	-	94	12	5	128	101	65	110
Other	716	2	145	234	47	83	-	19	17	89	80
Total	16135	1326	1305	1211	1579	2319	2077	1234	1467	2078	1539

Source: Stats SA 2011



The figure below shows that the households that has no toilets or uses the bucket system in Vulamehlo makes up only 7%. However, when looking at decent access to sanitation the 38% of pit toilet without ventilations may be a cause for concern and may add to the backlog in the area.

Figure 12: Type of sanitation facilities



Source: Statistics SA 2011

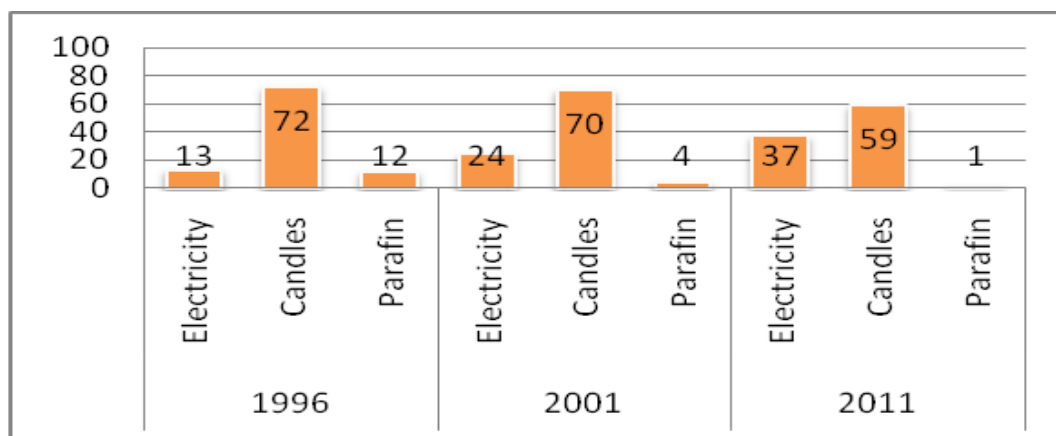
4.1.3 Electricity

The current electricity backlog as per stats supplied by Eskom for Vulamehlo is 63%, which is the highest backlog in the Ugu District Family.

The municipality is divided into three streams for the purpose of providing electricity namely; Kenterton, Dududu and Umbumbulu. The Kenterton stream is served by ESKOM – PMB – Umkondeni, Dududu stream is under ESKOM – Shelly Beach and Umbumbulu under eThekweni. With regards to ESKOM areas, the municipality is experiencing capacity constraints and a lot of illegal connections (izinyoka).

Backlogs are attributed to lack of bulk infrastructure. Department of Energy (DoE) is responsible for the funding all prepaid electrification which is mainly in Eskom rural areas of supply. Therefore Eskom as the delivery agent of DoE and is responsible for the electricity delivery based on the annual MTEF allocations through the gazetting processes.

Figure 13: Sources of Energy in Vulamehlo



Source: Stats SA 2011



The above graph indicates figure over 3 year cycles of census conducted. In 1996 the municipality mainly used candles (72%) as a form of lighting with electricity sitting at 13% and paraffin at 12%. However, in 2001 there was slight improvement where candles accounted for 70% and electricity increasing to 24% and paraffin decreasing to 4%. Then in 2011 greater improvements occurred where electricity accounted at 34%, candles and great decline of 59% and paraffin at just 1%. This indicates growth and development in the lives of local people, greater interventions are still needed and yes this might mean the non-achievement of the millennium development goals.

Table 16: Sources of light per ward

	Vulamehlo	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Ward 10
None	222	12	12	6	23	40	12	31	18	45	23
Electricity	5951	730	844	798	422	117	1364	239	203	640	595
Gas	119	7	4	1	17	24	4	19	8	24	10
Paraffin	237	2	11	8	28	73	10	24	23	40	19
Candles (not a valid option)	9546	568	421	396	1085	2054	679	918	1214	1324	886
Solar	59	7	13	2	4	11	8	2	2	5	5
Total	16135	1326	1305	1211	1579	2319	2077	1234	1467	2078	1539

Source: Stats SA

Table 17: Sources of Energy for Lighting, Heating and Cooking in Vulamehlo

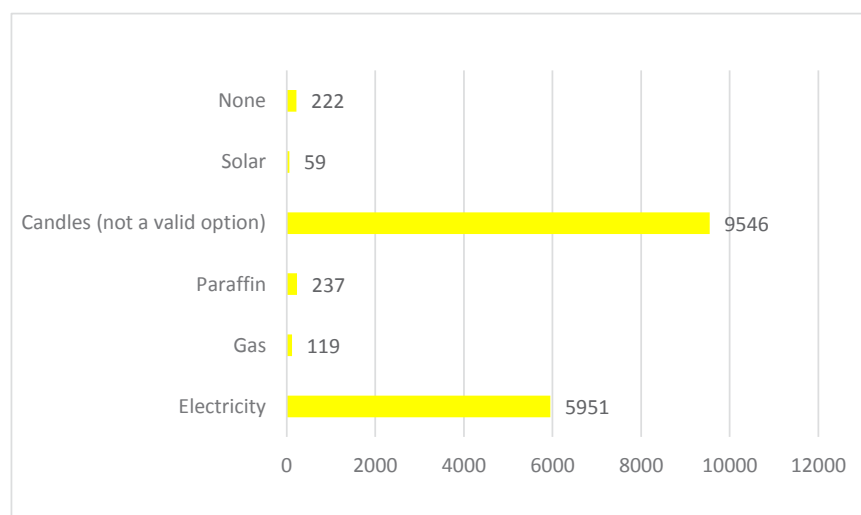
Source	Energy for Lighting	Energy for Heating	Energy for Cooking
Electricity	5951	3104	4051
Gas	119	317	749
Paraffin	237	395	1057
Candles	9546	-	-
Wood	-	9394	10106
Coal	-	555	68
Animal dung	-	20	16
Solar	59	22	15
Other	-	2	13
None	222	2326	61

Source: Stats SA 2011

The above table indicates that in Vulamehlo more people are using Candles as a source of energy for lighting, whilst more people (9394) use wood as a source of energy for heating and highly more people (10106) use wood as a source for cooking, this indicates that sector alignment and facilitation of service provision needs greater attention and interventions in place.

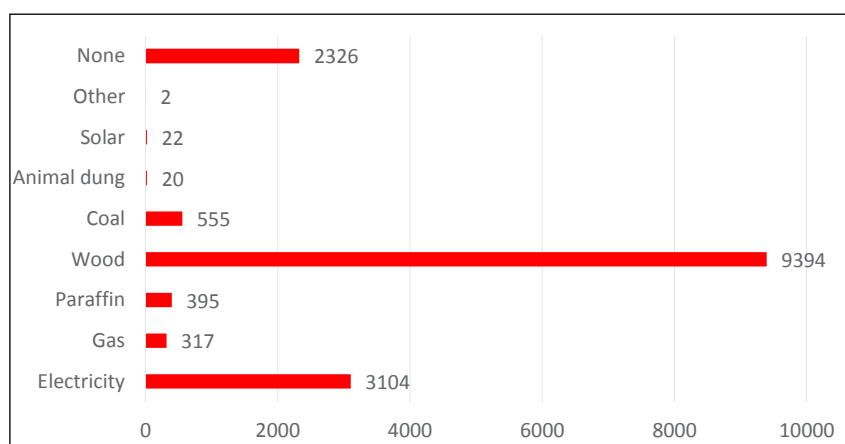


Figure 14: Energy or Fuel for Lighting



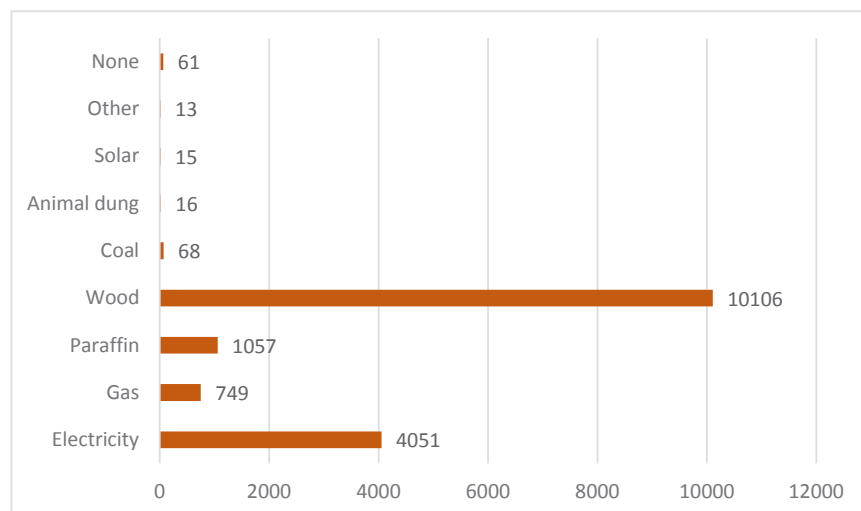
Source: Stats SA 2011

Figure 15: Energy or Fuel for Heating



Source: Stats SA 2011

Figure 16: Energy or Fuel for Cooking



Source: Stats SA 2011



4.1.4 Key interventions to address electricity backlogs

The baseline information underpinning this section comes from the UGu ESDP and presentations done by ESKOM during the IDPRF at district and LM levels. There is however a concern raised in the UGu IDP that ESKOM's roll out plan does not always take into account the Ugu ESDP. The statistics show that within the Ugu DM, the Vulamehlo Municipality has electrified 5951 households, with 10184 household's electrified making on 37% electrified and give Vulamehlo the highest backlog of 63%.

Moreover, the problem is far from being solved given that no new connections are being done within Vulamehlo as the existing infrastructure does not have spare capacity to accommodate further developments or new connections. The table below speaks for itself:

Table 18: Electricity backlogs

Total no of h/h	Total no of h/h electrified	No of h/h not electrified	Total no of schools	No of schoolsied	No of schools
16135	5951	10 184	78	41	37

Table 19: The table below indicates projects identified by Eskom.

Local Munic	Project Name	Ward No	Est Conns	Network	Status	Dependency
Vulamehlo	Mysieland	10	65	School Road NB109	Constrained	Ngwadini 132 22 11kV SS Establishment
Vulamehlo	eTshenkombo	7	881	Dududu NB144	Slightly Constrained	Ngwadini Substation 132/22kV 2x20MVA substation
Vulamehlo	Mtoli	5	1099	School Road NB109	Constrained	Ngwadini 132 22 11kV SS Establishment
Vulamehlo	Mahlathini	10	668	School Road NB109	Constrained	Ngwadini 132 22 11kV SS Establishment
Vulamehlo	Madudubala	3	965	School Road NB109	Constrained	
Vulamehlo	Mqangqala	8	822	School Road NB109	Constrained	Ngwadini 132 22 11kV SS Establishment
Vulamehlo	Odidini (KwaJohnny)	8	568	School Road NB109	Constrained	Ngwadini 132 22 11kV SS Establishment
Vulamehlo	Mayfield & Mbungulu	9	355	School Road NB109	Constrained	Ngwadini 132 22 11kV SS Establishment
Total			5423			

Source: Eskom 2014

Table 20: The table identifies the infill projects in Vulamehlo.

Local Munic	Project Name	Ward No	Est Conns	Network	Status
Vulamehlo	Mistake Farm S1	48	07 & 10	Temple Road NB101	Not Constrained
Vulamehlo	Umfume S1	30	3	Umgababa NB44	Not Constrained
Total		78			



4.1.5 Free basic electricity

The municipality has made budget allocation available to cater for this need in-order to assist the indigent people within the municipality.

4.2 Human Settlements

The municipality has developed a housing development plan (HDP). In terms of the HDP, there is a backlog of **15586 housing units** to be built within the next five years. There are three existing housing projects, namely, Dududu, Isimahla and Mdumezulu.

The housing plan is therefore a critical component of the IDP and must be reviewed annually together with the IDP. The overall objective of the housing sector plan is to assist the municipality to provide housing to all communities within its area of jurisdiction.

Through the process of housing provision, the municipality also seeks to create employment opportunities and to link the process with other LED initiatives. The housing plan is based on projected Vulamehlo population. Currently there are **3 000 houses** that are complete, which then reduced the backlog to **12 586 housing units**.

In determining housing needs, current and completed housing projects were also taken into account. Ward by ward housing needs projections is based on an average of six people per household divided by the total population to give the total number of households. The housing projects that have been identified in the housing sector plan including cost estimates are set out in the annexed Capital Investment Framework.

Table 21: Current Projects (Construction)

Municipality	Project Name	No. of Units	Budget
Vulamehlo	Vulindlela Rural	1000	R 76 045 660.00
Vulamehlo	Vulamehlo Wards 5 and 7	2000	R4 884 700.00
Vulamehlo	Vulamehlo Ward 8 & 9 Rural	1500	R100 345 156.00
Vulamehlo	Thoyane Rural Housing Project	1500	R4 229 385.00

Table 22: Future Projects (Conditional Approval)

Municipality	Project Name	No. of Units	Budget
Vulamehlo	Dududu Ward 6 Phase 2	1500	R4 252 665.00
	Mjundwini/Dlangezwa	1500	R4 252 665.00
	Smahla Phase 2	1500	R4 252 665.00
	Vulindlela Phase 2	1500	R4 252 665.00
	Vulamehlo Ward 8 & 9 Phase 2	1500	R4 252 665.00



4.2.1 Refuse removal

Vulamehlo has never provided this service previously. However, in 2013 the municipality (mainly planning office) prepared a business plan to source funding from the Department of Environmental Affairs. The Department awarded the municipality an estimate R8.6million where an implementing agent has appointed to assist the municipality to execute and implement the project.

The municipality is proposing to establish a decentralised solid waste management (SWM) scheme within five Wards which are identified for producing a significant volume of waste, namely Ward 1, 6, 8, 3 and 10. The waste management scheme is intended at providing services to these un-serviced areas first and then extends the service to the other areas in the future. The waste service will include collection, sorting, transportation, recycling, and disposal of waste. As mentioned in the Ugu IWMP (2011) the Vulamehlo Municipality does not have any landfill site in their areas of jurisdiction. The IWMP has recommended that the location of centralised disposal facilities/transfer stations in un-serviced areas were to be determined based on the most populated areas and distance to existing landfills. Waste from these areas will then be transferred to the existing or neighbouring landfill sites closest to the municipality. The project is already underway, in its planning phase is expected to be carried out between 2014 to 2016. This project will be in line with the municipals EPWP Policy since it will be labour intensive. This will thereby improve the local environment and offering continuous employment to individuals from socially and economically disadvantaged groups.

4.4 Municipal Roads and Transportation

Generally, the Municipality has a poor road network system and this problem has been identified during the recent SDF review. This situation is as a result of the broken topography that characterise the municipal landscape as well as the dispersed settlement patterns. The current situation has had a negative impact in terms of stagnating economic development and delivery of basic services.

As an interim measure to address the persisting problem the municipality identified rural roads upgrade as one of the key priorities to be addressed under the Project Consolidate programme. To this end, the municipality obtained funding to acquire a Tractor Loader Backhoe (TLB) to upgrade access roads.

The table on the following page shows the transportation backlog:



Table 23: Transportation backlog

Transportation		
Ward	HH Within 1km of Road	Households
1	897	1081
2	713	1146
3	790	1039
4	973	1296
5	1251	1527
6	1676	2033
7	1374	1501
8	886	1389
9	1446	1862
10	1037	1591
Total		

Source: Ugu District Municipality

4.4.2. Infrastructure development plan

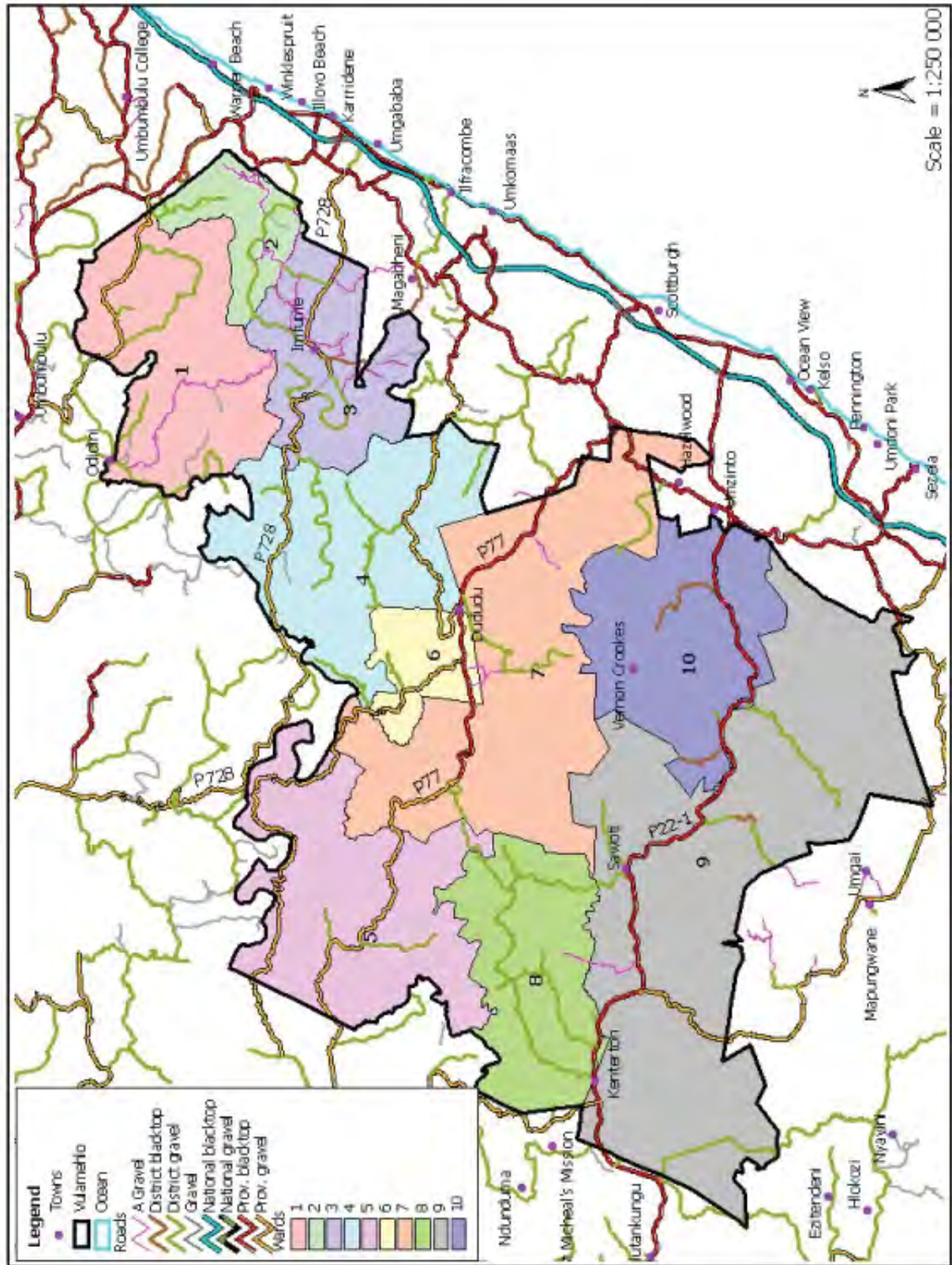
The municipality has compiled an Infrastructure Development Plan, but this plan needs to be reviewed. The guiding principles and approaches are derived from the PGDS and PSEDs. Therefore the focal areas for infrastructure investment are the nodes and corridors as set out in the SDF.

The Infrastructure Development Plan identifies two levels of development corridors in Vulamehlo as follows::

- At primary level P22-1 being a link between Umzinto and Highflats
P77 through Dududu to Mkhunya
Link between Dududu and Imfume
P 728 linking Imfume and the EThekwini Unicity surrounding areas
- At a secondary level Link between P77 and Kenterton
Link between Imfume and Odidini



Map 17: Vulamehlo Road Network Map (Source: Vulamehlo ADP Status Quo Report)





It further identifies Development Node pointing out that Dududu is the only primary development node, at a secondary level, Kenterton and Imfume

Based on the importance of the areas highlighted above, it was proposed in the Infrastructure Investment Plan that the scope of the work is limited to the areas of Dududu, Imfume, and Kenterton, because of the fact that until access and road networks have been improved it, Vulamehlo will, therefore, develop in these three functional areas.

4.5 Information Communication Technology (ICT)

ICT is a critical tool for growth and development in the modern, fast changing global economy. Not only is ICT important for general businesses and development of a competitive local economy, but it also offers specific business opportunities for local economies. Large, dedicated ICT businesses include Telkom, Vodacom, MTN, Mecer, and many more make a big contribution to the SA economy and employ large number of persons. However, ICT is the sector in the modern economy that offers the greatest potential for SMME development and employment creation. ICT can also make a significant contribution to poverty reduction and eradication in poor and marginalised communities by increasing access to information, as well as supporting SMME development in other sectors through reduced transaction costs. The development of the ICT sector and relevant infrastructure is a key national and provincial strategy to unlock the inherent business development potential in the sector, improve competitiveness of the economy and assist in poverty eradication.

Furthermore, improving the ICT infrastructure will greatly improve the business and investment climate, as there is very limited ICT infrastructure currently available. Thinta Thinta has an under-serviced area license (USAL) to provide telecommunication services, but is struggling to roll-out services due to limited funding and human resource capacity. The importance of ICT in developing the local economy necessitates it to receive more attention in the local and district municipalities' IDPs. The following is the statistics pertaining communication:

Communication					
Ward	None	GSM/Voice	GSM/Edge	GSM/3G	Grand Total
1	79	531	427	44	1081
2		358	260	528	1146
3	4	528	337	170	1039
4	1	1154	48	93	1296
5	10	1368	98	51	1527
6	3	1541	489		2033
7		1449	52		1501
8		1165	217	7	1389
9		530	1332		1862
10		1279	239	73	1591

Source: UGU District Municipality



Updated table not provided (see page 90 of Word document)

4.6 Community facilities

4.6.1 Cemeteries and crematoria

At this stage the municipality does not have a cemetery site or crematoria. The current burial practice is to bury the dead within their homesteads or yards. The municipality is currently doing a cemeteries feasibility study with a view to identifying potential window areas and other burial options. However, the challenges that have been highlighted are as follows:

- People's unwillingness to consider modern burial practices due to cultural beliefs;
- Difficulties around securing suitable cemetery sites due to topography;
- Unwillingness on the part of Traditional Institution to release land for burial purposes;

At a technical level the sites have been identified and all the stakeholders are being consulted to solicit their inputs and to secure their buy-in.

4.6.2 Public libraries

The Department of Art and Culture has made an allocation of R21.5million for the construction of Public Library in Vulamehlo Municipality as the need for libraries has been identified in the previous IDPs. This is particularly so because skills development in an area such as Vulamehlo with limited potential and economic opportunities, is one of the key interventions in terms of changing the plight of the people. The library is already in construction phase and is said to be completed in

4.6.3 Health Facilities

The Department of Health has made an input into the IDP by submitting to the municipality a sector plan which identifies existing facilities and highlights future needs. In terms of this plan there is no hospital within the municipality and the only referral district hospital is the GJ Crookes Hospital. There are 26 mobile points four existing fixed clinics, two of which operate 7 days a week and with the other two only in operation for 5 days a week. The department is intent on having all four clinics to be operational 24 hours a day and seven days a week. Nevertheless there are challenges ranging from crime to budgetary constraints.

Early Childhood Development

There are 25 crèches that are funded by the Department of Social Welfare within the boundaries of Vulamehlo Municipality. These crecheres are monitored by the department and are funded based on the number of children that attend per month.

4.6.4 Community Halls and Thusong Centre

The Dududu Thusong Service Centre (formerly known as Multi-Purpose Community Centre – MPCC) is the programme of government that was initiated in 1999 and in Vulamehlo Municipality was established on 2002. The centre is the primary vehicle for the implementation of development communication and information and to integrate government services into primarily rural communities.

It helps people who could not reach government in the past. Getting services and information from government was difficult because of the frustration of being sent from place to place and office to office without getting any help.



Government's vision for Thusong Service Centres is to provide every South African citizen with access to information and services within their place of residence and in each local municipality. The vision "To better the quality of life for every South African citizen through integrated service delivery."

The Dududu Thusong Service Centre is currently fully functional with the below government services offered from Monday to Friday, 08h00 – 16h30. The Dududu Thusong centre exists within the municipal offices, and the Thusong centre is a multi-stakeholder partnership.

4.6.5 Local Sports Facilities

The municipality is continually trying to identify, implement and /or introduce new sporting codes with a view to exposing its residents to new opportunities and possibilities. The challenges are around ensuring a balance between the provision of supporting infrastructure for traditional and modern sporting codes. The maintenance of the existing facilities is also another challenge which needs to be overcome. **The municipality across all wards has made or is yet to make provision for the construction sports fields.**

Facilities per ward in Vulamehlo local municipality

Throughout the years Vulamehlo Municipality has constructed various facilities to cater for the needs of the community. Below is a list of these facilities within the municipality in different wards.

Ward 1

Odidi Community Hall
Mdumezulu Sports Field
Mdumezulu Skills Centre

Ward 2

Mdengwa Community Hall
Inkwali Community Hall

Ward 3

Mfume Community Hall
Mdumebala Sports Field

Ward 4

Chobeni MPCC
Chobeni Community Hall
Isulethu Creche
Ndaya Market Stalls
Embo Skills Centre
Thenjane Community Hall
KwaQiko Rock Camp Site

Ward 5

Mzililo Community Hall
Mkhunya Taxi Rank
Mqiniseni Community Hall
Bhudubhudu Community Hall
Mtshingwana Community Hall
Entshaseni Sports Complex

Ward 6

Swelihle Creche
Nkampula Market Stalls
Mjunundu Community Hall

Ward 7

Khakhama Community Hall
Khakhama Creche
Hewula Creche
Mbungulu Chreche
Ovumaneni Sport Complex
Mahlabathini Community Hal
Ophondweni Sewing Centre

Ward 8

Qwembe Creche
Emandleni Community Hall
Zama Sewing Centre
Kenterton Hall
Kenterton Market Stalls
Two Stick Community Hall
Kenterton Sports Field

Ward 9

Dumisa Community Hall
Mbulula Sports Field
Mayfield Creche

Ward 10

Mistake Farm Community Hall
Mistake Farm Sports Field
Mahlabathini MPCC

Public Transport Issues

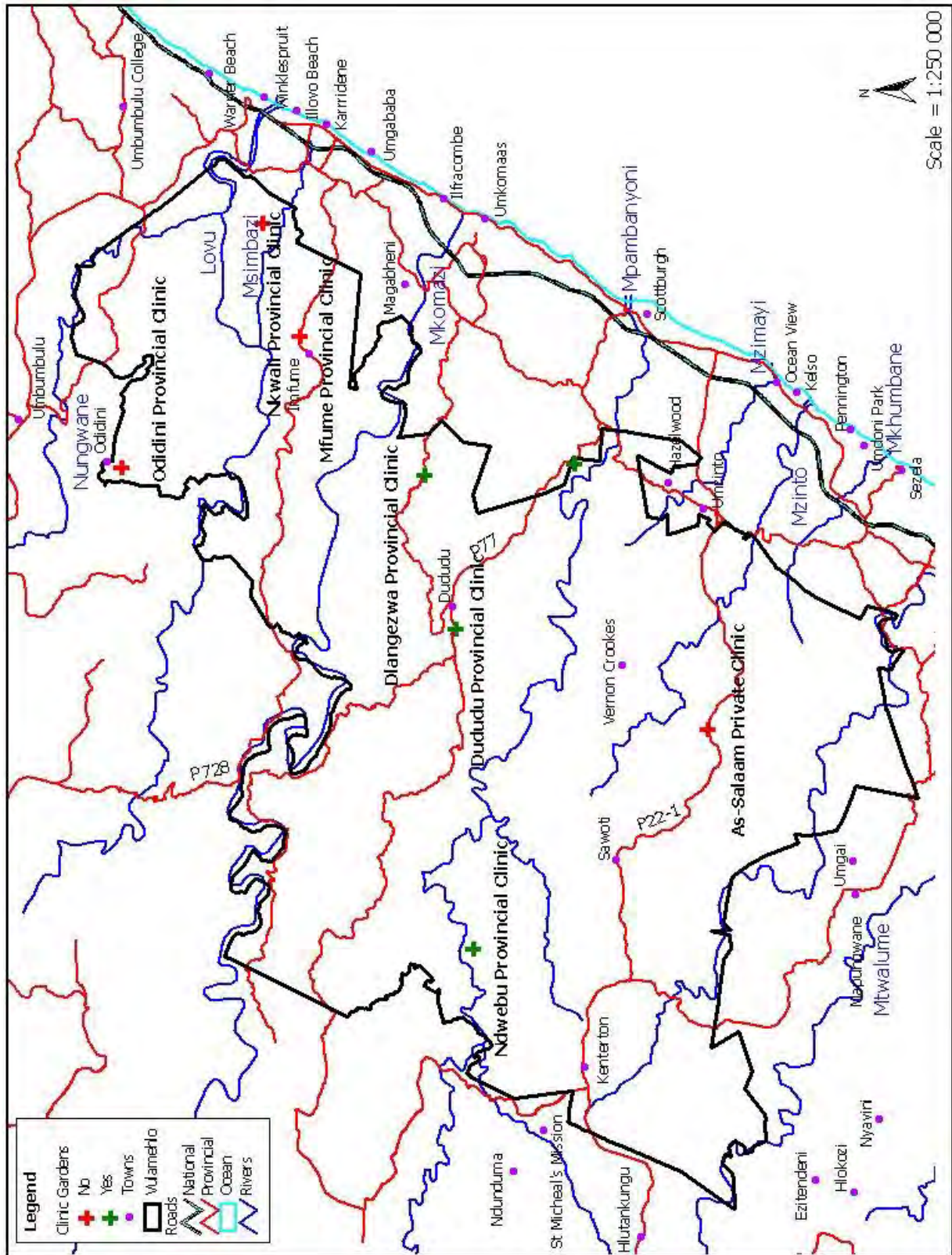
The district municipality has developed a public transport plan. This plan essentially seeks to guide the municipality in terms of public sector transport needs. In the case of Vulamehlo, the municipality does not have formalized taxi ranks, hence a need for new and the upgrading of existing (informal areas of use) taxi ranks has been identified.



5.6 Infrastructure And Service Delivery SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">• Land availability where projects can be utilised for service delivery• Community participation (IDP, budget, road shows)• Prioritisation of projects• Infrastructure(staff in place)	<ul style="list-style-type: none">• Maintenance of existing infrastructure• Lack of spending of grant• Inadequate implementation programmes• Limited funding• Lack of credible reporting (progress of grants)• Proper monitoring of projects• High staff turnover• Land Use Management (Municipality does not have proper resources in place to manage this)
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">• Securing funding to fast track service delivery• Use of natural resources within the municipality to produce hydropower• Procurement of municipal water tankers to supplement the District• Development of tourist attraction centres for job creation and revenue generation• Improvement of existing road infrastructure for easy access for the community• Attract and develop skilled personal to ensure proper service delivery• Community consultation	<ul style="list-style-type: none">• Dispersed settlement patterns and steep topography• Disaster prone (lightning and storms)• Migration• Drought, veld fires• Lack of continuity (term of office of councillors)• High community expectations (community protest)• Land use management (no municipal owned land)

Map 18: Private and public clinics (Source: Vulamehlo ADP Status Quo Report)





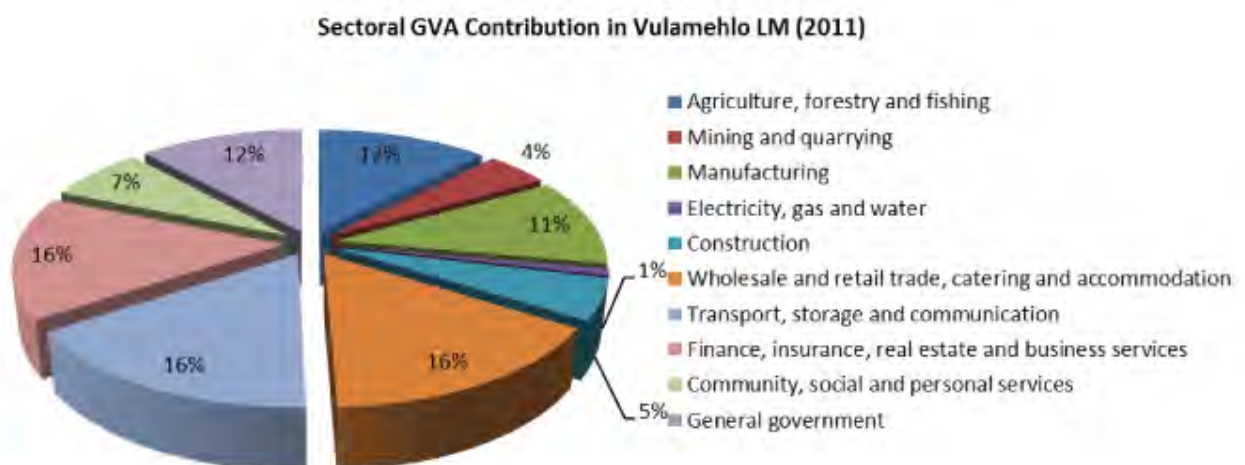
5. LOCAL ECONOMIC & SOCIAL DEVELOPMENT ANALYSIS

5.1 Local Economic Development Analysis

Gross Value Added

The Graph below indicates that in 2011 the economy of Vulamehlo LM was largely driven by the transport, storage and communication sector, which contributes approximately 16.1% of total GVA. This equates to almost R111 million of the total R739 million GVA generated. This is higher than both the district and provincial GVA contribution of approximately 11.1% and 12.3% of total GVA respectively. Between 2001 and 2011 this sector experienced the second highest real growth rate of all sectors within the municipality at 6.5%. The finance, insurance, real estate and business sector contributes to 15.6% of the total GVA followed closely by the transport, storage and communication sector at 15.5%.

Figure 17: Sectoral GVA Contribution in Vulamehlo LM (2011)



Source: LED Strategy 2011

The Agriculture, forestry and fishing sector contributes to 12.3% of the total GVA in Vulamehlo LM which equates to R91 million of the total GVA generated. This is higher than both the district and provincial GVA contribution of approximately 8.3% and 4.5% of total GVA respectively. However there has been a decline in the real growth rate of this sector which was -7.3% between 2001 and 2010. The government sector contributes to 11.8% of the total GVA but has experienced a slight decline in its real growth rate between 2001 and 2011 at -1.1%.

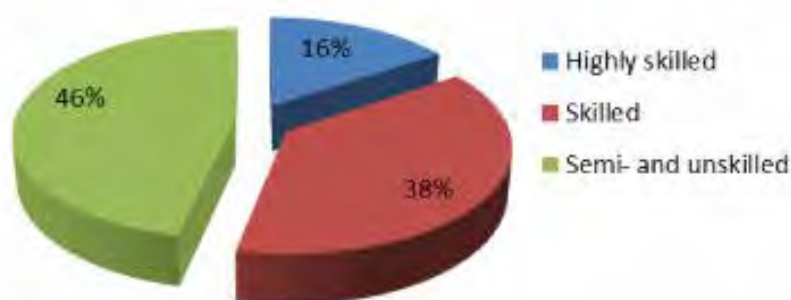
Other key sectors in terms of GVA contribution are the manufacturing sector, community, social and personal services sector, the construction sector, mining and quarrying sector and the electricity, gas and water sector. GVA generated through the manufacturing sector approximately R87 billion, which contributes 11.1% to total GVA. This sector has experienced a slightly negative average annual real growth of -0.4% per annum. Just over 12% of GVA can be attributed to community and social services (7.0%) and construction (5.2%), which collectively generates R90 million worth of GVA to the Vulamehlo LM economy. Although the mining and quarrying sector contributes to only 4.5% of the total GVA, it has



experienced the largest average real growth rate between 2001 and 2011 at 10.6%. The Electricity, gas and water sector contributes the least to the total GVA at 0.9% (R1 million).

The table below indicates the skill levels of the formally employed in Vulamehlo LM in 2011. Majority of the employed population (46%) have little to no skills. 38% of the employed population are skilled and a minimal 16% are highly skilled. Highly skilled workers earn more than workers and with little to no skills. Job prospects are also limited for low skilled workers. Therefore it is critical for Vulamehlo LM to address skills shortages within the municipality.

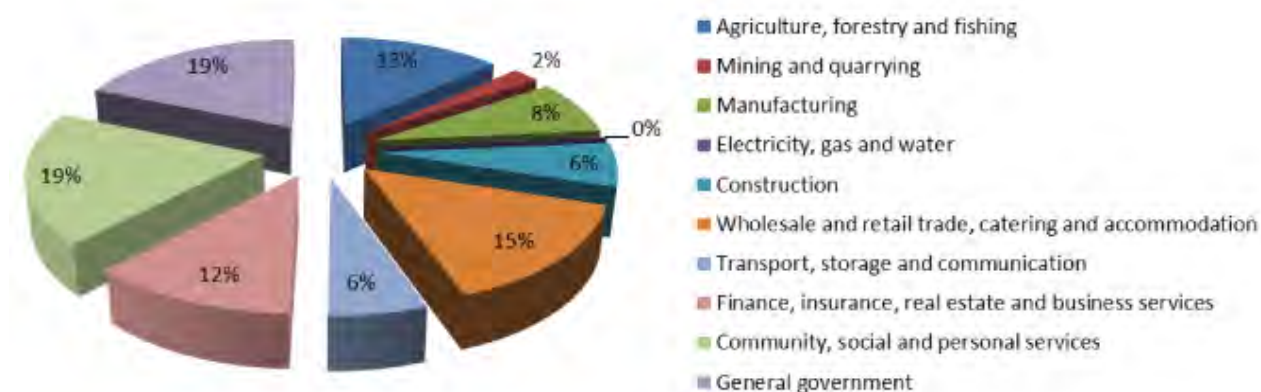
Figure 18: Formal Employment by Skill in Vulamehlo LM (2011)



Source: LED Strategy 2011

The graph below indicates formal employment per industry in Vulamehlo LM in 2011. Majority of the formally employed population (19%) are employed in the community, social and personal services sector. This is closely followed by the general government sector (19%). The Wholesale and retail trade, catering and accommodation sector and the agriculture, forestry and fishing sector employ 15% and 13% of the formally employed population respectively. This is followed by the finance sector (12%), the manufacturing sector (8%) and the transport, storage and communication sector (6%). The construction sector employs 6% of the employed population. The mining and quarrying sector and the electricity, gas and water sector employ 2% and 0% of the formally employed.

Figure 19: Formal Employment per Industry in Vulamehlo LM (2011)



Source: LED Strategy 2011



5.1.1 Municipal Competitive and Comparative Advantages

LED practice requires municipalities to be conscious of their locational factors. The Vulamehlo Municipality has got a number of advantages that need to be uplifted and capitalised on such as the following:

- It is well known that over the past few years, development along the KZN coastline has been concentrated in the eThekweni municipality and the northern parts. The Vulamehlo Municipality has all the advantages of being close to a big city, harbour and airport, without the disadvantages of the big city e.g. traffic, and can offer tranquillity, while still being in close reach to economic opportunity
- The Vulamehlo Municipality forms part of the municipalities located along the north – south development corridor. This corridor is renowned for its rich natural resources and the well-established tourism infrastructure on the coastal strip. This corridor carries a lot of energy in the form of commuters moving between Durban and Port Shepstone. It also acts as a gateway to the Eastern Cape Province.
- Vulamehlo is in some respects blessed with access to markets. Markets for sugar cane and timber are well established. Due to its location Vulamehlo has the possibility to link with a wide range of markets for fresh produce, including both the UGu and eThekweni Fresh Produce Markets. In terms of fresh produce issues of quality, quantity and consistency of supply will have to be addressed. Numerous market opportunities for niche and other products could also be explored. Local beneficiation can also add another dimension to the potential contribution of the agricultural sector to the economy of the area.
- The land assessment potential has also confirmed that the land potential for the further development of the agricultural sector exists. Key to unlocking this potential would be to provide emerging farmers with access to land, access to water and access to technical and financial support.
- Moreover as the demand for agricultural land increases in eThekweni, Vulamehlo can position itself to close that gap. The geographic location of the municipality is such that it is possible for it to provide warehouse services and space for expansion to the neighbouring thriving eThekweni municipality
- There is also a strong contingent of subsistence and emerging farmers that can impact on future agricultural development in the area. There is already a high level of co-ordination and participation in the sector at all levels i.e. corporate, commercial, emerging, and subsistence sectors.
- The co-operative initiative in the province has also been heralded as a huge potential engine of rural growth and Vulamehlo also stands to benefit from this initiative should it get off the ground.

A detailed analysis is also required to establish as to whether the relatively close access to the Dube Trade Port can benefit Vulamehlo.



5.1.2 Main Economic Contributors

The Primary sector is made of the agriculture, forestry and fishing sector and the mining and quarrying sector. The table indicates Vulamehlo LM sector contribution to Ugu District GVA respective agriculture and mining sectors. Overall Vulamehlo's primary sector's contribution the District's primary sector has decreased from 9.4% 2006 to 7.3% in 2011. This decrease has been largely due to a decline in the agriculture sector, which has decreased from 8.8% in 2006 to 5.8% in 2011. This is largely due to a decrease in the production of sugar cane and forestry within this region. The reverse is true for the mining and quarrying sector, where Vulamehlo contribution to this sector in UGU has increased from 18.4% in 2006 to 24.3%. This is possibly due to sand winning activities within the Municipality. The decline in the agriculture industry has been accompanied by a decline in the employment of people in the agriculture sector.

Table 24: Vulamehlo LM Sector Contribution to UGU DM (2006-2011)

	2006	2007	2008	2009	2010	2011
Primary Sector	9.4%	8.7%	8.0%	6.7%	7.4%	7.3%
Agriculture, forestry and fishing	8.8%	8.0%	7.0%	5.6%	6.1%	5.8%
Mining and quarrying	18.4%	20.9%	22.5%	23.5%	23.4%	24.3%

5.1.2.1 Commercial agriculture

The commercial agriculture sector in Vulamehlo LM is largely characterised by sugar cane and forestry production. Commercial dry land agricultural activities are situated primarily in the south western and central portions of Vulamehlo. Most of the forestry production in Ugu District happens within the Vulamehlo LM. There are small-scale sugar cane farms that have clustered around the Dududu, Kenterton and Mfume areas. There is room for expansion for areas designated for forestry into the areas under traditional ownership which creates opportunities for small scale agriculture production opportunities.

However recent trends, both at district and local levels, have indicated that there been a decline in the production of sugar cane and forestry. Given that the sugar cane and forestry is the two main commercial crops grown in the area, the impact of the decline in production in these two sectors further negatively impacts on the growth and development of the agriculture sector within municipality. This indicates that there is a need for interventions that will facilitate diversification of crop production.

In addition to a decline in the production of sugar and forestry, none of the agriculture produced within the municipality is processed within its jurisdiction and the sugarcane and forestry produce are transported to areas outside the municipality such as UMzimkhulu and Sezela. Despite Vulamehlo having large tracts of undeveloped land, a significant proportion of its land is characterised by its steep (which includes land that is steeper than 1:3) fragmented terrain which restricts the development of agri-processing plants within the area. This, together with its lack of services such as water and electricity, further inhibits the development of agri-processing plants. This also hinders the growth and development within this sector and the economy as a whole. Alternative agri-processing techniques need to be employed within the agriculture sector to enhance the value of the product that leaves the Municipality.



5.1.2.2 Subsistence agriculture

Subsistence agricultural practices are widely practiced by most of the households located within rural areas of the District. In Vulamehlo in particular, most of the households are within traditional settlements where traditional subsistence farming forms an integral part of the daily livelihoods of people. Another reason why subsistence farming is practiced is that majority of the population of the municipality live in poverty and is largely dependent on social grants to survive. Majority of these social grants is spend on food (refer to consumption expenditure above) however, given that the dependency ratio is high as well as the household population densities are high, the social grants are not sufficient to meet the daily household needs. Therefore dependence on subsistence farming becomes critical as food security and forms an integral 'survival' mechanism for many people in the area.

However poor farming techniques has resulted in the degradation of the natural environment and there is a need for skills to be taught to subsistence farmers to stimulate the production of consumption agriculture products and to ensure that the environment is not degraded.

5.1.2.3 Emerging farmers

The majority of co-operatives in Vulamehlo engage in agricultural activities. Members of the co-ops have indicated that they have experienced challenges around access to finance and inadequate equipment due to high costs. There are no service providers that are based in Vulamehlo for this sector.

Equipment needs identified by the members of co-ops are:

- tractors,
- repairs and service facilities and
- fencing.

There is a demand for the agricultural sector however it is subsistence based and there is a need to develop community gardens throughout the municipality to ensure food security for the locals. The agricultural co-ops are not well co-ordinated and lack focus. In addition, the survey has indicated that most of the households are elderly-headed households. These elderly that head these households look after grandchildren as their parents move out of Vulamehlo to seek job opportunities. Many of the more elderly folk are also involved in agriculture specific co-ops. The elderly have indicated that due to age and age related illnesses, practicing farming has become very difficult and there is a need to access equipment that would enable them to farm better.

5.1.3 Employment and Income Levels

5.1.3.1 Employment Profile

The municipality's employment profile indicates that the employed population accounts 5894 (8%) from the economically active. The remaining 6551 (8%) of the total population are unemployed. On the other hand 5165 (7%) of the total population are discouraged work seekers and 34% (26 447) are not economically active. This could results of limited and irregular household income, inadequate levels of education and training.



Table 25: Employment profile

Profile	Number of people	Percentage
Employed	5,894	8%
Unemployed	6,551	9%
Discouraged work-seeker	5,165	6%
Not Economically Active	26,447	34%
Not Applicable	33,345	43%

Source: Stats SA 2011

Table 26: Employment Profile by Age groups

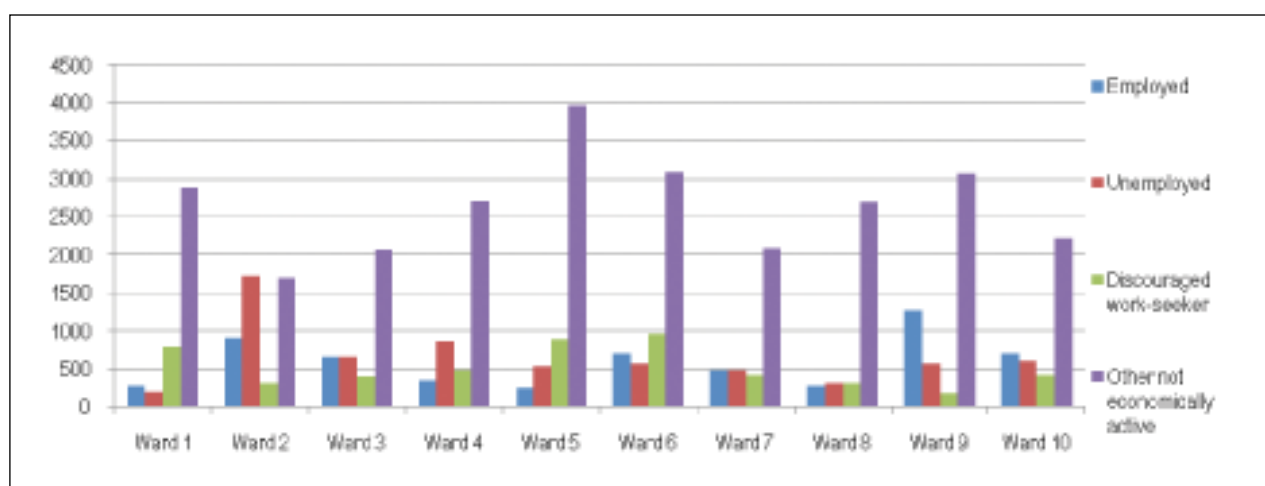
Profile	0-10	11-19	20-34	35-49	50-69	70-120
Employed	-	228	2,423	2,186	1,057	-
Unemployed	-	811	3,673	1,484	583	-
Discouraged work-seeker	-	521	2,813	1,320	512	-
Not Economically Active	-	7,945	7,706	4,999	5,797	-
Not Applicable	21,208	7,323	-	-	1,619	3,195

Source: Stats SA 2011

5.1.3.2 Unemployment Profile

The Vulamehlo municipality is characterised by high levels of poverty, a vast backlog of basic services and low skills base resulting from inadequate levels of education and training. A large proportion of the population is very poor, with low levels of employment, limited and irregular household incomes. The unemployment rate is 24%. This unemployment rate is slightly lower than the country's 26.4% unemployment rate. The highest employment sector is agriculture which provides 34.7% (dropped from 36.4%) of employment in the municipal area. Mining and quarrying also dropped from 0.3% to 0% of the total number of people employed in the area. The following tables and charts reflect this:

Figure 20: Employment Profile per ward in Vulamehlo with source



Source: Stats SA 2011



5.1.3.3 Individual monthly Income

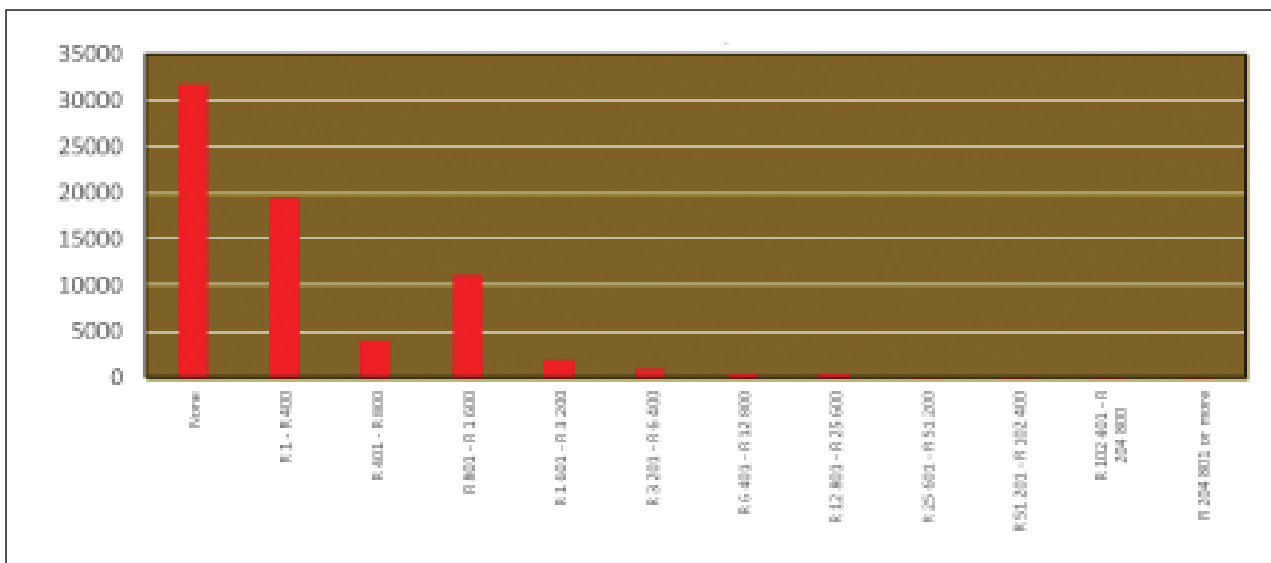
The total number of households with no income stood at 31766 while the number falling into the lowest three categories, that is 0–R1600 per annum, stood at 34219. These individual falls under the indigent category.

Table 27: Individual Income levels

Income Category	Individuals
None	31766
R 1 - R 400	19346
R 401 - R 800	3786
R 801 - R 1 600	11087
R 1 601 - R 3 200	1766
R 3 201 - R 6 400	711
R 6 401 - R 12 800	441
R 12 801 - R 25 600	281
R 25 601 - R 51 200	113
R 51 201 - R 102 400	7
R 102 401 - R 204 800	16
R 204 801 or more	14

Source: Stats SA 2011

Figure 21: Individual Monthly Income



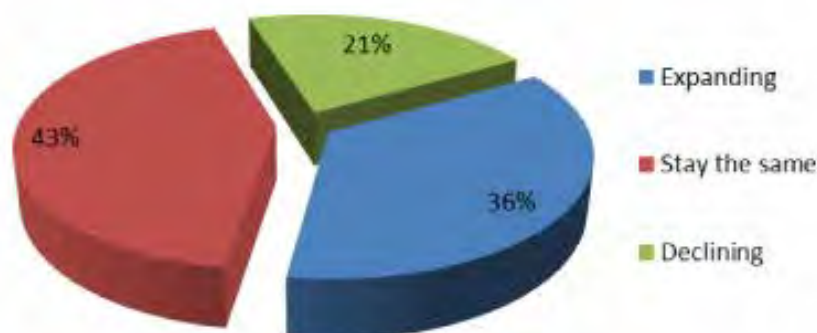
Source: Stats SA 2011

5.1.4 SMMEs

The municipality has 114 businesses in the area. The graph on the following page indicates the growth of businesses in Vulamehlo LM. Although a number of co-op and SMME businesses have been established in Municipality, a significant number of businesses have not expanded with 43% of businesses that have stayed the same and 21% have experienced a decline. Only 36% of local businesses have experienced growth.



Figure 22: Growth in businesses in Vulamehlo LM (2012)



Status quo

The table below indicates below LED specific projects that were implemented within the past 5 years as well as some recently implemented projects that have happened in conjunction with other departments. It is evident that attempts have been made in implementing some of the projects that were indicated in both the LED Plan and the LED Turnaround Strategy but they have not been successful.

Table 28: LED specific projects that were implemented within the past 5 years

Projects that were initiated in line with the LED Plan and LED Turnaround Strategy (implemented within the past 5 years)	
Project	Description
1. Leather and footwork project	It was implemented but no longer functioning
2. Bakery Project	The structure was built but no longer functioning
3. KwaQiko Execution Rock	The structure was built but it is no longer functioning. The buildings have also been vandalised.
4. Peanut Butter Factory	A business plan is available but it has not been implemented.
5. Dududu Trading Centre	A Feasibility assessment was undertaken. It has not been implemented.
Recently implemented projects with other departments	
Project	Description
1. Agricultural Nursery	It was established in 2011. It is located in Ward 6 and was funded by National Development Agency. The purpose of this establishment was to assist local farmers to get the seedlings locally
2. Indigenous/Traditional Medicine Nursery	It was established beginning of 2012 in iMfume area Ward 3. It was funded by Department of Environmental Affairs and Rural Development, Vulamehlo Municipality, UGu District, Environmental and Department of Forestry and Fisheries
3. Furniture Manufacturing	A group was identified by the municipality to do the training in 2011. UGu District paid for the training. Department of Social Development have brought the start-up equipment and machines. Vulamehlo Municipality have provided them with a space as their mini factory.
4. Aloe Project	Municipality has bought the equipment for extracting aloe juice and KZN Wildlife has assisted the co-operative with the licence of harvesting the aloe.



Businesses in Vulamehlo are either slow or non-successful due to various reasons. The table below depicts various projects that currently to do have funding but are key projects that if they receive the required funding would boost and improve Local Economy within the Municipality

Led Projects That Require Funding	
Project Name	Craft Development
Objectives	<ul style="list-style-type: none"> Developing skills within the community Creating en route tourist travelling in different site of Vulamehlo Create an art centre that is going to add value to the Dududu Village and to Township Development
Key millstones	<ul style="list-style-type: none"> To develop structure to suit selling purpose To project the place with fencing Developing a plan to maintain the development
Description:	This project specifically addresses arts and crafts skills development and training whereby arts and crafts can be used as an income generating activity, which directly impacts of on the growth and development of the tourism sector. This project can also be linked to the Ugu South Coast Tourism Craft Development Programme.
Project Outcomes:	No of jobs: <ul style="list-style-type: none"> 10 Co-operatives to gets jobs Economic impact within the area: Development and growth of the potential tourism sector To make the community of ward 06 Amahwaqa as a draw card
Investment/ Budget	R 1 350 000
Project Name	Peanut Butter
Objectives	<ul style="list-style-type: none"> Diversification of agriculture/higher value crop production and Agri-processing (in this case processing nuts into peanut butter)
Key Milestone	<ul style="list-style-type: none"> Turn around the economic growth by creating permanent jobs and reduce poverty Pack house building to assist beneficiaries to increase and expand their produce for internal and external market
Description:	The development of the Peanut Butter Project commenced in 2004 and operation began in 2006. A local community based co-op was established. Partner with SEDA and formulate an updated business plan that will contain specific guidelines on how to develop and support the Peanut Butter Project and the community based co-op involved with this particular project .
Project Outcomes:	No of jobs: <ul style="list-style-type: none"> 3 Co-operatives targeted which equals' to 70 people 70 households who will benefit permanently with jobs. Economic impact within the area: <ul style="list-style-type: none"> Food security and reduction malnutrition Growth and development of the agricultural sector The formal economy becomes a more profitable sector in the Vulamehlo LM Co-op integrated into the formal economy Growth and development of the agriculture sector The agriculture sector becomes a productive and profitable sector Job creation Poverty reduction
Investment/ Budget	R 1 950 000.00



Project Name	Tunnel Farming and Pack House
Objectives	<ul style="list-style-type: none"> To increase and expand production Co-operative plant for commercial purposes On farm infrastructure Growth and development of small scale and emerging farmers
Key Milestones	<ul style="list-style-type: none"> Turn around the economic growth by creating permanent jobs and reduce poverty Pack House building to assist beneficiaries to increase and expand their produced for internal and external marketing
Description:	The project will focus on organic commodities and on organic commodities focusing on red beans, organic nuts which will be sent to Switzerland and different herbs which will be sent to Robertson for the purpose of turning them into spice.
Project Outcomes:	<p>No of jobs:</p> <ul style="list-style-type: none"> 70 Permanent jobs 150 Seasonal jobs <p>Economic impact within the area:</p> <ul style="list-style-type: none"> Opportunities created to generate an income from agriculture production, Co-operatives have the potential to participate in formal and commercial markets. This will generate employment and improve standard of living.
Investment/Budget	R 1 950 000.00
Project Name	Kwa Qiko Execution Rock
Objectives	<ul style="list-style-type: none"> To create an en route tourism destination within the community of Vulamehlo To create employment through tourism (off peak and peak season employment) To sustain the heritage through culture
Key Milestones	<ul style="list-style-type: none"> Development of the maintenance plan for the site Creating clear signage of the site To provide a marketing plan Re-build structures Protection of the site by fencing with a security guard
Description:	<p>This is one of the site identified under Vulamehlo LM and part of the Oral History journey project which is aimed at developing the community in terms of tourism and nature conserving and also increase the potential of tourism in south coast. The site will not only have the spectacular view overlooking the Umkhomazi river but will also have a space for local artist in entertaining the tourist with music drama and Zulu dance and have structures re-build to accommodate tourist in visits for this site.</p> <p>Together with South Coast tourism in terms of marketing and promoting the site is can be one of the well known attractions in South Coast.</p>
Project Outcomes:	<p>No of jobs:</p> <ul style="list-style-type: none"> 20 Jobs Approximately 150 jobs (seasonal jobs) <p>Economic impact:</p> <ul style="list-style-type: none"> Development and growth of the potential tourism sector Creating seasonal jobs and develop the economy of the community and mapping vulamehlo on the south coast tourism map
Investment/Budget	R 500,000.00



5.1.5 Agriculture

The agriculture sector is one of the most important key economic sectors within the local, District and Provincial contexts of Vulamehlo LM. The role that the agriculture sector plays as a key economic driver for employment creation and economic growth and development within the KZN has been highlighted in Provincial Growth and Development Strategy (PGDS). The importance of the agriculture sector as a key economic driver has also been highlighted and emphasized in various strategic plans of both the Vulamehlo LM and UGu District. The agriculture sector also plays a major role in ensuring growth within rural communities, and is crucial for safeguarding of food security within these areas and South Africa as a whole. If appropriately harnessed, the agricultural sector has the potential to increase the number of job opportunities created within an area which, over the short to medium term, support labour-intensive activities generating large-scale employment.

To ensure the sustainable growth and development of the agriculture sector, the natural resource base and the environment need to be managed appropriately so as to not deplete or degrade the resource base and to preserve it for the use of future generations. Many factors that have the ability to impede the sustainable growth and development of this sector include, inter alia:

- Over exploitation of resources;
- Loss of wetlands, coastal forests, bush lands and grasslands, and associated biodiversity;
- Loss of ecosystem services – flooding, erosion and infrastructure damage;
- Alien plant encroachment;
- Institutional and procedural weaknesses;
- State of rivers and estuaries;
- Soil erosion, loss of soil fertility in sugar lands, over grazing and uncontrolled land use in traditional areas;
- Sand winning and quarrying;
- Loss of ecological linkages – fragmentation;
- Uncontrolled urban and rural sprawl;
- SDF, LUMS and IDP are promoting unsustainable development;
- Siltation and irrigation compromising water supply;
- Climate change adaptation – climate smart agriculture and coastal development.

Given the importance of the role that agriculture sector has within the growth and development of economy of both the Vulamehlo LM and the UGu District as a whole, this particular section is intended to unpack the all the influential (both positive and negative) factors that may stimulate or impede the development of this sector within this region as well as provide an understanding of the way agricultural practices are undertaken by the local people of Vulamehlo.

5.1.6 Tourism

The coastal area of the South Coast of KZN is popular tourist attraction and draws number tourists annually. Vulamehlo LM is found within close proximity to this coastal region. The coastal strip of the UGu District is more urbanised as compared to the rural hinterland.



The coastal areas also contain a number of tourism supporting infrastructure and facilities whereas this is non-existent and lacks in the rural area. The coastal towns of Pennington and Scottburgh, both of which are particularly close to Vulamehlo LM, offer beach tourism facilities and attractions such as paddling pools, hotels and resorts which makes these areas popular tourist destinations. Tourism has also been well marketed around beach tourism attractions available in the South Coast.

However this is not the case with the rural components of the UGu District. The UGu South Coast Tourism Strategy (2010) has and Vulamehlo LM 2012/2013-2016/2017 IDP Strategy both recognise the tourism potential that the Vulamehlo LM has to offer.

The UGu South Coast Tourism Strategy has recognised that Vulamehlo has a rich history and heritage that has not been documented or is well known. At present, there is no formal tourism activity in Vulamehlo. This has been largely due to the limited understanding of tourism by the Vulamehlo community, and limited infrastructure and general local economic development in the municipal area. The competition with other neighbouring areas that have a better developed tourism product also hinders the potential that Vulamehlo LM has to draw tourists onto this area.

The municipality has the potential to draw tourist into the area but this is dependent developing its historical and cultural tourism assets. It does not draw tourists into the area as its neighbouring towns do. This is largely due to the fact that it does not offer have the tourism facilities or tourism infrastructure that would support tourism development within the area.

In line with unlocking the historical/ cultural tourism development within the municipality, the Vulamehlo IDP has The Vulamehlo LM IDP has identified areas of historical and other places of interest that would facilitate the development of the tourism sector and includes the following:

- Ngcezu Mountain
- Mbizeni
- Ngqubushini-Berea Kwandaya
- Intaba Yamabutho
- eTshehlophe
- Nungwane
- KwaQiko Execution Rock

Further to the above the following opportunities were identified that would also unlock the tourism potential of the area as:

- Development and extension of the P77 corridor - Scottburgh-Dududu-Kenterton
- Natural scenery
- Availability of land and rivers for agricultural, sand winning purposes and water provisions
- Retail opportunities and lower to middle income accommodation in some of the nodal areas
- Close proximity to markets - Durban, Port Shepstone, Scottburgh, uBuhlebezwe
- Landscape
- Cultural heritage



Although tourism in Vulamehlo is not currently a formally organised activity, there are opportunities that do exist for the development of this sector. There are arts and crafts co-ops that make traditionally styled jewellery and other art products, however these co-ops have indicated that there is presently no demand for such products in the area and they have to travel to Durban to sell their products. Given the vast tracks of the natural landscape located within the area, there are opportunities for:

- eco-tourism which involves developing camp sites,
- hosting music festivals
- linking the local arts and craft co-ops with the district tourism sector/strategy.

5.1.7 Manufacturing (Industrial)

The Municipality does not have a formal manufacturing (industrial) sector that contributes to the economy. However, with local economic development initiatives, this sector can grow and contribute to the Municipality's economic growth. Much attention is needed within this sector.

5.1.8 Trade and Services

The structure of trade and services that exists in Vulamehlo is characterised by survivalist activities rather than economically co-ordinated activities. Some of the trade and services pertain to:

- Spaza shops,
- Construction/brick making,
- Taxi ownership,
- Catering and
- Sewing.

The existing services have been established due to the demand in the area however the limited local market is difficult to grow. The types of services that are available in Vulamehlo are expensive. This is largely due to the costs involved with purchasing the goods in other areas and transporting it to the municipality before it is sold so for example, goods are often bought in areas such as Durban and Scottburgh; travelling costs are incurred to get these areas and back to Vulamehlo which makes travelling costs high. In addition to the incurred costs, the storage of goods and resource storage is expensive (e.g. generator operated fridges in Tuck shops). One of the challenges experienced by the co-ops is lack of improvement in production due of lack of training and lack of integration into municipal service databases.

5.1.9 Mining

The municipality does not have any mining activities taking place, however there is sand winning operations which are illegal within the municipality around the Illovu River and Mpambanyoni River.



5.1.10 Local Economic Development: SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • High potential agricultural land • Potential labour force • Plenty fertile land • Sand mining • Availability of tourism • Construction growing • Cultural villages • Furniture manufacturing • Aloe plantation • Reviewed LED plan/strategy • Agricultural Plan 	<ul style="list-style-type: none"> • Unavailability of job opportunities within the Municipality • Change of mind-set (people planting on small scale) • Illegal sand mining • Lack of promotion of tourism and management of it • Lack of skills • Limited resource (finance) • No database for co-ops
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Job opportunities through sand mining and tourism • Implementation of agriculture sector plan • Commercialization of aloe • Developing of a small businesses to SMMEs • Agriculture activities to be linked to feeding schemes • Feasibility studies 	<ul style="list-style-type: none"> • Lack of commercial market • Lack of equipment for agriculture • Financial support • Lack of expertise • Decline in agriculture sector

5.2 Social Development Analysis

5.2.1 Broad Based Community Needs

Due to the limited funding that the municipality gets per year it is unable to fund all the projects that are identified by the community at large. To ensure that these projects are taken into consideration and have that they have a strong leverage when we source the funding, we include them in the IDP as Development Needs. These projects are identified through the continuous engagement with the ward committees and vigorous public participation through, IDP / Budget roadshows, Mayoral Izimbizo's, Public Meetings and IDP Representative Forum. The following is the summary of community needs for all wards in the Municipality:

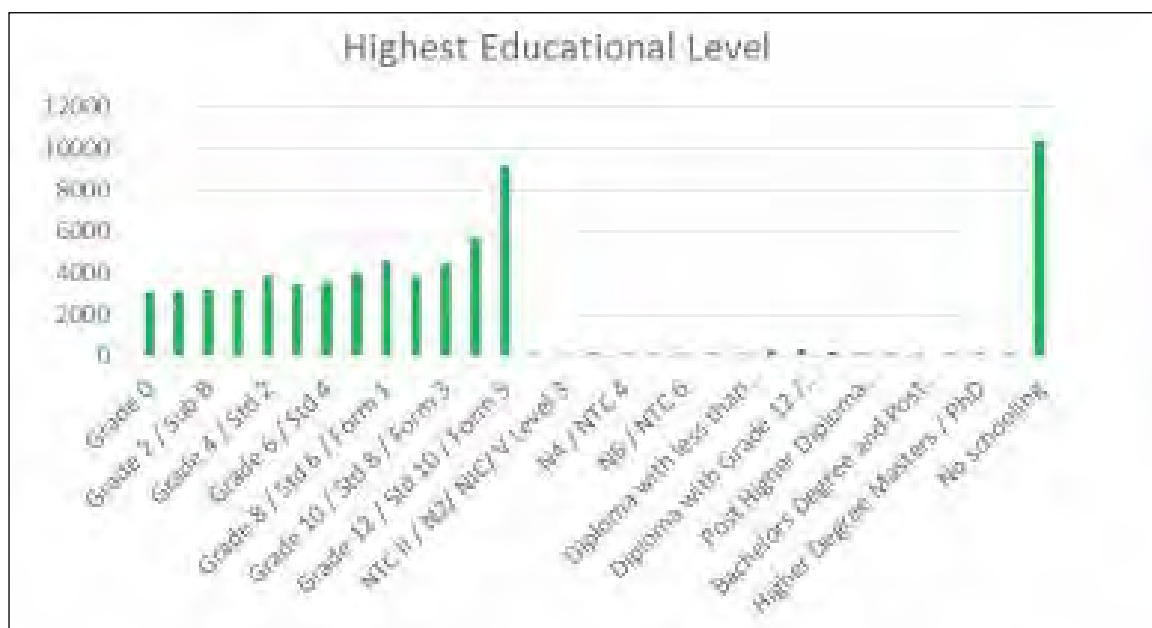
- Roads, Electricity, Water & Housing
- Repairs of broken standpipes and wells
- Control of warthogs
- Poverty Alleviation Programmes & Agricultural Assistance
- Job creation projects and access to bursaries
- Crime prevention programmes
- Fight against elderly abuse and substance abuse
- Public facilities, i.e. sportgrounds, community halls



5.2.2 Education

The graph below indicates the education levels of the population in Vulamehlo LM in 2011. Majority of the population (16%) have had no schooling. A large proportion of the population (68%) have education levels of between grade 0 and grade 11, with only 14% having reached at least Grade 12 (matric) level of education. Only 2% of the population of Vulamehlo LM has post matric qualifications, which consists of either a diploma with grade 12, bachelor's degree, bachelor's degree and diploma, honours degree or higher degrees.

Figure 23: Highest Educational Level



Source: Stats SA 2011

Overall it is clear from the graph provided above that the majority of the population of Vulamehlo LM have low to very low levels of education which impacts negatively on skill levels of the working age population and may negatively impact on the economic growth and development of the municipality. This is due to the fact that there are no tertiary facilities for further learning. Poverty is also a big contributor to people not being able to move to bigger cities to access tertiary facilities. This also puts the municipality in a vulnerable position as this situation may negatively impact on local economic development. Therefore it is clear that skills training and development is crucial for the population of Vulamehlo LM.

5.2.3 Health

The Department of Health has made an input into the IDP by submitting to the municipality a sector plan which identifies existing facilities and highlights future needs. In terms of this plan there is no hospital within the municipality and the only referral district hospital is the GJ Crookes Hospital. There are 26 mobile points four existing fixed clinics, two of which operate 7 days a week and with the other two only in operation for 5 days a week. In existence Vulamehlo has 6 Clinics namely, Dlangezwa, Dududu (24hr Clinic), Mfume, Mgangeni, Nkwali, and Philani. The department is intent on having all four clinics to be



operational 24 hours a day and seven days a week. Nevertheless there are challenges ranging from crime to budgetary constraints.

5.2.4 Community Development with particular Focus on Vulnerable Groups

5.2.4.1 Youth Development

The analysis of the population demographics shows that the youth makes up the bulk of the population. This invariably means that the municipality has to prioritise the issues of, inter alia, skills development, job creation, sports and recreation.

Skills Development Training

- The municipality deals with In-school, out of school, supplier development and Co-operatives training.
- Graduate Development Programme.
- Skills Projects (Former school to work projects)

Loans

- We offer loans for young people who are interested in starting their own businesses (**Umsobomvu now known as National Youth Development**).

Business Consulting Services

- We offer a voucher programme for those that are interested in starting their own businesses but do not have business plans.

Information Provision and Career Advice

- Young people have access to information regarding Job Opportunities, Learnerships, Business opportunities, Loans etc. which assists young people in meeting their career needs.

5.2.4.2 Development of the People with Disabilities

The municipality has developed a structure that deals specifically with the people that are living with disability. The programmes are now in place. Furthermore, there are structures that have been put in place to deal specifically with matters affecting vulnerable groups, namely women and youth council structures.

5.2.4.3 Development of the Elderly

The Municipality assists the senior citizens with co-ordination of their programmes working together with government departments such as Department of Social Development, Health, SASSA, Department of Sports and Recreation and others. There is a budget allocation for senior citizens, allocated under Special Programmes Unit.

5.2.4.4 Development of Women

The women form a significant percentage of our population and government; through various legislations have shown commitment to address their social and economic needs. Part of the government commitment has been to make decisive interventions to redress imbalances of the past where women were seen



as secondary citizens to men. Vulamehlo Local Municipality under the Corporate Services Department has established Gender Programmes to promote communities to take charge and participate in issues that affect them. The Municipality does this by conducting Awareness programmes on Gender Based Programmes through men's & women forum.

5.2.4.5 People affected by Crime, HIV/Aids, Drugs, etc.

The HIV/AIDS pandemic remains a challenge and is having a negative impact on productivity. The municipality is enjoined to conscientise its residents about the precautionary and preventative measures for HIV/AIDS. This is the background against which the municipality identified a need to develop a HIV/AIDS policy. The challenge is now on implementing this policy. There is a Dududu Community Care Centre to care for those who are affected and infected by HIV / AIDS that is funded by the Department of Social Welfare. Furthermore the municipality has recently launched a HIV / AIDS council that will mainstream the HIV / AIDS programmes.

5.2.4.6 Early Childhood Development

The Municipality plays a facilitating role in early childhood development programmes. The Department of Social Development and the Department of Health and Social Welfare are the key role-players in early childhood development programmes within the municipal jurisdiction. There are 25 crèches that are funded by the Department of Social Welfare within the boundaries of Vulamehlo Municipality. These creches are monitored by the department and are funded based on the number of children that attend per month. However, Vulamehlo has constructed a number a crèches.

Expanded Public Works Programme

Job creation and skills development remain key priorities of the South African Government. The Expanded Public Works Programme aimed at creating 4.5 million work opportunities by 2014. The Programme is implemented by all spheres of government, across four (4) defined sectors, namely Infrastructure, Social, Non-State and Environment and Culture sectors. The Programme's overall co-ordinator is the National Department of Public Works (DPW)

The programme is implemented in the context of strategic Government initiatives which includes the New Growth Path (NGP). The NGP outlines key job drivers, such as targeting more labour-absorbing activities across the main economic sectors; and substantial public investment in infrastructure both to create employment directly, in construction, operation and maintenance as well as the production inputs, and directly by improving efficiency across the economy.

EPWP Municipal Policy Objectives

Vulamehlo has developed an EPWP Policy, which has been adopted by Council. The objective of this policy document is to provide a framework within which the municipality and its departments implement the EPWP. This policy document is aimed at providing an enabling environment for the Municipality to increase the implementation of the EPWP, through the re-orientation of its line budgets and channelling a substantial amount of the overall annual budget allocation and human resources towards the implementation of EPWP. Through this policy the Municipality aims to achieve the following:



- Mainstreaming the implementation of the EPWP
- Institutionalising the programme
- Guiding the implementation of the Programme.

The Municipality will receive an amount of R1 000 000.00 to implement the EPWP programme within the 2014/2015 Financial year.

Community Works Programme (CWP)

The CWP is a community-driven government programme based in the Department of Cooperative Governance (DCoG). The primary purposes of the CWP is to create access to a minimum level of regular and predictable work for the unemployed and/or under-employed, providing a small income and work experience. It also aims to contribute to the development of community assets and services, community development approaches, especially community participation, strengthen the economic 'agency' of people in marginalized economic areas, thereby enhancing dignity and promoting social and economic inclusion.

Community Work Programme aims at creating access to a minimum level of regular and predictable work for those who need it, targeting areas of high unemployment, where sustainable are likely to remain limited for the foreseeable future.

In this process, the CWP's purpose is also to achieve the following:

- Provide an employment safety net; in recognition of the fact that sustainable employment solutions will take time, and will reach the most marginalised last;
- Contribute to the development of public assets and services in poor communities;
- Strengthen community development approaches, including community participation Department of Cooperative Governance
- Strengthen the economic 'agency' of people in marginalised economic areas through the provision of work opportunities and work experience thus enhancing dignity and promoting social and economic inclusion.

Key Features of the Community Work Programme are summarised below:

- The CWP provides access to a minimum level of regular work on an on-going and predictable basis for those who need it most at the local level. In practice, it offers 2 days of work per week (or the monthly equivalent), and thus provides 100 days of work spread through the year;
- The CWP is designed as an employment safety net, not an employment solution for participants : it provides a baseline in terms of income security and economic access and participation;
- It is an area-based programme implemented in a defined local area (called a site) that is usually a municipal area that extends over several wards. Sites are targeted in the most marginalised economic areas where unemployment is high and sustainable jobs will take the longest reach;
- It is meant to complement and not the replace the existing livelihood strategies of unemployed and underemployed people. The CWP is an on-going programme with participants moving in and out of the programme as their needs change.



- The CWP uses community participation processes to identify ‘useful work’ through Local Reference Committees, and other local development for a;
- Useful work is defined as an activity that contributes to the public good. The work undertaken is generally multi-sectorial (undertaken across departmental mandates and spheres) and responds to priorities set at local level through community participation processes. Generally, a set of anchor programmes are identified that are on-going and provide core work;
- The CWP prioritises labour intensive activities (the minimum ratio is 65:35 wages to non-wage costs at site level). The ratio requires partnerships with other players in order to co-resource/co-found activities with high material inputs;
- The CWP is designed to operate at scale – to build up to and maintain participation levels of a target of a minimum of 1,000 participants per site;
- A grouping of CWP sites is managed by an Implementing Agent (IA) who is appointed to develop the site, provide financial logistics and project management, while building local capacity to do so;
- A CWP site requires formal support, collaboration and partnership with the municipality, other relevant local government structures and the provincial department responsible for local government;
- The CWP empowers communities, through a Local Reference Committee (LCR) to identify and undertake the work in accordance with their needs; and
- Payment of wages is through cashless payment systems – either into workers’ individual bank accounts, or similar cashless payment systems, minimising the risk of handling cash. The department takes the responsibility of paying participants.

Vulamehlo Local Municipality CWP Job Opportunities

Site Name	Target Job Opportunities	Composition					
		Adult Male	Adult Female	Youth Male	Youth Female	Disabled	Current Total
Vulamehlo	1000	126	459	80	277	1	943

5.2.7 Social Development: SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Dedicated Unit for Special programmes 	<ul style="list-style-type: none"> • Limited budget to implement projects
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Partnership with government \ • Departments and other stakeholders 	<ul style="list-style-type: none"> • HIV/AIDS



6. MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT ANALYSIS

6.1 Financial Viability & Management Analysis

6.1.1 Capability of the Municipality to Execute Capital Projects

The Vulamehlo Municipality funds its capital projects from MIG. The total of R16, 95 million projected for the year 2013/14 financial year. The position of HOD Technical Services is filled. The municipality has appointed Panel Consulting Engineering firms to assist with the Project Management for all capital projects. The current assets of the municipality are higher than the current liabilities, this indicates that the municipality should be able to pay the current liabilities when they are due.

6.1.2 Indigent Support (Including Free Basic Services)

The municipality has an Indigent Policy in place and the policy is reviewed annually. To ensure that the municipality provides free basic services to disadvantaged people, however, the municipality does not have an updated indigent register. The projections of the subsidy are based on each yearly expenditure towards indigent people. On the other hand the municipality does continuously encourage the community to register if they meet the requirements, however this does not happen. The municipality anticipates for the indigent subsidy to increase as it is trying to improve communication with the various stakeholders and improve the lives of the Vulamehlo residents.

6.1.3 Revenue enhancement and Protection Strategies

The municipality has a new strategy in place which is being implemented to enhance revenue and improve the municipality revenue base. The strategy is to enhance revenue on both the short and the long run, and recovering outstanding debts. The municipality anticipates the collection rate to be improved marginally.

6.1.4 Municipal Consumer Debt Position

The municipal consumer debt position is mainly due to outstanding property rates which are currently standing at R3.1 million. The municipality is to implement a new strategy to recover the debt. There are policies which include the debt collection, credit control and indigent policies to be implemented to certify that consumer debt are reduced. The strategy entails to obtain the addresses of the debtors to be able to improve communication with the debtors.

6.1.5 Grants and Subsidies

The table below presents a stream of grants that the municipality will receive from national treasury between 2014/2015 – 2016/2017 financial years.

Table 29: Grants that the municipality is to receive

	2014/2015	2015/2016	2016/2017
Equitable Share	R48 657 000.00	R62 344 000.00	R62 761 000.00
Financial Management Grant	R1 800 000.00	R1 950 000.00	R2 100 000.00
Municipal Systems Improvement Grant	R934 000.00	R967 000.00	R1 018 000.00
Expanded Public Works Programme	R1 000 000.00	R-	R-
Municipal Infrastructure Grant	R17 999 000.00	R18 701 000.00	R19 362 000.00
Electrification	R5 000 000.00	R9 000 000.00	R9 000 000.00
Total DORA Allocations	R75 390 000.00	R92 962 000.00	R94 241 000.00



Table 30: Description of Capital Grants

Description Of Grants	Tabled 2014/15
Integrated National Electrification Programme Grant (National)	5000 000
Municipal Infrastructure Grant	17 999 000
Total	22 999 000

Table 31: Description of Operating Grants

Description Of Grants	Tabled 2013/2014
Local Government Financial Management Grant	1 800 000
Municipal Systems Improvement Programme Grant	934 000
Equitable Share	48 657 000
EPWP	1 000 000
Total	52 391 000

6.1.6 Municipal Infrastructure Assets and Maintenance

All assets are maintained through repair and maintenance budget, and there is a draft documented plan, which has been workshopped to all councillors and is awaiting final approval. We have insured all municipal Infrastructural assets.

6.1.7 Current and Planned Borrowings

Current borrowings are sitting at R2.2 million. Vulamehlo Municipality is planning on borrowing R763 800 to finance a new TLB.

6.1.8 Municipality's Credit Rating

The municipality is still waiting for ABSA to provide us with the municipal credit rating

6.1.9 Employee Related Costs (Including Council Allowances)

The budget estimates include new posts for the next financial year and the current post are anticipated to increase by 6.79% in 2014–2015.

Table 32: The proposed budget estimates for employee related costs and councillors' allowance are as follows:

	2014-2015	2015- 2016	2016- 2017
Councillors Remuneration	R 6 001 581	R 6 301 660	R 6 616 743
Employee Related Costs	R 18 331 579	R 19 504 801	R 20 753 108

6.1.10 Supply Chain Management

The supply chain management is functioning but there is no BTO (Budget and Treasury Office structure) as per compliance with National Treasury (MFMA implementation form), which will enhance functionality of Supply chain. At the municipality this section complies with all relevant SCM framework, regulations,



legislations and Treasury circulars. The municipality through this section ensures value for money is being implemented. The municipality namely Council needs to approve the BTO structure, as it has been proposed and submitted to them for approval. Hence, if this is achieved Vulamehlo will have a fully function SCM unit.

Vulamehlo Municipality has established all three SCM Bid committees and are fully functional. SCM in the municipality is guided by the SCM Policy prepared, adopted and review by Council.

6.2 Financial Viability & Management: SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Compliant finance staff and CFO • An established public accounts committee • There is an audit committee • 100% of operational budget spent not exceedingly • Proper controls of SCM processes • Payment are made on time (32 days) • Staff cost are within the one third • Updated evaluation roll • Compliance with conditional grants • Reporting timeously to relevant stakeholders • Existing SCM committees 	<ul style="list-style-type: none"> • Poor communication between departments • Poor communication infrastructure i.e. telephone, internet, emails, software limitations, etc. • Non-spending of grants • Outdated policies and procedures • Current debtors are more than 50% of own revenue • No revenue enhancement plan • Aging infrastructure in terms of sufficient budgeting (maintenance) • Grant dependency limiting revenue enhancement • Accountability of staff/everyone • Noncompliance to legislation and time-frames • Poor rates base database • No financial plan • No staff retention plan (training and growth) • No customer satisfaction survey conducted • Poor planning • SCM process
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • To expose the agricultural development and tourism sector with Vulamehlo will enable revenue enhancement • Formalisation Dududu township will allow financial growth enhancement 	<ul style="list-style-type: none"> • 2016 municipal demarcation • High youthful population resulting in high dependency leading to increasing the grant base • Corruption and fraud



7. GOOD GOVERNANCE & PUBLIC PARTICIPATION ANALYSIS

7.1 Good Governance Analysis

7.1.1 National and Provincial Programmes rolled-out at Municipal Level

Operation Sukuma-Sakhe

The Operation Sukuma-Sakhe (Flagship) was launched in July 2009 as a Provincial Anti – Poverty Strategy grounded on the philosophy of an integrated Service Delivery Model. This was to ensure a broad based participation into the programme as well as to strengthen its strategic goals. Operation Sukuma-Sakhe is coordinated by the Municipality and government departments but driven and led by beneficiaries i.e. the Community. In March 2011 the Operation Sukuma-Sakhe was introduced at Vulamehlo Municipality. The LTT (local Task Team) was formed by Senior Managers from various departments and Municipal official Coordinator. The LTT has facilitated the formation WTT (Ward Task Team), activation of War rooms (identification of ward venues where services will be rendered) in all wards, role of cadres (people like Community Care Givers, CDWs and youth Ambassadors) in conducting household profiling. The LTT will has facilitated and coordinated the rolling out of Operation Sukuma-Sakhe to all Vulamehlo wards. All municipal wards have operational war rooms ready to deal with matters at that level. The success of Operation Sukuma-Sakhe has assisted in house hold profiling, which culminated in the successful rollout out community works programme.

War Rooms

The municipality has 10 war rooms in each ward. All war rooms have been activated and they are now fully functional and during activation there were no challenges encountered. At the moment ward 02 does not have a WTT Champion because a ward councilor passed away.

Table 33: Ward Task Team meetings

Ward No	WTT Champion	Ward No	WTT Champion
01 - Every Thursday @ 11H30	Cllr. LL Kweyama	06 - Every Mondays @ 14H00 PM	Cllr. BC Mngadi
02 - Every Wednesday at 11H00 PM.	-	07 - Every Thursdays @ 10H00	Cllr. ZT Hlongwa
03 - Every Thursday @ 14H00 PM	Cllr. TE Sbisi	08 - Every Fridays @ 10H00	Cllr. GJ Jwara
04 - Every Tuesdays @ 12H00 PM	Cllr. FB Shezi	09 - Every Tuesdays @ 10H00	Cllr. MC Ngcobo
05 - Every Wednesdays @ 10H00 PM	Cllr. MA Ntombela	10 - Every Fridays @ 10H00	Cllr. MD Ncwane

Community Based Planning

CBP is a specific form of participatory local planning that has been designed to assist wards in developing locally owned ward plans - giving effect to the requirements of the White Paper and the Systems Act. It places an obligation on local government to encourage the involvement of communities in the matters of local government. Section 5(1) stipulates that members of the local community have the right to decision making processes of the municipality such as budget and IDP.



CBP establishes a participatory process for mobilizing communities and planning around grassroots issues and how the issues can relate to the broader municipal planning perspective. Issues sourced through Izimbizo & Roadshows are not precise. CBP rectifies that. The municipality empowers its ward committees to be more effective, based around the ward plan which they need to support and monitor its implementation. The programme developed a cadre of trained Facilitators:

Municipal Officials

- Bongani Khanyile
- Sbongiseni Dube and the CDWs

In the Municipality CBP was piloted in four (4) wards

Ward O1 – Umdumezulu

Ward O3 – Imfume

Ward O8 – Kenterton

Ward 1O – Mahlathini

Key findings in all four wards:

- Lack of infrastructure
- Lack of electricity
- Lack of water supply
- Unemployment (youth especially)
- Poverty
- Identical livelihoods in all wards
- Dire need of agricultural assistance
- HIV/Aids

CBP be maintained as the best practice community participation methodology that deepens our democracy and enhance our IDP. CBP promotes citizen oriented ways of service delivery. CBP encourages partnerships between communities and municipalities in project implementation.

7.1.2 IGR Structures

The Intergovernmental Relations Act requires the establishment of structures and mechanisms aimed at ensuring a high level of input both internally in, and from local municipalities and other stakeholders in the IDP. In striving towards the IDP as a plan for the government sector as a whole the following structures have been developed and adopted by the council;

- IDP Technical Team Committee; and
- IDP Representative Forum.

Furthermore the municipality is represented on all the UGu District's IGR structures, namely:

- District Intergovernmental Forum;
- Municipal Managers Forum;
- Chief Financial Officers Forum;



- HR Forum;
- IDP Technical Team;
- District Planners Forum;
- Speakers Forum;
- Disaster Management Forum;
- Operation Sukuma-Sakhe – the municipality is participating and assisting in Operation Sukuma-Sakhe
- LED Forum; and
- LED Chairpersons Forum.

Hereunder are the key challenges:

- Poor attendance by government departments in IDP Forums
- Late submissions for projects and targets that needs to be part of the IDP
- Lack of communication breakdown: the information is not disseminated correctly
- Lack of prioritization which also leads to not attending issues that really matters to the community.
- Delegation of very junior staff members that cannot take decisions
- Lack of human and financial resources.
- Continuous improvement is required from sector departments.
- Inconsistency in the number of people that attend meetings.
- Lack of human capacity from the low capacity local municipalities to attend the meetings.
- Content alignment between the different spheres of government.

7.1.3 Municipal Structures

Ward committees

The Vulamehlo municipality acknowledges the importance of ward committees and the legislative mandate that constitutes it. In this regard the municipality has developed a Ward Committee Policy which is specific to Vulamehlo. The ward committees have been established in the municipality and are functioning; however at this stage they are not as fully efficient and effective as desired by the municipality. The Municipality has now been able to provide ward committees with administrative support to achieve the desired level of efficiency and effectiveness.

In realising that the MEC for Co-operative governance and Traditional Affairs (Cogta) has always raised community participation as a challenge in the IDP development process, the Corporate Strategy and Development Planning Shared Services (DPSS) in conjunction with the UGu District Office of the Speaker, embarked on the project of training and work shopping of Ward Committees on Integrated Development Plan (IDP); Role of ward committees, performance management system and turnaround strategy. The training was conducted between in September 2010.

In the past years the principles of community consultation in a form of Mayoral Izimbizos and IDP & Budget Roadshows have been utilised. However, this platform did not necessarily yield the desired results as per the legislative framework.



Subsequent to this, UGu District Municipality in conjunction with the municipality resolved to embark on a capacity building programme of ward committees in recognition of them as being the basic pillar of the people centred/ participatory development.

The principal objective of the training and workshop was mainly to:

- Equip of ward committees on their roles and responsibilities
- Demystify of grey areas between ward committees and other community structures
- Promote of community participation in municipal activities
- Consult on municipal turnaround strategy
- Equip ward committees on Performance Management
- Identify community issues and priority needs

Corrective Measures to be taken

The recommendations can be drawn from what the people suggested in some of the issues and also in what we feel can be of assistance to the UGu District Municipality and its family of municipalities' future developments. The succinct and meaningful recommendations are as follows:

- The training, capacitating and empowerment of Ward Committees and Councillors pertaining to the new information and key issues pertinent to the municipal development should be done on a continuous basis (every financial year) e.g. the training of this nature (IDP, PMS, Budget, MTAS, Policy & Legislation etc.).
- The municipal authorities should ensure that the information dissemination and feedback ultimately reach the Ward Committees and Communities and that the functionality of Ward Committees is tracked and assessed so as to minimise conflicts and misunderstanding.
- The translation of written documents into the indigenous language (IsiZulu), such as the IDP, Budget, and Policies etc. should be prioritised in order to share the information and promote massive active participation.
- The municipality must ensure that planning and identification of community needs and priorities start from the ward level. This will ultimately results in informed and participatory decision making which prioritise and reflect the truth of what is really happening on the ground.
- The Office of the speaker should follow up with the office of the MEC for Co-operative Governance and Traditional Affairs (Cogta) on the One Thousand Rands (R1000 -00) stipend and cell phones for ward committees.

The municipality should prioritise the community based planning, hence it supports the bottom-up approach method of development. This will ensure that the municipality promotes the ward-to-ward prioritisation of community needs and allocation of resources.



IDP Representative Forum

The IDP Representative Forum (IDP RF) will be constituted as part of the preparation phase of the IDP and will continue its functions throughout the annual IDP Review processes. This forum represents all stakeholders and will be as inclusive as possible. Efforts will be made to bring additional organisations into the IDP RF and ensure their continued participation throughout the process. It must be noted however that the municipality is still experiencing challenges due none attendance of some of the Sector Departments.

The proposed composition of the IDP RF is as follows:

- EXCO members;
- Councillors;
- Traditional leaders;
- Ward Committee Chairpersons;
- Ward Committee Members;
- Senior Municipal Officials;
- Stakeholder representatives of organised groups;
- Advocates of unorganised groups;
- Resource persons;
- Other community representatives;
- National and Provincial Departments regional representatives;
- NGO's; and
- Parastatal organisations

Executive Committee (EXCO)

The Executive Committee meets once on a monthly basis. All the meetings are open to the public. His worship the Mayor: Cllr WT Dube is the Chairperson of the Executive Committee, the Committee also comprises the following Councillors: Deputy Mayor: Cllr NP Mpanza, Cllr BC Mqadi, Cllr MD Ncwane. The EXCO has delegated powers to functions of the municipality except for Approval of the Budget, IDP, PMS, raising of tariffs, approval of policies and bylaws and appointment of Managers directly accountable to the Municipal Manager.

Council

Vulamehlo Municipal Council consists of 20 Councillors, four of which are full time Councillors. Council is responsible for the approval of the Approval of the Budget, IDP, PMS, raising of tariffs, approval of policies and bylaws and appointment of Managers directly accountable to the Municipal Manager.

Municipal Public Accounts (MPAC)

Vulamehlo Municipality established the following committees: - Infrastructure and Planning, Finance, Budgeting and Monitoring Committee (FBM) and Corporate Services Committee and Local Economic Development (LED) and MPAC in line with Section 79 of the Municipal Structures Act.

The main role of these committees is to play an oversight function on any administrative matters and make recommendations to Council. The committees assist both administrative and political leadership to make informed decisions and deal with matters objectively and transparently.



7.1.4 Audit Committee

The various pieces of legislation for South Africa requires the establishment of an Audit Committee, with its roles and responsibilities clearly defined within a written terms of reference.

The Local Government Municipal Planning and Performance Regulations 2001 require a municipality to appoint, as an integral part of its mechanisms, systems and processes for auditing results of performance measurements a Performance Audit Committee.

The Municipality considered appropriate in terms of economy, efficiency and effectiveness to consolidate the functions of the aforementioned committees and establish an Audit and Performance Audit Committee (PAC). The PAC is shared amongst local municipalities of the UGu District Municipality. Municipality's PAC consists of four members with different areas of expertise. The committee meets quarterly.

The PAC 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 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.
- The detailed Internal Audit Chapter which clearly defined the roles and responsibilities, composition of the committee as well as meetings has been adopted.

7.1.5 Status of Municipal Policies

Table 34: Status of Municipal Policies

Policies	Completed? (Y/N)
Supply Chain Management Policy	Yes
Indigent Policy	Yes
Risk Assessment Plan	-
Employment Equity Plan	Yes
Skill Development Plan	Yes



Policies	Completed? (Y/N)
Fleet Management Policy	-
Employment Equity Plan	-
Financial Plan	No
Communication Plan	-
IDP Process Plan	Yes
Comprehensive Infrastructure Plan	No
Petty Cash Policy	-
Acting appointments Policy	Yes
Housing Allocation Policy	N
Policy on the Use of Community Facilities	-
Municipal Youth Development Policy Framework	-
Recruitment and Selection Policy & Procedure	Yes
Overtime Policy	Yes
Study Leave	Yes
Telephone Policy	Yes
Council car wash Procedure	-
Mobile Signage Policy	-
Fraud Prevention Policy	-
Policy on attendance, Punctuality and Official working Hours	-
Appointment of temporary employees	-
Cellphone Policy	Yes
Learnerships Procedures & Guidelines	No
Credit Control and Debt Collection Policy	Yes
Procurement Procedures	No
Attraction and Retention Policy	Yes but it's a Draft
Cash Management and Investment Policy	Yes
Policy on Leases, Contracts & Agreements	-
Tariff Policy	-
Acting allowances Policy & Procedures	Yes
Policy on Attendance at Conferences & Workshops - Int. Travel (Incl Cllrs)	Yes
Disciplinary & Grievance Policy & Procedures	-
Exit & Termination Policy & Procedure	Yes
HIV & AIDS Policy	-
Induction & Orientation Policy & Procedure	-
Leave Policy	Yes
Job Evaluation Policy	-
Placement Policy	-
Remuneration Policy	Yes
Human Resources Management Policy	Yes
Job Description	-
Budget Policy	Yes



Policies	Completed? (Y/N)
Internet & E-mail Policy	-
Grant In Aid Policy	-
Performance Management and Development Policy/Manual	No
Ward Committee Policy & Procedure	-
Occupational Health and Safety Policy	-
Internal Audit Charter	-
Assets Management Policy	Yes
Credit Card Policy	-

7.1.6 Municipal Risk Management

The municipality is currently being assisted by the Provincial Treasury to setup a committee of officials to attend all risk matters in the municipality. A risk assessment was conducted during the 2010/11 financial year and great concerns were highlighted on information and IT. The Municipality, has a Risk Management policy, Risk committees and Risk Registers.

7.1.7 Municipal Bylaws

There are no Municipal bylaws developed for the 2014/2015 financial year.

7.2 Public Participation Analysis

The municipality has, however, managed to establish fully functional public participation structures. The Ward Committees are functioning in all the Wards; CDWs continue to play a very supportive role to Ward Committees; IDP Representative Forum is fully functional; mayoral izimbizo and IDP roadshows are proving to be effective, etc.

The Corporate services department co-ordinates public participation meetings of communities and those of Ward Committees meetings are also held regularly (monthly) to deliberate on developmental matters of the municipality as well as ensuring proper reporting.

7.2.1 Community participation strategy

The municipality has a duty to promote public participation. The Vulamehlo Municipality has developed a community participation strategy as anticipated in the legislation. In terms of the relevant legislation, the municipality needs to communicate the following to the community:

- The policy making process of the municipality,
- The performance of its functions and the exercising of its powers
- Service delivery options
- The development, implementation and the review of the municipality's PMS. The community must participate in the setting of appropriate KPIs and performance targets
- The MFMA requires that the communities must know about the financial position of the municipality.



There are various ways and means to communicate to and with the public. The following are some of the ways that are suggested in the Strategy, namely, through ward committees, izimbizo, newsletters, media, annual reports etc. In order to enhance community participation, municipalities are being given support to establish community participation units with dedicated human resources to deal with participation issues on a daily basis.

The municipality has also developed a communication policy setting out internal and external communication channels.

7.2.2 Communication Policy

The municipality believes that channels of communication should exist between management and employees in the workplace. Furthermore sound labour relations can only result from mutual respect between an employer and its employees and such respect is formed where the employer and its employees treat each other fairly and consistently. To this effect the municipality developed the Communication Policy which was adopted by council.

7.3 Good Governance & Public Participation: SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">• Good community participation policy• Customer satisfaction policy• Establish functional ward councillors• Monthly council meetings• OSS operational• Thusong centre functional	<ul style="list-style-type: none">• Policies are not reviewed annually• Turn-around time not prompt• Negative individual attitude/ implementation• Poor reporting system• Council meetings not attended by public-poor communications• Adherence to Batho Pele principles• No public comments on municipal documents that require public comments
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">• Measurement of performance• Increased good relations with stakeholders• Effective ward development• Increased public participation in decision making	<ul style="list-style-type: none">• Protests or riots



8. COMBINED SWOT ANALYSIS

Vulamehlo Strength, Weaknesses, Opportunities and Threats Analysis

STRENGTHS	WEAKNESSES
<p>Cultural heritage</p> <ul style="list-style-type: none"> • Community Structures / Participation • Stakeholder Mobilisation • Agriculture & Tourism • Natural Landscape • A hierarchy of service nodes, namely, Dududu, Kenterton, and Imfume have been identified 	<ul style="list-style-type: none"> • Development of tourist attractions and destination • Agriculture & Tourism • Close proximity to markets – Durban, Port Shepstone, Scottburgh, uBuhlebezwe • Capacitating emerging farmers • Natural scenery • Dududu Township establishment • Availability of land and rivers for agricultural, sand winning purposes and water provisions • Development and extension of the P77 corridor -Scottburgh-Dududu-Kenterton
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Poor Infrastructure • Lack of generation of income • Poor institutional capacity • Lack of provision of basic services • No revenue base • Insufficient monitoring • Access to public transport routes • Competition with external markets, especially in agriculture and tourism • Access to the business service hub of Dududu because of boundaries/river • Poor literacy levels 	<ul style="list-style-type: none"> • 2016 municipal demarcation • Crime • High unemployment rate • Lack of provision of basic services • High level of poverty • Lack of Safety and security • Natural disasters • HIV/Aids / Lack of disease control • Strong rural component • Natural pest affecting subsistence farming (Bush Pigs & Warthogs) • Economic leakage to neighbouring thriving centres • Lack of entrepreneurship; low skills base and lack of infrastructure to support LED



9. KEY CHALLENGES

Vulamehlo Key Development Challenges

<ul style="list-style-type: none"> Limited access to basic household and community services e.g. water, roads Lack of maintenance of infrastructure e.g. sports fields, community halls No local economic development initiatives that are sustainable High rates of unemployment Financial Viability-there is no turn over (grant Dependent) Poor monitoring of funds that are available to provide services Unsustainable developmental practises Low levels of skills development and literacy Institutional inadequacies: service delivery mind set 	
Service Delivery and Infrastructure Development	<ul style="list-style-type: none"> Lack of Maintenance of existing infrastructure Lack of spending of provided grants Inadequate implementation programmes Limited funding Lack of credible reporting (progress of grants) Proper monitoring of projects High staff turnover Land Use Management (Municipality does not have proper resources in place to manage this)
Local Economic Development	<ul style="list-style-type: none"> Unavailability of job opportunities within the Municipality Mono-planting and subsistence farming dependency Illegal sand mining Lack of promotion of tourism and management of it Lack of skills and training High failure of SMME's and Co-ops Limited resource (finance)
Good Governance and Public Participation	<ul style="list-style-type: none"> No communication plan Turn-around time not prompt Individual attitude/implementation Poor reporting system Council meetings not attended by public- poor communications
Financial Management and Viability	<ul style="list-style-type: none"> Poor communication between departments Poor communication infrastructure i.e. telephone, internet, emails, software limitations, etc. Non-spending of grants Outdated policies and procedures Current debtors are more than 50% of own revenue No revenue enhancement plan Aging infrastructure in terms of sufficient budgeting (maintenance) Grant dependency limiting revenue enhancement Accountability of staff/everyone Noncompliance to legislation and time-frames Poor rates base database No financial plan No staff retention plan (training and growth)



Financial Management and Viability (continued)	<ul style="list-style-type: none"> • No frequent customer satisfaction survey conducted • Poor planning • SCM process
Institutional Development and Transformation	<ul style="list-style-type: none"> • Low Staff Productivity • Insufficient Staff • Maintenance Of Council Infrastructure / Facilities as well as accessibility of the Municipal offices • Insufficient Revenue Streams For Long Term Sustainability • Lack Of Cooperation And Communication Amongst Internal Departments • Poor Network Infrastructure • Lack of Office Space • Favouritism • Lack disable staff • Lack of employment equity in the senior staff (1 woman



SECTION D: VISION GOALS, OBJECTIVES AND STRATEGIES

Vision

By 2025 Vulamehlo Municipality will be self-sustaining and economically viable, with an established vibrant town

Mission Statement

- Maximising revenue through the collection of rates and service charges
- Transforming emerging entrepreneurs to compete commercially in the value chain
- Ensuring the provision of services in an integrated manner
- Rehabilitating and constructing infrastructure for economic development
- Creating an enabling environment by providing access to health care, education and security
- Capacitating our community through skills development programmes

Development Priorities	
Service Delivery and Infrastructure Development	<ul style="list-style-type: none">• Maintenance of existing infrastructure• Provision of basic services, spending money for provision of services• Land-Use Management and settlement
Local Economic Development	<ul style="list-style-type: none">• Implementation of the LED strategy• Ensuring access to agricultural markets• Skills development and capacity building of the community• Development of SMME (specific activities to be elaborated)
Good Governance and Public Participation	<ul style="list-style-type: none">• Improve oversight role and public participation
Financial Management and Viability	<ul style="list-style-type: none">• Improve audit opinion• Revenue management• Expenditure management• Development of a financial plan
Institutional Development and Transformation	<ul style="list-style-type: none">• Review all outdated policies• Improve communication within established structures• Skills Development and Trainings



Strategic Planning Session

The Vulamehlo Local Municipality held a two day Strategic Planning Session on the 11 & 12 March 2014. The two day strategic planning session a process of institutionalizing a culture of planning, monitoring, evaluation, reporting and aiming to improve its performance and achieve service excellence. The two day strategic session was used to Review the Integrated Develop Plan, and is a continuation of the process of strategic planning, operational planning, monitoring, evaluation, reporting and once again reviewing.

The aim of the strategic planning was to have a strategic framework as the OUTPUT to enable the administration to plan at a more detailed level: to enable the IDP Review to proceed, Budget Process to proceed and SDBIP to proceed.



In the analysis phase the existing situation in a municipality was dealt with and the types of problems/ challenges facing the communities have identified and understood. The following section is the documentation of the strategic phase. The vision that reflects ambitious, credible, inspiring and achievable statements about the future of Vulamehlo Municipality has been developed. Furthermore, statements have also been developed (developmental objectives) of what the municipality would like to achieve in the medium term in order to address the problem issues and also contribute to the realisation of the vision. The strategies that provide answers to the question how we will reach our objectives been also developed.



KPA1: Municipal Transformation and Organisational Development	
Priorities	<ul style="list-style-type: none"> Review all outdated policies Improve communication within established structures Skills Development and Trainings
Goal:	To ensure sustainable institutional capacity
Objective	Strategies
D.1 - To ensure institutional development & Sound administration	a) Review of existing policies
	b) Increase competence levels of staff
	c) Review the staff organogram
	d) Ensure functional Organizational Performance Management System (OPMS) is implemented
	e) Filling of critical posts
	f) Develop and adopt IT governance framework
	g) Implementation of Batho Pele
	h) Develop & Adopt IT. Governance Framework
KPA2: Basic Service Delivery	
Priorities	<ul style="list-style-type: none"> Maintenance of existing infrastructure Provision of basic services, spending money for provision of services Land-Use Management and settlement
Goal:	To improve access to basic services for all communities
Objective	Strategies
D.2 - Improve access to basic services and community facilities	a) Facilitate the roll-out of refuse removal programme
	b) Develop & Implement an Asset maintenance and rehabilitation plan
	c) Provision of Free basic Services
	d) Distribution of water via water tanks
	e) Facilitation of basic sanitation
	f) Facilitation of electricity installation
	g) Facilitate the provision of Human Settlement
	h) Establish Gravel Roads
	i) Construction of new Community Facilities
	j) Construction of new recreational facilities
KPA3: Local Economic Development	
Priorities	<ul style="list-style-type: none"> Implementation of the LED strategy Ensuring access to agricultural markets Skills development and capacity building of the community Development of SMME (specific activities to be elaborated)
Goal:	To improve access to basic services for all communities
Objective	Strategies
D.3 - To create economic growth and development	a) Provision of capacity building and training
	b) To create an enabling environment for economic growth and development



D.3 - To create economic growth and development (continued)	c) Create jobs through CWP/EPWP& LED
	d) Facilitating SMME support through SEDA
	e) Implement /Review of LED Strategy
KPA4: Good Governance and Public Participation	
Priorities	• Improve oversight role and public participation
Goal:	Improved audit opinion
Objective	Strategies
D.4 - To promote a culture of participatory Development	a) Ensure Constant communication with Community
D.5 - To ensure institutional development & Sound administration	a) Functional ward committees structure
	b) Implement risk management plan
	c) Functional Audit committee and internal audit unit
D.6 - To promote the development of a safe and secure community	a) Promote a culture that fights against Drugs and Substance Abuse through awareness programmes
D.7 - To promote human rights and social upliftment of vulnerable groups	a) To allow access to Education and Youth Development through youth programme
	b) Develop programmes for the human rights and social upliftment of vulnerable groups
	c) Empower communities through HIV/AIDS Programme
KPA5: Financial Management & Financial Viability	
Objective	Strategies
D.8 - Revenue enhancement by creating an efficient billing system, improve cash flow bank investment and debtors management	a) Review and adopt supplementary valuation roll
	b) Prepare reports of bank reconciliation statements
	c) Earn Interest on investment over total received excluding grants
	d) Prepare debtors age analysis report
	e) Turnaround time of payment of creditors on receipts of credible invoice
	f) Cost coverage ratio
	g) Recover VAT received from SARS
D.9 - . To align to national policies and budget guidelines	a) To review and adopt the municipal budget process plan
	b) Prepare draft annual budget
	c) To review and adopt final annual budget
	d) To adopt budget virement
	e) Approve adjustment of annual budget
	f) To fully comply with section 71 of the MFMA
	g) To fully comply with section 72 of the MFMA
	h) To fully comply with section 52(d) of the MFMA
	i) To submit 2014/1015 annual financial statements



D.10. Proper procurement of goods and services	a) Develop 2015/2016 procurement plan
	b) Turnaround time output for quotations awarded
	c) Turnaround time for tenders awarded
D.11. Proper management of documents and assets	a) Conduct asset verification
	b) Maintain fixed assets update
	c) Updating of contract management register
	d) Prepare 2014/2015 procurement implementation report
KPA6: Cross cutting	
Objectives	Strategies
D.12 - Efficient and credible strategic and spatial municipal planning	a) Revision of a Credible Integrated Development Plan (IDP)
	b) Improved Spatial Development Framework planning
	c) Facilitate the formalization of Dududu Township Establishment
	d) Establishment of disaster management Structures and systems
D. 13 - To ensure improved response to Disasters	a) Functional Disaster Management Centre



SECTION E: (i) STRATEGIC MAPPING

Spatial Development Goals And Objectives

The overall essence of this section is to provide the “how” to spatial development as part of exercising pragmatism in the spatial planning and development of Vulamehlo Municipality. It identifies the core structuring elements and their corresponding objectives for spatial development in Vulamehlo Municipality. The spatial objectives are then translated into strategies which go to address the pertinent spatial issues currently existent in the Municipality. The idea is to ensure that these strategies go to achieve the long term municipal vision through short, medium and long term integrated actions.

Desired Outcomes

In applying the key planning principles and core spatial concept, the long term desired outcomes for the Vulamehlo SDF include the following in Table 9.

Table 35: Desired Outcomes through the application of SDF Principles

Principles	Outcomes	Keys to Implementation
Sustainability	<ul style="list-style-type: none"> Responsible use of natural resources Promotion of food security through sustainable small-scale agricultural practices Climate change adaptation and mitigation practices 	<ul style="list-style-type: none"> Resource protection and management. Protection of key environmental resources. Enforcement of proactive localised measures towards climate change adaptability and mitigation. Delivery of quality services and infrastructure through an efficient delivery system. Sustainable human settlement which is inclusive and in appropriate locations.
Efficiency	<ul style="list-style-type: none"> An efficient and robust land development structure Appropriate and functional service delivery. Managed growth within the constraints of future plans relating to infrastructure provision A connected and effective movement system in terms of time and cost 	<ul style="list-style-type: none"> Densification and compaction in appropriate locations. An efficient and affordable public transport system Quality of infrastructure and service delivery
Accessibility	<ul style="list-style-type: none"> Facilitating physical access to opportunities for all communities A local economy which has the ability to utilise local skills and resources A range of basic service standards appropriate to different locations 	<ul style="list-style-type: none"> Efficient and affordable public transport Access to economic opportunity areas and markets Avoid poverty pockets Local economic growth



Key Spatial Strategies

The strategies for Vulamehlo Municipality are intended to provide short, medium and long term direction to various aspects of development including spatial planning, economic development, infrastructure planning and environmental planning. The ultimate aim is to ensure a better quality of life of municipal residents through aspects dealing with spatial restructuring, accessibility and mobility, economic opportunities and spatial resilience. These strategies are the drivers with which the performance qualities as outlined in Section 5.1.1 can be achieved.

a. Supporting an efficient movement system

The desired movement structure for the Vulamehlo spatial framework includes public investment in road connections to support public transport and pedestrian movement with the aim of enhancing linkages with activity areas.

b. Encouraging strong and viable nodes

This strategy involves the identification of a hierarchy of nodal areas where mixed use activities and services can be concentrated. The prerequisite for this strategy is connection and public transport to enable ease of access to the targeted threshold population within the municipality. This will be related to areas feasible for priority spending on infrastructure, basic services and essential public services, ideally, to support surrounding settlements.

c. Supporting public and private investment in appropriate locations

The desired locations for public and private investment is related to priority spending areas where need is considered a key determinant for socio-economic investment. Whilst this strategy is interrelated to the intent for nodal areas, this strategy refers specifically to needy areas which ultimately justify themselves for priority spending on infrastructure, housing, basic services and essential public services to support particular settlements.

d. Supporting sustainable environmental conservation and management

The desired spatial form for Vulamehlo involves the conservation of areas of environmental significance such as indigenous vegetation, priority biodiversity areas, wetlands, rivers and their surroundings, etc. For this strategy to work there is the need for management and enforcement of environmental laws and negotiation processes to enhance the viability of environmental conservation and management in the Municipality. These, together form part of contributing towards the minimisation of the related effects of climate change and achieving a sustainable environmental system.

e. Managing settlement expansion through spatial policy

This strategy is interlinked to all the other strategies, particularly with the intention to maximise spatial efficiencies. The current trend of scattered settlements in Vulamehlo does not augur well for achieving



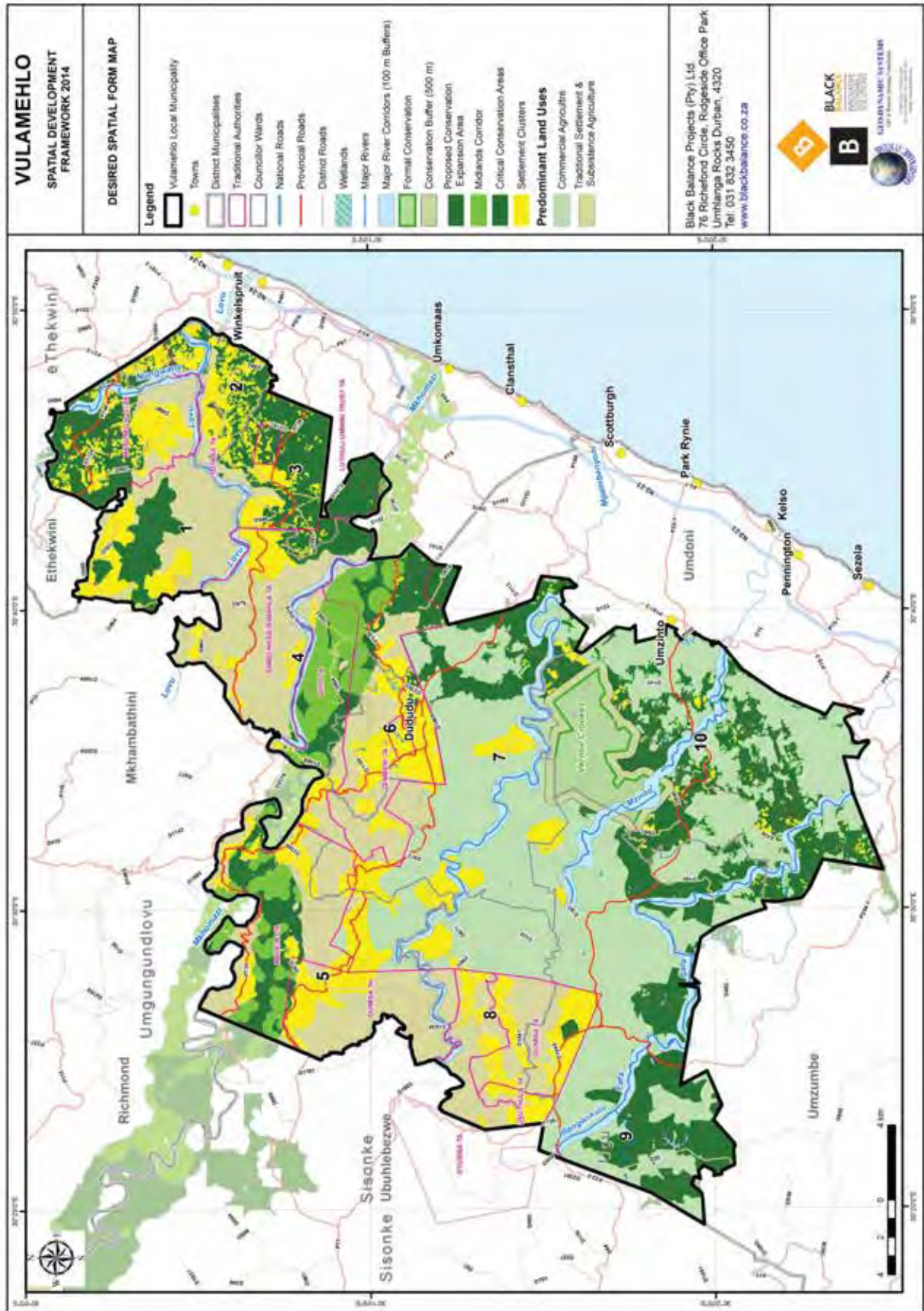
sustainability in public investment, minimising encroachment into sensitive environments and promoting small-scale agriculture. For Vulamehlo, a containment edge is proposed for areas like Dududu and Imfume which are bordered either by commercial agricultural land, areas of environmental sensitivity and undevelopable landscapes. The idea of containment edges is intended to consolidate development within their current built-up areas whilst promoting densification and spatial efficiency in these areas. This will assist in the improvement of service delivery efforts carried out by the municipality and its development agencies.

f. Facilitating sustainable human settlements in appropriate locations

The desired spatial form for this strategy is directly linked to housing based on rural housing demand. In this particular instance, emphasis is on housing and associated infrastructure within nodal areas directed by infill development. Within the current premise of human settlements, there is the need to rationalise housing typologies in accessible locations (i.e. in proximity to social amenities, jobs and transportation networks).



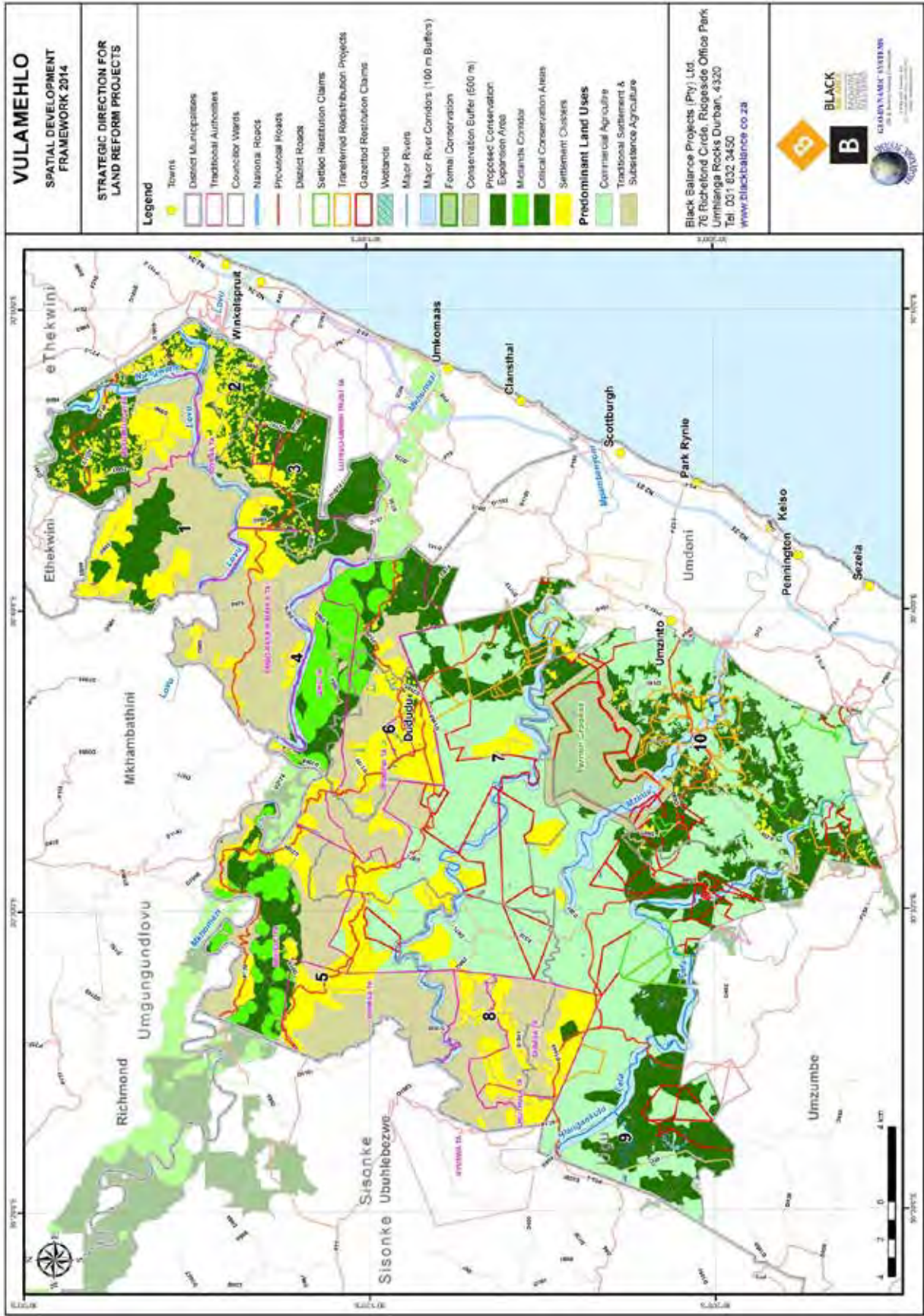
Map 19: Desired Spatial Form for Vulamehlo Municipality





SECTION E

Map 20: Strategic Direction for Land Reform Projects





Map 21: Current and Proposed Conservation Status for Vulamehlo Municipality



Key Spatial Interventions

From the initial analysis and working towards the spatial vision of Vulamehlo Municipality, a number of key spatial interventions will be required. These interventions signify areas where priority spending should occur and other development initiatives would have to be channelled.

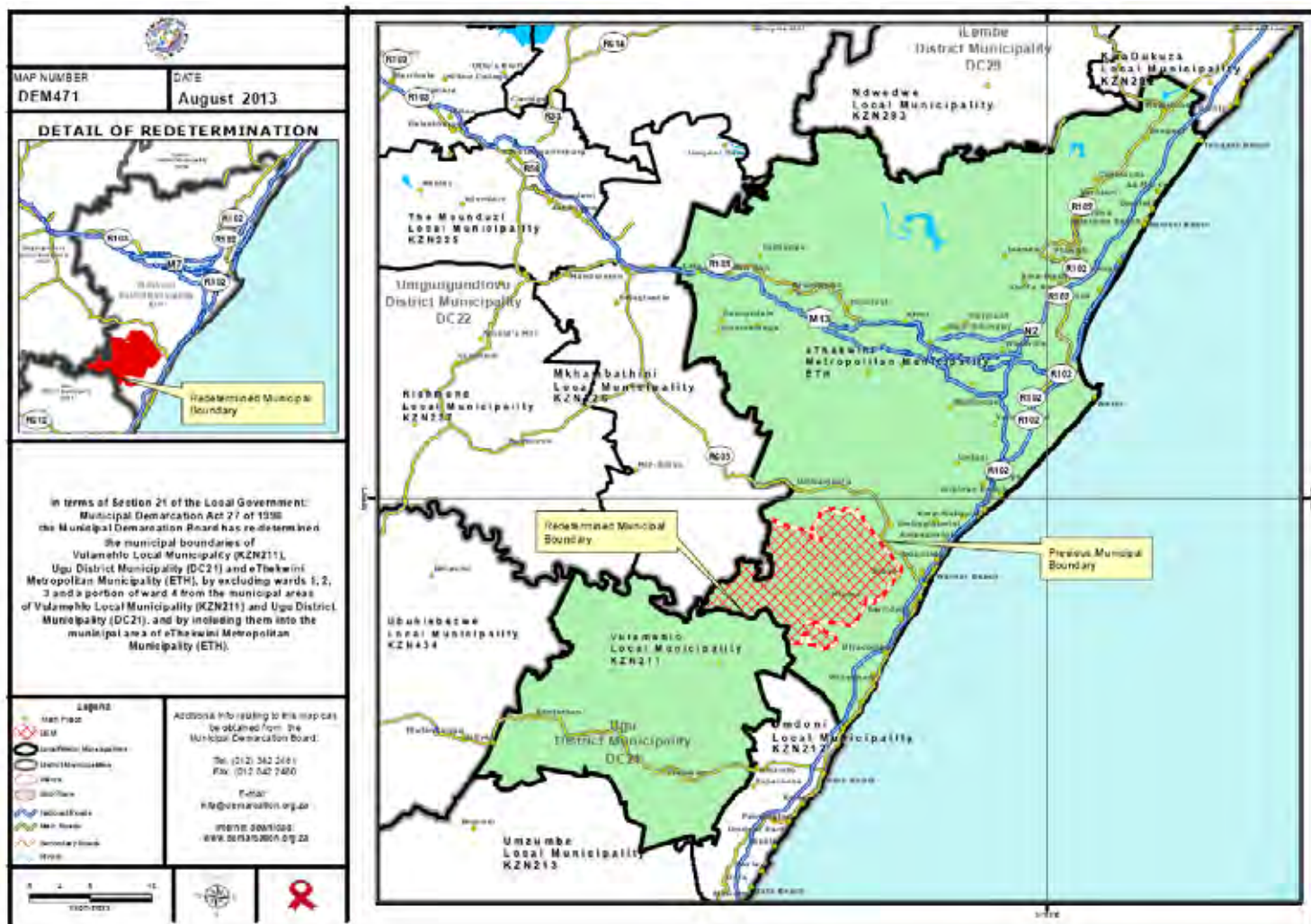
Table 11 outlines the broad interventions and corresponding actions which will have to occur in strategic locations in Vulamehlo Municipality.

Table 36: Key Interventions and Priority Spending Areas

Broad Intervention	Specific Intervention	Action Required	Expected Outcome
Nodal Planning	Dududu Town Formalisation (on-going)		<ul style="list-style-type: none"> Implementation of the Dududu small town formalisation strategy Development of a Land Use Scheme for Nodal Areas
	Imfume Densification Strategy	Commission the preparation of the Imfume Densification Strategy	Implementation of Imfume Densification Strategy
Service Delivery and Infrastructure Development	Provision of Transport infrastructure	<ul style="list-style-type: none"> Upgrading of P77 and other nodal linking roads Public transport shelters in Dududu, Imfume, Kenterton and Braemar Investigate northern transport linkages 	<ul style="list-style-type: none"> Blacktop upgrade for P77 Formal taxi rank shelters which facilitates better movement
	Waste collection and management	Phased Solid Waste Collection for Nodal Areas and rest of municipality	100% Waste Collection and Management
Institutional Development between Neighbouring Municipalities	Develop strategies towards transition of municipal boundary changes by 2016	Set up an inter-governmental body to oversee transition period	Co-ordinated and efficient municipal transition process
Development of the Tourism Sector	Diversification of tourism products	Investigation of heritage tourism options at a sub-regional scale	A review of the Municipal Tourism Strategy
Sustainable Agricultural Development	Rationalise Transferred Land Claims Sites and proposed activities	Review the Vulamehlo Agricultural Development Plan including a policy for land use management on transferred land claims sites	Implementation of the Agricultural development Plan



Map 23: Boundary Redetermination for Vulamehlo and eThekweni Municipalities

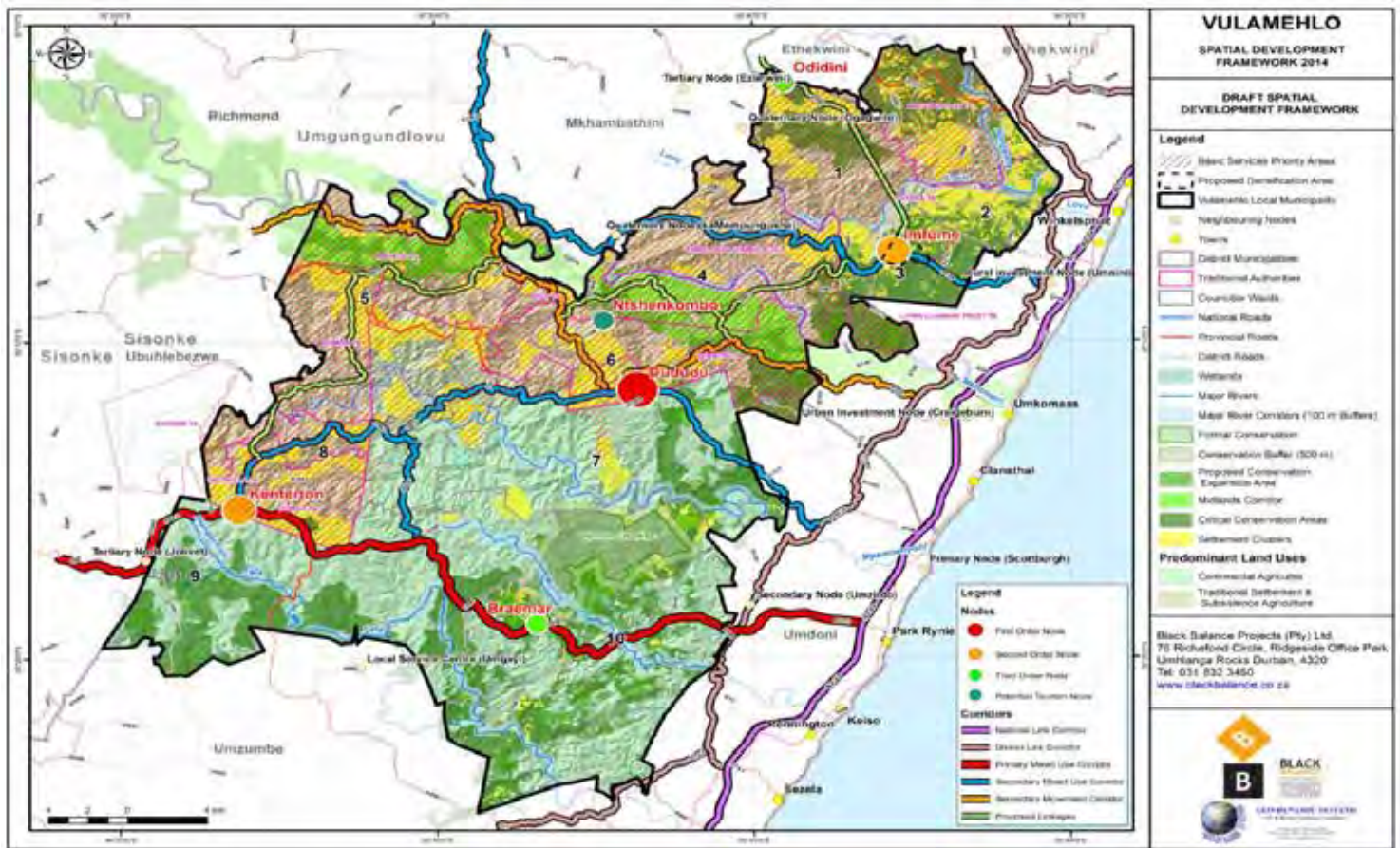


Consolidated Vulamehlo Spatial Development Framework (proposed SDF)

The Vulamehlo Spatial Development Framework as presented on Map 21 is a culmination of strategic responses to the spatial issues and policies governing spatial planning and development in the municipality. The various proposals are intended to fulfil the development vision of an efficient and well-structured and efficient spatial system which attends to the settlement needs, environmental conservation and management, as well as for different social and economic purposes, in a sustainable manner, with adequate consideration to impacts at a sub-regional, regional and national scale.



Map 24: Consolidated SDF Map for Vulamehlo Municipality





Implementation Framework

As part of the Vulamehlo IDP, the SDF and its implementation elements are crucial for progressive development of the municipal area and its communities. Practical implementation of the SDF will be achieved through further detailed planning of special development areas and the formulation of the suite of municipal land use management tools.

It is envisaged that the implementation of the Vulamehlo SDF will address at least the following:

- a. **The Basic Land Use Management Guidelines** – this involves the preparation of a suite of land use management tools which goes to implement the spatial future of the VulamehloSDF. Included in this section are key elements to be managed and the key mechanisms for land use management;
- b. **The Capital Investment Framework** – This section gives the broad budgeting response to capital investment for the SDF proposals and planned sector department projects within the municipality;
- c. **Further Planning** – The strategic nature of the SDF always identifies key intervention areas which might require more detailed investigation and/ or planning and this should be addressed as a vital part of direct implementation of the SDF. This will also include some guidelines for the municipality's land use management system.

The outcomes of each of these areas of implementation planning then results in an overall systematic implementation strategy with a number of proposed interventions within the short, medium and long terms, and with the intentions to influence directly the implementation of the Vulamehlo Integrated Development Plan.



SECTION E: (ii) IMPLEMENTATION PLAN

Vulamehlo Capital Projects		Adjusted 2014	Final Budget 2014-2015
Vote Number	Project Name	23 206 389.86	17 400 000.00
8200/8244	Dumayo Hall	2840674	0
8200/8240	Ngwadini Sports Ground	3416808	1849624
8200/8246	Skills Centre	3418510.02	784980
8200/8247	Mfume Sportsground	4814047.38	608759
8200/8248	Mistake Farm	3876500.46	971415
	MIG Projects Rolled over	4839850	
new	Mpulo and Rwayi		2885222
new	Fakazi Creche		1500000
new	Madundubala Community Hall		1700000
new	Dududu and Thafeni Road		2000000
new	Shukumisa Sport Ground		3500000
new	Qwembe Community Hall		1300000
8500/8525	Wheel Chair Vamp		300000

Equitable Share Special Projects		4 708 250.00	4 814 100.00
4300/4322/02/0205	Projects- Free Basic Electricity	434 250.00	540 000.00
4300/4323/02/0205	Projects- Free basic Services	4 274 000.00	4 274 100.00
Conditional Grants Programmes		5 848 000.00	6 899 000.00
4300/4378/05/0507	KZN Sport Grant		
new	Electrification project	5 000 000.00	5 000 000.00
new	EPWP	-	1 000 000.00
4300/4311/11/1105	Development of Municipal Housing Plan		
	PMU	848 000.00	899 000.00
4300/4357/11/1105	Umdumezulu Rural Housing Project		



Ugu District Service Delivery and Infrastructure Development

Project Description	Ugu DGDS 6 Drivers for Change	UGU District Priorities	2 Year Targets		Budget	Locality
			Yr. 2	Yr. 3		
			2013/2014	2014/2015		
Thenjane			N/A	Construction	R12 000 000 – R22 000 000	Vulamehlo
Dududu			N/A	N/A	R20 000 000 – R22 000 000	Vulamehlo
Dududu			N/A	N/A	R120 000 000.00	Vulamehlo
Dududu Water Reticulation Infill	Strategic Infrastructure Investment	Infrastructure Investment (Roads, Water, Sanitation, Electricity, Housing)				Vulamehlo
Maphumulo Water Supply						Vulamehlo
Supply and Installation of Prioritised M & E						Vulamehlo
Replacement of domestic and bulk meters within the southern area						Vulamehlo
Ovumaneni Sport Complex	Safety & Em- powerment of Communities	Peace and Stability	Completion		R5 009 252.00	Vulamehlo
Construction of Fakazi Sports Field			Completion		R4,705,129.80	Vulamehlo

Eskom Planned Identified Projects						
Local Munic	Project Name	Ward No	Est Conns	Network	Status	Dependency
Vulamehlo	Mysieland	10	65	School Road NB109	Constrained	Ngwadini 132 22 11kV SS Establishment
Vulamehlo	eTshenkombo	7	881	Dududu NB144	Slightly Constrained	Ngwadini Substation 132/22kV 2x20MVA substation
Vulamehlo	Mtoli	5	1099	School Road NB109	Constrained	Ngwadini 132 22 11kV SS Establishment
Vulamehlo	Mahlathini	10	668	School Road NB109	Constrained	Ngwadini 132 22 11kV SS Establishment
Vulamehlo	Madudubala	3	965	School Road NB109	Constrained	
Vulamehlo	Mqangqala	8	822	School Road NB109	Constrained	Ngwadini 132 22 11kV SS Establishment
Vulamehlo	Odadini (KwaJohny)	8	568	School Road NB109	Constrained	Ngwadini 132 22 11kV SS Establishment
Vulamehlo	Mayfield & Mbungulu	9	355	School Road NB109	Constrained	Ngwadini 132 22 11kV SS Establishment
Total			5423			



Eskom-Identified Infills Projects					
Local Munic	Project Name	Est Conns	Ward No	Network	Status
Vulamehlo	Mistake Farm S1	48	07 & 10	Temple Road NB101	Not Constrained
Vulamehlo	Umfume S1	30	3	Umgababa NB44	Not Constrained
Total		78			

Department of Transport						
Activity	Project	Location	From Km	To Km	14/15 Budget	
Ok	<u>P77</u>	Amahlongwa Mission To Lockwood	15.4	62	2 000 000	
Ok Vehicle Bridge	3473 Mpambanyoni River Bridge	Vulamehlo			5 000 000	
Rrd	<u>P728</u>	Mfume To Umgababa	0	41.8	15 750 000	
	3499 D1068 Mkomazi River Bridge	Vulamehlo			5 000 000	
Ped Bridge	3590 Gij Crookes Hospital Bridge	Vulamehlo			2 000 000	
Rehab 14/15	<u>P22-1</u>	Park Rynie - Dumisa	6	12	23 760 000	
			20	22	6 480 000	
			26	28	7 740 000	
			36	36.775	3 069 000	
Reseal 14/15	<u>D690</u>	Main Road 22 - Braemar Primary School	0	0.497	236 572	
Vulamehlo Total					71 035 572	
Name of Municipality		Name of Project	Budget	Timeframe		
Vulamehlo Municipality		Line marking	R 1 986 000	2012/2013 –2014/2015		
		Blacktop Patching	R 12 763 360			
		Verge Maintenance	R 3 972 000			
		Blading	R 4 965 000			
		Guardrail Repairs	R 3 972 000			
		Local Rd & Causeways	R 12 909 000			
		Regravelling	R 22 839 000			
		Bhomlandi Road	R750 000			



Department of Arts and Culture			
Interventions	Activities	Beneficiaries	LM
Library/Museum Services	<ul style="list-style-type: none"> DAC will build the following structures in 2014/15: Library(Vulamehlo) R21 m Library(Hibiscus) R20m Museum(Hibiscus) R8m 	Community	Vulamehlo and Hibiscus Coast LM

Department of Human Settlements-Future Projects (Conditional Approval)				
Vulamehlo	Dududu Ward 6 Phase 2	1500		R4 252 665.00
Vulamehlo	Mjundwini/Dlangezwa	1500		R4 252 665.00
Vulamehlo	Smahla Phase 2	1500		R4 252 665.00
Vulamehlo	Vulindlela Phase 2	1500		R4 252 665.00
Vulamehlo	Vulamehlo Ward 8 & 9 Phase 2	1500		R4 252 665.00



Department of Agriculture						
Project Description	Ugu DGDS 6 Drivers for Change	UGU District Priorities	2 Year Targets		Budget	Locality
			Yr. 2	Yr. 3		
			2013/2014	2014/2015		
Isulabantu Vegetable Production	Sectoral Development and Support	Economic and Sectoral Development (Job Creation, Employment, LED Projects, Tourism, Agriculture, Rural Development)	Implementation	N/A	R250,000.00	Vulamehlo
Sakhubunye Land Care			Implementation	N/A	R1,100,000.00	Vulamehlo
Inkanyezi Land Care			Completion	N/A	R550,000.00	Vulamehlo
Shayamoya Land Care			Implementation	N/A	R852,000.00	Vulamehlo
Ndaya Land Care			Implementation	N/A	R697, 000.00	Vulamehlo
Senzokuhle Irrigation Scheme Project			Implementation	N/A	R450,000.00	Vulamehlo
Isulabantu Irrigation Scheme Project			Implementation	N/A	R450,000.00	Vulamehlo
Inqakazulu Irrigation			Implementation	N/A	R450,000.00	Vulamehlo
Sekusile Irrigation Scheme Project			Implementation	N/A	R300,000.00	Vulamehlo
Mashiwase Grazing Camp			Implementation	N/A	R1,900,000.00	Vulamehlo
Zembeni Grazing Camp Project	Sectoral Development and Support	Economic and Sectoral Development (Job Creation, LED Projects, Tourism, Agriculture, Rural Development)	Implementation	N/A	R2,000,000.00	Vulamehlo
Dumisa Grazing Camp			Implementation	N/A	R2,300,000.00	Vulamehlo
Ndaya Grazing Camp Project			Implementation	N/A	R400,000.00	Vulamehlo
Somelulwazi Community Garden			Implementation	N/A	R60,000.00	Vulamehlo
Qedusizi Community Garden			Implementation	N/A	R50,000	Vulamehlo
Vulamehlo SDF Review				Completion	R400 000	Vulamehlo
Kylassa Farming Trust Redistribution Project			Implementation	N/A		Vulamehlo



Approved Projects For Vulamehlo Local Municipality						
Province	District Municipality	Local Municipality	Project Name	Project Description	Organization	Focus Area
KWAZULU-NATAL	Ugu	Vulamehlo	Vulamehlo Solid Waste Management Scheme	In this project, waste will be collected from source i.e. skips, streets, transported to the nearest transfer station/ drop-off centre where it will be sorted for recycling purposes and disposal at landfill. The operation will have a demand for low-med skilled labour because of the labour-intensive nature of waste management services e.g. street cleansing, refuse collection, sorting and recycling of wastes before disposal.	Vulamehlo Local Municipality	Working on Waste
	Ugu	Vulamehlo	Expansion of Production and Harvesting of Aloe and Essential Oils Project	This project is an existing project that was started by a registered Co-op. The project has had challenges in terms of funding and therefore has been dormant. The municipality intends on reviving the project and expanding it to employ more people. A local, community-based Aloe and Essential Oils Project that is based on the production and harvesting of aloe which is linked to the essential oils industry for purposes of processing aloe into high value products.	Vulamehlo Local Municipality	Welfare Economy
TOTAL						R16,930,000



SECTION F: FINANCIAL PLAN

The total budget quantum for the 2014/2015 year is R90 079 million of which R72 347 million (81%) is allocated to the Operating budget and R17 733 million (19%) to the capital budget.

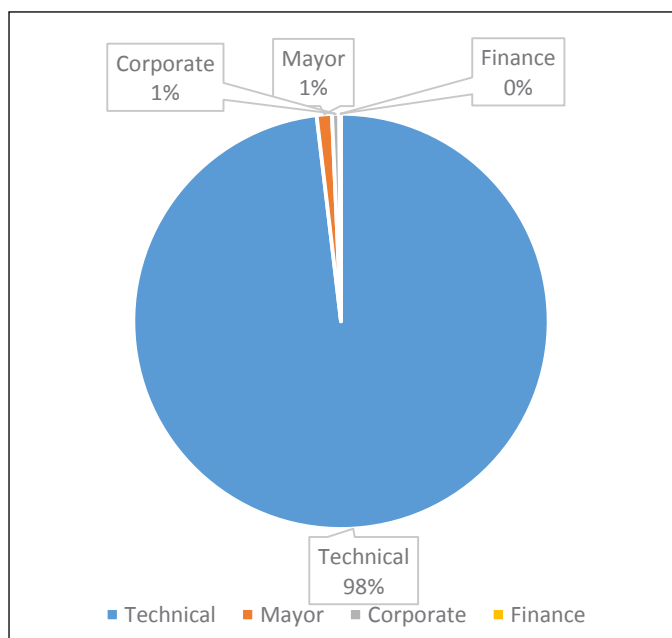
Capital Budget

The Municipality's capital budget is funded by the Municipal Infrastructure Grant and the surplus for Equitable share.

Capital expenditure has been appropriated at R17 733 million for the 2014/2015 financial year and decreases over the MTREF at levels of R17 253 million in 2015/2016 and has increased to 2016/2017.

The single year appropriations relate to expenditure that will be incurred in the specific budget year such construction of access roads, crèche, community halls, and sport grounds, procurement of vehicles, plant and equipment. The budget appropriations for the two outer years are indicative allocations based on departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality.

Figure 24: Departmental Capital budget 2014/2015



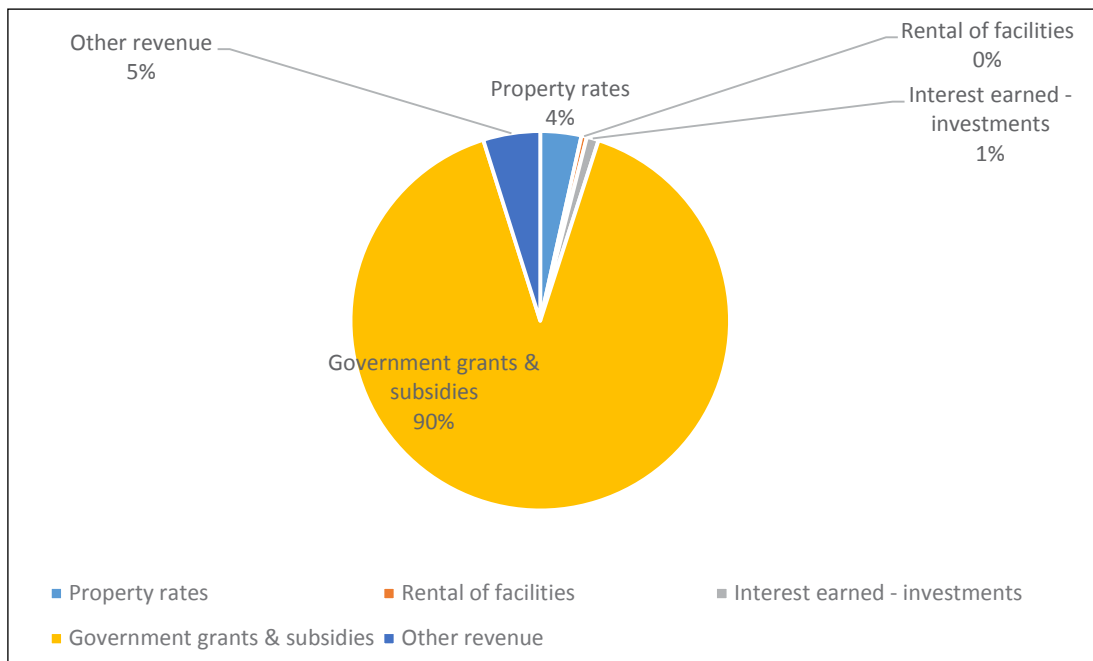


Operating Revenue

The estimated operating income has been projected at R63 947 million and escalates to R81 094 million by 2016/2017.

Revenue to be generated from property rates is R2.2 million in the 2014/2015 financial year which represents only 4 per cent of the operating revenue base of the municipality and therefore remains an insignificant funding source of the municipality. The 0.4 per cent decrease is due to the implementation of a new valuation roll, which came about with reclassification of properties.

Figure 25: Operating Budget by Source

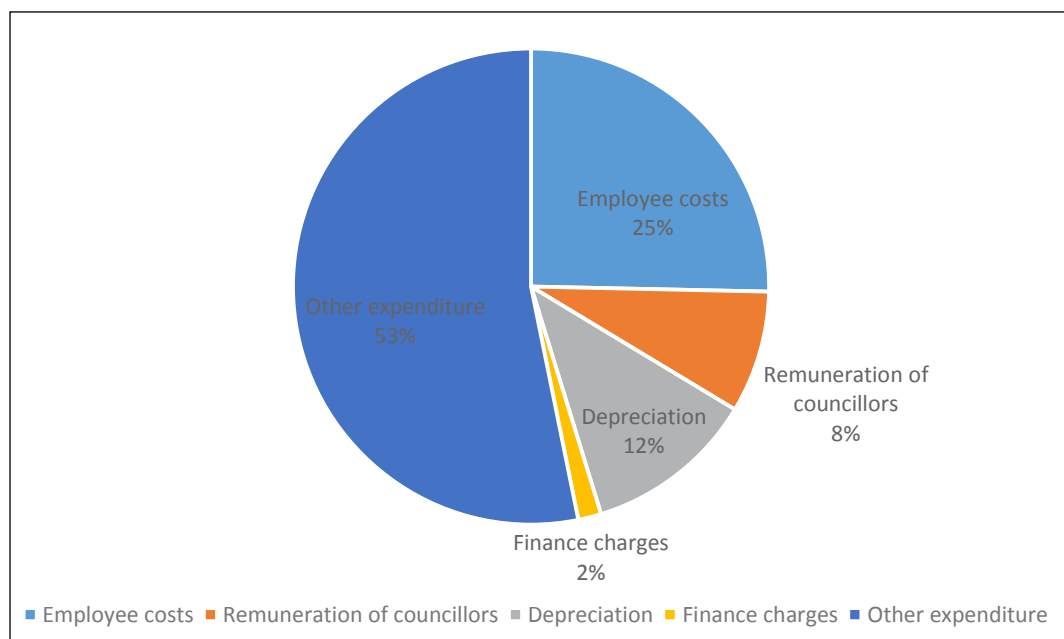




Operating Expenditure

Total Operating expenditure has increased from R69,945 million in 2013/2014 to R72,347 million in 2014/15.

Figure 26: Operating Expenditure by category



Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee is to ensure:

1. that the process followed to compile the budget complies with legislation and good budget practices;
2. that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
3. that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
4. that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.



Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2013) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule on 25 August 2013. Key dates applicable to the process were:

1. July 2013 – Prepare joint process plan for IDP, PMS and Budget and advertise draft IDFP review;
2. August 2013 – Submit process plan to IDP forum, portfolio committees and council. Liaise with national and provincial governments for planning and budgeting process;
3. September 2013 – Assessment of objectives, strategies and projects against cross cutting issues. Assessment of alignment of IDP strategies & projects for medium term in relation to NSDP and PGDF. Determine funding availability & requirements per sector plan and where relevant prepare business plan/ terms of reference and roll out accordingly;
4. October 2013 – Review and confirm objectives, strategies and projects at IDPRF workshop. Review capital, institutional, operational, maintenance projects. Estimate available resources and provide guidance for way forward for budgeting;
5. November 2013 – Submit revised projects to Treasury. Submit first Draft IDP to IDP steering committee and council for in principle approval
6. December 2013 – Submit budget instructions and 2013/14 budget framework to all relevant persons. Submit draft IDP to COGTA for assessment. Preparation of summary of available funds (internal and external);
7. January 2014 - Council considers the 2013/14 Mid-year Review and Adjustments Budget;
8. February 2014 – Assess financial feasibility of proposed new projects based on existing and potential funds. Consideration of draft budget;
9. March 2014- Tabling in Council of the draft 2014/15 IDP and 2014/15 MTREF for public consultation;
10. April 2014– Public consultation;
11. May 2014 – finalisation of the 2014/15 IDP and 2014/15 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and tabling of the 2014/15 MTREF before Council for consideration and approval.

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council.



IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fifth revision cycle included the following key IDP processes and deliverables:

1. Registration of community needs;
2. Compilation of departmental business plans including key performance indicators and targets;
3. Financial planning and budgeting process;
4. Public participation process;
5. Compilation of the SDBIP, and
6. The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2013/20145 MTREF, based on the approved 2012/2013 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2014/15 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2014/15 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

Financial Modelling and Key Planning Drivers

As part of the compilation of the 2014/15 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability.

The following key factors and planning strategies have informed the compilation of the 2014/15 MTREF:

1. Municipality growth
2. Policy priorities and strategic objectives
3. Asset maintenance
4. Economic climate and trends (i.e. inflation)
5. Performance trends
6. The approved 2014/15 adjustments budget and performance against the SDBIP
7. Cash Flow Management Strategy
8. Debtor payment levels
9. Investment possibilities



10. The need for tariff increases versus the ability of the community to pay for services;
11. Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 70 and 72 has been taken into consideration in the planning and prioritisation process.

Community Consultation

The draft 2014/15 MTREF as tabled before Council on 28 March 2014 for community consultation has been published on the municipality's website, and hard copies has been made available at municipal offices and other community centres. In addition budget road shows were held in different municipal clusters. Inputs were also collected via e-mails.

All documents in the appropriate format (electronic and printed) will provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Ward Committees were utilised to facilitate the community consultation process in April 2014. The applicable dates and venues were published in all the local newspapers. Imbizo's have been held to further ensure transparency and interaction. Other stakeholders involved in the consultation will include churches, non-governmental institutions and community-based organisations.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects were addressed, and where relevant considered as part of the finalisation of the 2014/15 MTREF.

Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.



It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality's strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

1. Green Paper on National Strategic Planning of 2009;
2. Government Programme of Action;
3. Development Facilitation Act of 1995;
4. Provincial Growth and Development Strategy (GGDS);
5. National and Provincial spatial development perspectives;
6. Relevant sector plans such as transportation, legislation and policy;
7. National Key Performance Indicators (NKPIs);
8. Accelerated and Shared Growth Initiative (ASGISA);
9. National 2014 Vision;
10. National Spatial Development Perspective (NSDP) and
11. The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's six strategic objectives for the 2014/15 MTREF and further planning refinements that have directly informed the compilation of the budget:

IDP Strategic Objectives: 2014/15 Financial Year

1. Financial Viability
2. Basic Service delivery and infrastructure
3. Good governance and public participation
4. Local economic Development
5. Municipal transformation and institutional development
6. Spatial analysis and environmental management



In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. It provides direction to the Municipality's IDP, associated sectorial plans and strategies, and the allocation of resources of the Municipality and other service delivery partners. The 2014/15 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Credit control and debt collection procedures/policies

The 2014/15 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 75 per cent on current billings. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the municipality's cash levels.

Asset Management policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure.

The Asset Management Policy is considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council in April 2009.



Review of Budget Policy

The Budget Policy is currently under review and will be tabled together with the budget on 30 May 2014. The Budget Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the Municipality's system of delegations.

Cash Management and Investment Policy

The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduces time frames to achieve certain benchmarks.

Overview of budget assumptions

External factors

Domestically, a majority of our community is unemployed, which 66 per cent of the population. With economic development we will expect a small growth of employed people of about 2.1% within the 2013/2014 financial year.

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2013/14 MTREF:

1. National Government macro-economic targets;
2. The general inflationary outlook and the impact on Municipality's residents and businesses;
3. The impact of municipal cost drivers;
4. The increase in the cost of remuneration.

Collection rate for revenue services

The rate of revenue collection is currently expressed as a percentage (75 per cent) of annual billings. Cash flow is assumed to be 75 per cent of billings. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.



Salary increases

The Salary and Wages Collective Agreement for the period 1 July 2012 to 30 June 2015, provides for wage increase based on the average CPI for period 1 February 2013 until 31 January 2014 plus 1.00 per cent. According to the MFMA circular 72, the municipalities has been advised the CPI for this period is 5.79 per cent, therefore increases of 6.79 per cent (5.79 per cent plus 1.00 per cent) for the year 2014/2015.

Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

1. Creating jobs;
2. Infrastructure development;
3. Enhancing education and skill development;
4. Improving Health services;
5. Rural development and agriculture; and
6. Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.



OPERATIONAL BUDGET

Vulamehlo Local Municipality

Final Budget 2014–15

MUNICIPAL MANAGER'S OFFICE

	ADJUSTED 2014	FINAL BUDGET 2014-2015
INCOME	3,809,348.58	7,369,942.00
Equitable share	3,530,039.58	4,366,915.00
Anti-Corrupt (DTGA- Municipal Finance)	125,205.00	-
Jonny Area Community Gardens-DOH	5,727.00	-
Mjunundu Community Gardens-DOH	3,680.00	-
Homeowners Ploughing Assistance Project	14,905.00	-
Amahwaqa Housing Project Deve. Organic-DOH	1,000.00	-
Development Plan	3,354.00	-
Peanut Butter Project Grant	57.00	-
Accumulated Surplus	3,737.00	2,069,027.00
MSIG	-	934,000.00
CDW	1,474.00	-
LED Strategy Review	120,170.00	-
Employees related costs	2,103,372.19	2,918,085.12
Basic salary-Office of the MM	1,450,160.00	2,202,833.49
Bonus-Office of the MM	53,344.90	97,762.17
Overtime-Office of the MM	500.00	6,000.00
Leave pay- Office of the MM	30,000.00	20,000.00
Travel Allowance-Office of the MM	240,131.40	156,000.00
Other Allowances-Office of the MM	39,500.00	
Company Contribution Group Life-Office of the MM	5,543.55	
Company Contribution IDC- Office of the MM	5,443.00	
Company Contribution Medical Aid- Office of the MM	100,000.00	67,394.16
Company Contribution Pension Fund- Office of the MM	140,000.00	317,725.55
Company Contribution UIF- Office of the MM	19,374.67	9,141.42
Cellphone allowance		19,200.00
Skills Development Levy- Office of the MM	19,374.67	22,028.33
Equitable Share Special Projects	454,816.00	570,000.00
LED pilot bus plan for Community gardens	100,000.00	200,000.00
Proj Tourism	354,816.00	370,000.00

**General expenses**

Advertising- Municipal Manager
Subscriptions- Professional Bodies
Accommodation
Printing and Postage
Travel
Telephone
Seminars & Workshops Conferences
Refreshments & Catering
Subsistence and travelling
Internal Audit Fees
External Audit
Provision for shares services
Staff/ Training Bursary Fund- Municipal Manager

ADJUSTED
2014

FINAL BUDGET
2014-2015

975,407.00 **2,947,856.98**

100,000.00	105,400.00
-	
60,407.00	63,668.98
-	
10,000.00	10,540.00
-0.00	
30,000.00	31,620.00
25,000.00	26,350.00
	250,278.00
449,856.00	560,000.00
559,680.00	1,000,000.00
750,000.00	900,000.00
-	-

Conditional Grants Programmes

Anti-Corrupt (DTGA- Municipal Finance)
Jonny Area Community Gardens-DOH
Mjunundu Community Gardens-DOH
Homeowners Ploughing Assistance Project
Amahwaqa Housing Project Deve. Organic-DOH
Development Plan
Peanut Butter Project Grant
MSIG
CDW
LED Strategy Review

275,753.00 **934,000.00**

125,205.00	-
5,727.00	-
3,680.00	-
14,905.00	-
1,181.00	-
3,354.00	-
57.00	-
	934,000.00
1,474.00	-
120,170.00	-

Total Operating Expenditure

3,809,348.20 **7,369,942.10**

Capital Budget

- **0**



Vulamehlo Local Municipality

Final Budget 2014–15

CORPORATE SERVICES

	ADJUSTED 2014	FINAL BUDGET 2014-2015
INCOME	20,319,532.99	20,707,398.00
Equitable share	16,710,437.99	20,707,398.00
MSIG	596,300.00	0
HR Systems	7,000.00	0
Municipal Government & Admin Expert	-	0
Cogta- Thusong Centre	103,295.00	0
Dissaster Grant- Realised	2,900,000.00	0
Hall hire	2,500.00	0
Employees related costs	8,177,754.73	8,512,707.21
Basic salary- Corporate Services	4,997,133.86	6,281,463.34
Bonus-Corporate Services	333,205.64	458,789.67
Leave pay- Corporate Services	53,425.00	60,000.00
Overtime-Corporate Services	53,425.00	80,000.00
Travel allowance- Corporate Services	275,985.30	156,000.00
Uniform allowance- Corporate Services	21,370.00	
Other allowance- Corporate Services	100,000.00	
Company Contribution Group Life-Corporate Services	80,100.00	
Company Contribution IDC-Corporate Services	2,231.03	2,500.00
Company Contribution Medical Aid- Corporate Services	664,472.65	289,697.52
Company Contribution Pension Fund- Corporate Services	720,899.93	776,127.04
Company Contribution UIF- Corporate Services	49,971.34	46,115.01
Skills Development Levy- Corporate services	49,971.34	62,814.63
WCA-Corporate Services	128,220.00	130,000.00
Housing Allowances	550,906.80	
Cell Allowance		19,200.00
Acting Allowance	71,000.00	150,000.00
Post retirement benefit obligations	25,436.85	
Equitable Share Special Projects	2,964,833.17	4,380,000.00
Projects- Cemeteries and Crematoria Burial Assist	-	-
Projects- Disabled	90,000.00	95,000.00
Projects- Intergovernmental relation	12,120.00	
Projects- Education fund	100,000.00	110,000.00
Projects- Gender Forum	250,000.00	470,000.00
Projects- HIV/AIDS	200,000.00	300,000.00
Proj Public Participation/ Ward Committees	1,000,000.00	1,100,000.00
Proj Expenditure Senior citizens	160,000.00	200,000.00
Proj Telecoms Upgrade	582,713.17	600,000.00
Proj Youth	500,000.00	530,000.00
Proj Server Infructure overhaul	-	600,000.00
Proj Surviellance Infructure	-	150,000.00
Proj Bio Metric access control	-	150,000.00
Proj Disaster Management	70,000.00	75,000.00



ADJUSTED
2014

FINAL BUDGET
2014-2015

Repairs and maintenance

	511,613.60	644,131.00
Computer Equipment- Corporate Services	85,113.60	300,000.00
Motor Vehicles-Corporate Services	150,000.00	316,200.00
Operational Cost for Grader/TLB	250,000.00	-
Office Equipment-Corporate Services	5,000.00	5,270.00
Office Furniture and fittings-Corporate services	21,500.00	22,661.00

General expences

	5,158,294.88	7,370,088.87
Accommodation- Corporate Services	149,999.58	158,100.00
Hire Purchase of Motor Vehicle- Corporate Services	445,471.79	
Advertising- Corporate Services	40,000.35	42,160.00
Cleaning- Corporate Services	30,000.00	31,620.00
Computer Licences- Corporate Services	230,014.13	250,000.00
Discretionary Fund- Corporate Services	-	
Electricity- Corporate Services	200,000.40	210,800.00
Insurance- Corporate Services	350,000.00	1,000,000.00
Lease of Office Equipment- Corporate Services (NASHAUA)	148,579.20	250,000.00
Legal Fees- Corporate Services	811,680.00	855,510.72
Valuation Roll Maintenance- Corporate Services	200,000.00	210,800.00
Medical Examination- Corporate Services	4,499.56	4,743.00
Newspaper and Periodicals- Corporate Services	-	
Printing and Postage- Corporate Services	5,000.00	5,270.00
Refreshments & Catering - Corporate Services	80,000.16	84,320.00
SALGA- KZN Subscriptions- Corporate Services	450,000.00	474,300.00
SLA- Corporate Services	-	
Security - Corporate Services	302,227.20	318,547.26
Seminars Workshops Conferences - Corporate Services	20,000.40	21,080.00
Sports & Recreation - Corporate Services	264,000.00	278,256.00
Staff/ Training Bursary Fund- Corporate services	12,000.04	12,648.00
Stationary- Corporate services	216,275.80	227,954.90
Subscriptions Professional Bodies- Corporate services	4,999.80	5,270.00
Telephone- Corporate services	241,401.54	254,436.75
Travel - Corporate Services	30,000.37	31,620.00
Water- Corporate services	40,000.20	42,160.00
Year end Function- Corporate services	42,000.00	44,268.00
Motor Vehicle Running services- Corporate Services	840,144.00	885,511.78
Uniform Expenditure	-	22,523.98
Finance Lease Charges(Motor vehicles and plant)		335,414.00
Operating Lease Expence (Motor vehicle and plant)		800,000.00
Subsistence and travelling		250,000.00
SITA WAN Services		150,000.00
Media Liason		100,000.00
Delivery Charges- Corporate services	0.36	
Projects-Intergovernmental relations		12,774.48



Conditional Grants Programmes

MSIG-corporate
HR Systems
Municipal Government & Admin Expert
Dissaster Grant
Cogta- Thusong Centre

ADJUSTED
2014

FINAL BUDGET
2014-2015

3,607,037.72 **0**

596,300.00	
7,000.00	
442.72	
2,900,000.00	
103,295.00	

Total Operating Expenditure

R 20,419,534.10 **R 20,906,927.08**

Capital Budget

Office Furniture and Equipment

0 **100,000.00**

-	100,000.00
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Vulamehlo Local Municipality
Final Budget 2014–15
FINANCE DEPARTMENT

INCOME

	ADJUSTED 2014	FINAL BUDGET 2014-2015
	8,742,953.75	9,523,405.75
Equitable share	3,279,735.25	4,802,295.00
FMG grant- realised	1,766,538.00	1,800,000.00
Interest	650,000.00	650,000.00
MSIG	293,700.00	
Rates	2,283,215.00	2,234,610.75
Revenue forgone	-39,325.00	
Rates clearance	1,500.00	1,500.00
Renaissance Project	-	
rental income	227,590.50	
Sale of Tender documents	30,000.00	30,000.00
Sundry income	250,000.00	5,000.00

EXPENSES

Employees related costs

	3,571,891.64	4,375,382.72
Basic salary- BTO	2,748,759.65	3,198,536.50
Bonus-BTO	129,661.52	196,234.71
Overtime-BTO	15,000.00	20,000.00
Leave pay- BTO	20,000.00	30,000.00
Travel Allowance	135,000.00	156,000.00
Other Allowances	120,120.00	
Company Contribution Group Life-BTO	22,016.55	
Company Contribution IDC- BTO	461.59	
Company Contribution Medical Aid- BTO	150,248.20	122,416.20
Company Contribution Pension Fund- BTO	175,648.93	559,490.94
Company Contribution UIF- BTO	27,487.60	17,819.00
Cellphone Allowance		37,200.00
Housing Allowance		5,700.00
Skills Development Levy- BTO	27,487.60	31,985.36

Repairs and maintenance

	22,387.20	0
Computer Equipment- BTO	22,387.20	0
Assets Expense	-	0
Office Furniture and fittings-BTO	-	0
Office Equipment-BTO	-	0



	ADJUSTED 2014	FINAL BUDGET 2014-2015
General expenses	1,478,435.51	11,725,023.65
Audit fees- Internal BTO	449,856.00	-
Advertising	100,000.00	105,400.00
Accommodation	150,000.37	158,100.00
Travel	39,016.42	41,122.86
Telephone	0.03	-
Interest Expense	5,000.00	5,270.00
Finance cost	3,000.00	3,162.00
Seminars & Workshops Conferences	48,470.40	51,087.38
Refreshments & Catering	18,757.89	19,770.93
Audit fees- External BTO	559,680.00	-
Bank Charges- BTO	103,804.80	109,410.47
Subscriptions- Professional Bodies	849.80	1,000.00
Staff/ Training Bursary Fund- BTO	-0.20	-
Subsistence and travelling		250,000.00
Membership		1,000.00
Service Level Agreement and new modules	550,000.00	579,700.00
Depreciation	13,000,000.00	8,400,000.00
Provision for Bad debts	1,000,000.00	2,000,000.00
Conditional Grant Programmes	2,060,238.00	1,800,000.00
Grant Expenditure MSIG	293,700.00	-
Grant Expenditure FMG Office	1,766,538.00	1,800,000.00
Total operating Expenditure	7,132,952.35	17,900,406.36
Capital Budget	0	R 23,000.00
laptop Computers	-	20000
External Hard Drive	-	3000
SURPLUS/(DEFICIT)	1,610,001.40	-8,400,000.61



Vulamehlo Local Municipality

Final Budget 2014–15

TECHNICAL SERVICES

	ADJUSTED 2014	FINAL BUDGET 2014-2015
INCOME	8,419,299.57	35,432,569.00
Equitable share	7,728,334.57	10,433,569.00
KZN Sport Grant	673,416.00	-
MIG	17,036,544.72	17,999,000.00
Electrification	5,000,000.00	5,000,000.00
Development of Municipal Housing Plan	17,418.00	-
EPWP		1,000,000.00
Accumulated Surplus		1,000,000.00
Umdumezulu Rural Housing Project	131.00	-
EXPENSES		
Employees related costs	2,774,269.28	2,525,404.44
Basic salary- Technical Services	1,741,470.13	1,927,075.34
Bonus-Technical Services	102,227.00	92,120.13
Overtime-Technical Services	81,000.00	100,000.00
Leave pay- Technical Services	60,000.00	60,000.00
Travel Allowance	420,000.00	60,000.00
Other Allowances	10,000.00	
Uniform allowances - Technical service	20,000.00	
Company Contribution Group Life-Technical Services	24,973.42	
Company Contribution IDC-Technical Services	769.32	
Company Contribution Medical Aid- Technical Services	144,000.00	108,532.80
Company Contribution Pension Fund- Technical Services	135,000.00	138,102.65
Company Contribution UIF- Technical Services	17,414.70	10,519.10
Cell Allowance		18,000.00
Skills Development Levy- Technical services	17,414.70	11,054.42
Equitable Share Special Projects	4,708,250.00	4,814,100.00
Projects- Free Basic Electricity	434,250.00	540,000.00
Projects- Free basic Services	4,274,000.00	4,274,100.00
Repairs and maintenance	300,000.00	3,412,294.00
Office Buildings-Technical Services	100,000.00	1,000,000.00
Community Facilities	200,000.00	1,062,294.00
Motor Vehicles and plant		1,000,000.00
Office Equipment		200,000.00
Office Furniture and fittings		150,000.00



	ADJUSTED 2014	FINAL BUDGET 2014-2015
General expenses	10,000.00	233,231.59
Subscriptions- Professional Bodies	-	
Travel	39,791.02	41,939.71
Telephone	0.03	
Seminars & Workshops Conferences	38,470.40	40,547.38
Refreshments & Catering	13,757.89	14,500.93
Accomadation	48,516.95	51,136.92
Subsistence and travelling	-	207,000.00
Uniform Expenditure	-	21,080.00
Training and bursary Fund	5,280.00	5,565.12
Conditional Grants Programmes	5,848,000.00	6,899,000.00
KZN Sport Grant		
Electrification project	5,000,000.00	5,000,000.00
EPWP	-	1,000,000.00
Development of Municpal Housing Plan		
PMU	848,000.00	899,000.00
Umdumezulu Rural Housing Project		
Total operating Expenditure	7,928,335.57	18,032,568.51
Capital Budget	2,774,269.28	2,525,404.44
Dumayo Hall	2840674	0
Ngwadini Sports Ground	3416808	1849624
Skills Centre	3418510.02	784980
Mfume Sportsground	4814047.38	608759
Mistake Farm	3876500.46	971415
MIG Projects Rolled over	4839850	
Mpulo and Rwayi		2885222
Fakazi Creche		1500000
Madundubala Community Hall		1700000
Dududu and Thafeni Road		2000000
Shukumisa Sport Ground		3500000
Qwembe Community Hall		1300000
Wheel Chair Vamp		300000



Vulamehlo Local Municipality
Final Budget 2014–15
MAYOR AND COUNCIL

	ADJUSTED 2014	FINAL BUDGET 2014-2015
INCOME	8,343,520.71	8,346,823.00
Equitable Share	7,754,411.71	8,346,823.00
Accumulated Surplus	589,109.00	

EXPENDITURE

Employees related costs

	7,905,966.75	6,001,581.00
Cell Allowance- Mayor & Council	447,264.48	417,360.00
Basic- Mayor & Council	4,999,487.74	3,307,333.00
3G datacard	76,932.00	72,000.00
Company Contribution Pension Fund	-	826,833.00
Travel Allowance- Mayor & Council	1,882,282.53	1,378,055.00

General expenses

	437,554.10	2,135,241.92
Accommodation	152,842.11	161,095.47
Burial for Councillors	110,000.00	140,000.00
Travel	10,000.00	10,540.00
Projects- Intergovernmental relation	100,000.00	105,400.00
Training	-0.00	
Telephone	-0.00	
Seminars & Workshops Conferences	57,712.00	60,828.45
Ward committee incentives	500,000.00	650,000.00
Subsistence and travelling	-	1,000,000.00
Refreshments & Catering	7,000.00	7,378.00

Total operating Expenditure

8,343,520.85	8,136,822.92
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Capital Budget

	-	210,000.00
Laptops	-	200,000.00
Printers	-	10,000.00



SECTION G: VULAMEHLO LOCAL MUNICIPALITY DRAFT SDBIP 2014/2015

CORPORATE SERVICES											
IDP No.	Outcome 9	Strategic Objective	Output	Indicator	Unit of Measure	Annual Target	Quarter				Ward
							Q1	Q2	Q3	Q4	
D.1/a	Differentiated Approach to Municipal Planning and Support and Administrative and Financial Capabilities	To Ensure institutional development & Sound administration	Review of existing policies	Review of HR policies	No of policies reviewed	3	1		2		Internal
D.1/a				Date Adopted		30 Sep14 and February 2015	30 Sep14		February 2015		Internal
D.1/b			Increase competence levels of staff	Conducted trainings for the staff	No of trainings conducted	1			1		Internal
D.1/c			Review the staff or-ganogram	Review the Organisational Organogram	Date Adopted	30 June 2015	30 June 2015				Internal
D.1/d			Ensure functional OPMS is implemented	Reviews OPMS framework/policy	Date Adopted	July 2014	July 2014				Internal
D.1/d				No. of reports submitted (OPMS & IPMS)	Number	4	1	1	1		Internal
D.1/e			Filling of critical posts	No. of SS4 /56 posts filled	Number	4	4				Internal
D.1/e				Percentage of Posts Filled	Percentage	100%	100%				Internal
D.1/e				Number of critical Posts filled	Number	4	4				Internal
D.1/e				% of critical posts filled	Percentage	100%	100%				Internal
D.1/e				No. of performance agreements signed and aligned for filled SS4/56 posts	Number	4	4				Internal
D.1/f			Implementation of complaints register	Complaints register implemented	Date Implemented	30 Jul 2014	30 Jul 2014				All
D.1/g			Implementation of Batho Pele	Adopted communication framework/strategy	Date adopted	Sep 2014	Sep 2014				Internal
D.1/g				Date of implementation of strategy	Date Implemented	30 Sep 2014	30 Sep 2014				Internal
D.1/h			Develop & Adopt IT Governance Framework	Developed & Adopted IT Governance Framework	Date Adopted	Sep 2014	Sep 2014				Internal



DEPARTMENT: TECHNICAL SERVICES

IDP No.	Outcome 9	Strategic Objective	Output	Indicator	Unit of Measure	Annual Target	Quarter				Budget	Vote No.	Responsible Department	Means of Verification/ POE	Ward
							Q1	Q2	Q3	Q4					
D.2/a	Improve Access to Basic Services	Improve access to basic services and community facilities	Facilitate the roll-out of refuse removal programme	Attend roll-out meeting of refuse removal programme	No. of meetings attended	8	2	2	2	2	n/a	n/a	Office of the MM	Attendance Register, minutes	Internal
D.2/b			Develop and implement an asset maintenance and rehabilitation plan	Rehabilitation plan approved	Date Adopted	30 July 2014	30 July 2014				N/a	N/a	Technical Services	Council resolution And adopted Rehab Plan	All
D.2/b				Rehabilitation plan implemented	Date Implemented	30 Dec 2014	30 Dec 2014				n/a	n/a	Technical Services	Council resolution And adopted Rehab Plan	All
D.2/c			Provision of Free basic Service	Provide Free basic electricity	No. of beneficiaries	240	20	60	80	80	R 540 000	4300/4322/05/0205	Technical Service	List of beneficiaries, and Payment vouchers	All
D.2/d			Distribution of water via water tanks	Frequency of distribution in each ward	No. of times water delivered in ward 1	96times (2 times a week)	24times	24times	24times	24times	R4 274 100	4300/4323/02/0205	Technical Services	Signed distribution List	1
D.2/d					No. of times water delivered in ward 2	96times	24times	24times	24times	24times					2
D.2/d					No. of times water delivered in ward 4	96times	24times	24times	24times	24times					4
D.2/d					No. of times water delivered in ward 5	96times	24times	24times	24times	24times					5
D.2/d					No. of times water delivered in ward 6	96times	24times	24times	24times	24times					6
D.2/d					No. of times water delivered in ward 7	96times	24times	24times	24times	24times					7
D.2/d					No. of times water delivered in ward 8	96times	24times	24times	24times	24times					8
D.2/d					No. of times water delivered in ward 10	96times	24times	24times	24times	24times					10

DEPARTMENT: TECHNICAL SERVICES															
IDP No.	Outcome 9	Strategic Objective	Output	Indicator	Unit of Measure	Annual Target	Quarter				Budget	Vote No.	Responsible Department	Means of Verification/ POE	Ward
							Q1	Q2	Q3	Q4					
D.2/e			Facilitation of basic sanitation	Attend Sanitation Technical meetings	No of meetings attended	4	1	1	1	1	n/a	n/a	Technical Services	Attendance register	n/a
D.2/f			Facilitation of electricity installation	Facilitate the installation of new household connections	Number of households electrified in Dlangenzwa/ Mjundwini	178	Pole installation	Transformers and line distributions	Stringing and outages	Finalization and connection and benefit of 600 Households	R 5 000 000.00	8200/8223	Technical Services	Beneficiary list, Report from Portfolio Committee	6 & 84
D.2/g			Facilitate the provision of Human Settlement	Facilitate Vundulela Rural Housing Project	No of houses built	240	60	60	60	60	n/a (Dept. Human Settlements)	n/a (Dept. Human Settlements)	Technical Services	Happy letters, Portfolio Report	4 & 5
D.2/g				Facilitate Volamehlo 5&7 Rural Housing Project	No. of Houses built	180									5 & 7
D.2/g				Facilitate Thoyane Rural Housing Project	No. of Houses built	180									2 & 3
D.2/h			Establish New Gravel roads	Construction of new gravel roads	No of Km's constructed for Diki Road	2.0KM	Appointment of contractors , site establishment	Construction : Betterment and re-gravelling, Concrete of causeway	Practical completion of 2.0km	Retention	R 621 907.46	9400/9420	Technical Services	completion certificate and close-out report, and Council	1
D.2/h					No of Km's constructed for Matshekesheni Road	3.0KM	Appointment of contractor Betterment and re-gravelling, Installation of concrete pipes and construction of head walls outlets	Concrete of causeway Laying of concrete slabs	Practical completion of 3Km	Retention	R 969 836.10	9400/9420	Technical Services	completion certificate and close-out report, and Council	4
D.2/h															
D.2/h					No of Km's constructed for Mpuke/Rwayi Road	1.5KM	Appointment of consultant to do designed	Tender advert, Appointment of contractors, site establishments ,removing top soil and formation	Pipe crossings , headwalls and gravelling	Practical completion of 1.5km	R 2 885 222	9400/9420	Technical Services	completion certificate and close-out report, and Council Resolution	1



DEPARTMENT: TECHNICAL SERVICES

IDP No.	Outcome	Strategic Objective	Output	Indicator	Unit of Measure	Annual Target	Quarter				Budget	Vote No.	Responsible Department	Means of Verification/ POE	Ward
							Q1	Q2	Q3	Q4					
					No of KMs constructed for Dududu Road	1.5KM	Appointment of consultant to do designed	Tender advert, Appointment of contractors, site establishments, removing top soil and formation	Pipe crossings, headwalls and gravelling	Practical completion of 1.5km	R1 000 000	9400/9420		completion certificate and close-out report, and Council Resolution	6
							Appointment of consultant to do designed	Tender advert, Appointment of contractors, site establishments, removing top soil and formation	Pipe crossings, headwalls and gravelling	Practical completion of 1.7km					
D.2/i			Construction of new community facilities	Completion of Dumoyo community hall	Dumoyo community Hall	1	Practical completion	First Retention	Close out report		R 75 000.00	9400/9420	Technical Services	completion certificate and close-out report	5
D.2/i				Construction of Madunubhal hall	No of facilities constructed	1	Appointment of consultant to do designed, tender advert	Appointment of contractors, site establishment	Construction: foundation, brickwork, windows and fence	Roof, plumbing, painting and Practical completion	R1 7000 000	9400/9420	Technical Services	completion certificate and close-out report, and Council	3
				Construction of Qwembe hall	No of facilities constructed	1	Appointment of consultant to do designed, tender advert	Appointment of contractors, site establishment	Construction: foundation, brickwork, windows and fence	Roof, plumbing, painting and Practical completion	R1 300 000	9400/9420		completion certificate and close-out report, and Council	8
				Construction of Fakazi creche	No of facilities constructed	1	Appointment of consultant to do designed, tender advert	Appointment of contractors, site establishment	Construction: foundation, brickwork, windows and fence	Roof, plumbing, painting and Practical completion					
D.2/i			Construction of new recreational facilities	Construction of Shukumisa sports ground	No of facilities constructed	1	Appointment of consultant to do designed	Tender advert, Appointment of contractors, construction stage: removing top soil	Construction: soccer field and ablution blocks	Practical completion	R 3 500 000.00	9400/9420	Technical Services	completion certificate and close-out report, and Council	7

SECTION G



CORPORATE SERVICES																
IDP No.	Strategic Objective	Output	Indicator	Unit of Measure	Annual Target	Quarter				Budget	Vote No.	Responsible Department	Means of Verification/POE	Ward		
						Q1	Q2	Q3	Q4							
D.4/a	To promote a culture of participatory Development	Ensure Constant communication with Community	Conduct Customer Satisfaction Survey	Number of Survey conducted	1				1			Corporate Service	Customer Satisfaction Survey Report	All		
D.4/a			Conduct Mayoral Izimbizo	Number of Mayoral Izimbizo held	5		5				R45 000	4300/4353/05/0507	Corporate Service	Attendance Register, Minutes and Pictures	All	
D.4/a			Conduct IDP/Budget Roadshows	Number of IDP/Budget Roadshows held	5				5			R50 000	4300/4353/05/0507	Corporate Service	Attendance Register, Minutes and Pictures	All
D.4/a			Publish Municipal Newsletter	Number of Newsletters publish	1					1			4400/4417/02/0205	Corporate Service	Newsletters Published	All
D.5/a	To ensure institutional development and sound administration	Functional Ward Committees structure	Number of trainings conducted	Number	2		2				R1 100 000	4300/4353/05/0507	Corporate Service	Attendance Registers	All	
D.5/a			Number of meetings per ward	Number	120	30	30	30	30			4300/4353/05/0507	Corporate Service	Attendance Registers	All	
D.5/b		Implement a risk management plan	Number of assessments to be implemented	Date of attending to risks identified	June 2015					June 2015			Office of MM	Report, Implemented Action Plan MPAC Resolutions/minutes	Internal	
D.5/c			Audit Committee meetings held	Number of reports submitted to council	4	1	1 +	1	1				Internal Audit	A	Internal	
D.5/c		Approved and implemented Audit plan		Date approved	30 June 2015				30 June 2015			Internal Audit	Council Resolution, approved audit plan	Internal		
D.5/c				Number of Reports Submitted to Audit Comm	4	1	1	1	1				Internal Audit	Agenda, attendance registers, Minutes	Internal	
D.5/c				Achieved	100%	100%	100%	100%					Internal Audit	Council Resolution, progress Report, Attendance Registers	Internal	
D.5/c			Review Risk Management Strategy	Date of Adoption	Feb 2015				Feb 2015				Corporate Service	Council Resolution and Adopted Risk Management Strategy	Internal	
D.6/a	To promote the development of a safe and secure community	Promote a culture that fights against drugs and substance abuse through awareness programmes	Number of Awareness Programmes held	Number	2	1	1	1			R530000	4300/4359/05/0507	Corporate Service	Attendance Registers	All	
D.6/a			Date conducted	Date	Dec 2014 and 28 June 2015		Dec 2014		28 June 2015				Corporate Service	Attendance Registers	All	



CORPORATE SERVICES															
IDP No.	Strategic Objective	Output	Indicator	Unit of Measure	Annual Target	Quarter				Budget	Vote No.	Responsible Department	Means of Verification/POE	Ward	
						Q1	Q2	Q3	Q4						
D.7/a	To promote human rights and social upliftment of vulnerable groups	To allow access to Education and Youth Development	Assist learners with the payment of Tertiary Registration Fees	Number of learners assisted with payment of Tertiary Registration fees	20			20		R100 000	4300/4359/05/0507	Corporate Service	Proof of Registrations, Student List, ID Copies of students, Acceptance letters from Tertiary	All	
D7/a			Youth Business Development Indaba	Date of Career exhibition conducted	March 2015			March 2015		R40 000	4300/4359/05/0507	Corporate Service	Attendance register	All	
D7/a			Conduct a Dress a Child Campaign	Number of Dress a child campaign held	180			180		R 100 000	4300/4324/05/0507	Corporate Service	List of beneficiaries	All	
				Date conducted		Jan 2015			Jan 2015		4300/4324/05/0507		Register	All	
D.7/b			Develop programmes for human rights and social upliftment of vulnerable groups	Conduct Awareness programmes on Gender Based Programmes	Number of Men's & Women Forum Coordinated	4	1	1	1	1	R470000	4300/4324/05/0507	Corporate Service	Attendance Register	All
D.7/b					Number of awareness programmes on Gender based programmes	4	1	1	1	1		4300/4324/05/0507	Corporate Service	Attendance Register	All
				Conduct HIV/AIDS Programmes	Number of programmes	4	1	1		1	R300 000	4300/4326/05/0507	Corporate Service	Attendance Register, Agenda, minutes	All
D.7/b				To promote Disability Programmes	Number of support programmes conducted	2		2			R95 000	4300/4313/05/0507	Corporate Service	List of Beneficiaries	All
D.7/b				To facilitate senior citizens programmes	Number of programmes	4	1	1	1	1	R200 000	4300/4354/05/0507	Corporate Service	Attendance Register	All



FINANCE DEPARTMENT																	
IDP No.	Outcome 9	Strategic Objective	Output	Indicator	Unit of Measure	Annual Target	Quarter				Budget	Vote No.	Responsible Department	Means of Verification/POE	Ward		
							Q1	Q2	Q3	Q4							
D.8/a	IMPROVED MUNICIPAL FINANCIAL AND ADMINISTRATIVE CAPABILITY	To improve budget implementation in the municipality	Develop financial plan	Develop Financial Plan	Date of Adoption	Jun-14					n/a	n/a	Finance Services	Council resolution and adopted Financial Plan	Internal		
D.8/b			Revenue enhancement by creating efficient billing system and increased tariffs	Increase Revenue Collection	Percentage increase in Revenue collection	16%	4%	4%	4%	4%	n/a	n/a	Finance	Monthly Reports	Internal		
				Revenue collected from customers	Percentage of Revenue collected from customers	60%				60%	n/a	n/a	Finance	Monthly Reports	Internal		
D.8/c			Municipal Audit file, AFS & Performance Report to AG	Submit Municipal Audit file, AFS & Performance Report to AG	Date of Submission	31-Aug-14	31-Aug-14					n/a	n/a	Finance Services	AG Report, COGTA & National Treasury comments	Internal	
D.9.a		To ensure a sound and effective Financial Management	To align to National policies & Budgeting guidelines	To review and Adopt the municipal budget	Date of Adopted Budget	31-May-15					31-May-15	n/a	n/a	Finance Services	Council Resolution and adopted Budget	Internal	
D.9.a					To Review and Adopt Budget Process Plan	Date of Adopted Budget Process Plan 2013/14	31-Aug-14	31-Aug-14					n/a	n/a	Finance Services	Council Resolution & adopted Budget Process Plan	Internal
D.9.a					To submit 2013/2014 Annual Financial Statements	Date of submitted 2013/2014 Annual Financial statements	31-Aug-14	31-Aug-14					n/a	n/a	Finance Services	Letter from AG & Audit report	Internal
D.9.a				Table 2014/2015 Adjustment budget	Date of Tabling 2014/15 adjustment budget	Percentage of revenue spent	100%	25%	25%	25%	25%	n/a	n/a	Finance Services	Adopted Budget	Internal	
D.9.b				To spend total revenue received from grants and subsidies	To spend total revenue received from grants and subsidies	Percentage of revenue spent	100%	25%	25%	25%	25%	n/a	n/a	Finance Services	Monthly Reports, Payment Certificates, Invoices processed quarterly	Internal	
D.9.c			To fully comply with section 71 & 72 of the MFMA	To fully comply with section 71 & 72 of the MFMA	Percentage of Compliance	100%	100%	100%	100%	100%	n/a	n/a	Finance Services	National Treasury Return Forms	Internal		
D.9.d			To Review the Valuation Roll	To Review the Valuation Roll	Date of complete review of the Valuation Roll	01 July 2014	01 July 2014				R210800	4400/4415/02/0205	Finance Services	Council Resolution & updated Valuation roll	Internal		
D.9.e			Cost Coverage Ratio	Cost Coverage Ratio	Cost coverage ratio (no. of times)	12 times	3	3	3	3	n/a	n/a	Finance Services	Cash Availability report	Internal		
D.9.f			Debt Coverage ratio	Debt Coverage ratio	Debt coverage ratio (no. of times)	12 times	3	3	3	3	n/a	n/a	Finance Services	Debit and Credit Control Policy	Internal		
D.9.g			To update the frequency of fixed assets and grants register	To update the frequency of fixed assets and grants register	Number of updates	12 times	3	3	3	3	n/a	n/a	Finance Services	Reports to Portfolio Committee	Internal		

SECTION G



SECTION H: SUMMARY OF AUDITOR GENERAL'S (AG) REPORT AND RESPONSES & ACTIONS

Our municipality received a disclaimer audit for the financial year 2013/2014. The following table summarizes the Auditor's General Opinion and response and actions that the municipality will undertake to address the findings. Municipality is working towards improving this opinion in the upcoming financial year audit.

No.	Findings	Root Cause	Concise Root Cause	Responst Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
1.	Unspent Grants	Lack of control in place by the accounting officer to ensure that supporting documentation is readily available	Filing	Finance	Jabu Cele, Ayanda Mvelase	Sanelisiwe Mhlophe and Nkululeko Nhlumayo	Backward correction To check missing documents and furnish Auditor general for audit. Future Solution Secure documents by locking offices that keeps payments vouchers and by restricting access to finance department. Other important documents will be signed out to registry for safe keeping.	30 April 2014	Backward correction 1. Missing jnl no JBR 389 –Annexure 1 2. 4 MOAs were found except 3 from housing and 1 for disaster grant annexure 2, 3, 4, 5 bears evidence. 3. Outstanding invoice for Dokose Construction was found : annexure 6 bears evidence 4. Mills Fitchet invoice was found to be R1 36798.44 for which R1 008 of it was funded out of MSIG. Annexure 7 and 8 bears evidence. 5. The correction journal was prepared and attached as annexure 54 Future Solution (i) Partitioning of BTO office is currently under procurement process. (ii) Electronic access to BTO will be part of municipal electronic access project under IT unit of the municipality. (iii) Document scanner has been purchased to assist the municipality with scanning documents and keep them on treasury's electronic tracking tool. (iv) So far, loading of Treasury Tracking tool has already been updated up to March 2014.



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
2.	PPE and Trade Payables	The accounting officer did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial reporting	Filing	Finance	Noma Mzobe and Ayanda Mvelase	Sanelisiwe Mhlophe and Nkululeko Nhlumayo	<p>Backward correction</p> <p>Provide documents to auditor general for auditing.</p> <p>Future Solution</p> <p>Secure documents by locking offices that keeps payments vouchers and by restricting access to finance department.</p> <p>Other important documents will be signed out to registry for safe keeping.</p>	30 April 2014	<p>Backward correction</p> <ol style="list-style-type: none"> 1. PPE supporting documents Amahwaqa Invoice for and amount of R812 051.67 was initially submitted to AG, unfortunately refused to recognize the receipt for unknown reasons. See annexure 9 as evidence of submission. 2. Unrecorded liabilities This query was confusing since the payment queried was only made before 30 June 2013 see annexure 10 attached herewith. 3. Cut off information not received The ledger accounts for both ME Ngwane and ND Hlongwane were transferred to staff debtors before start of audit. attached annexure 11 bears evidence. 4. Payment date of invoice amounting to R32 628.35 was not paid in 2 July 2012 but in 2 May 2012. Annexure 12 bears evidence. We doubt validity of AG finding. 5. Invoice Electrification of Amahwaqa ward 6 <p>This was part of 2011/2012 accruals Annexure 13a, b & c bears evidence</p> <p>Future Solution</p> <ol style="list-style-type: none"> i) Partitioning of BTO office is currently under procurement process. ii) Electronic access to BTO will be part of municipal electronic access project under IT unit of the municipality. iii) Document scanner has been purchased to assist the municipality with scanning documents and keep them on treasury's electronic tracking tool. iv) So far, loading of Tracking tool has already been updated up to March 2014.



SECTION H

No.	Findings	Root Cause	Concise Root Cause	Responss Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
3.	Expenditure not accrued for before year end	Management oversight in ensuring that all accruals that should ve been raised at year end are actually raised.	Creditors	Finance	Ayanda Mvelase	Nkululeko Nhlumayo	Increase previous year end creditors and clear it with payment made in July/August 2013.	30 Mar 2014	Backwards correction Documents to assist us with adjusting prior year figures are still in the hands of forensic auditors. Forward solution During preparation of 2013/2014 Annual Financial Statements, the bank statements for July and August 2014 will be adequately scrutinized to arrive at the correct figure for accrued expenses.
4.	Non submission of valid tax clearance certificates: Disclosure in AFS-Irregular expenditure and commitments	Management oversight in ensuring that the bidder submitted valid tax clearance certificate prior to receiving the award.	SCM	Finance	Noma Mzobe	Sanelisiwe Mhlophe	Backwards correction Provide missed documents to AG for audit. Future Solution At tender opening gathering, there shall be public announcement of bidding tender amounts, availability of BEE certificate and validity of tax clearance certificates submitted by all bidders. Bidders shall be given copies of a list with all names of bidders with disclosure on amounts, BBEEE level, validity of tax clearance certificates.	30 Mar 2014	Backward correction 1. Michael Frey's Fresh Meat-refused to provide tax clearance certificate. 2. Waltons- annexure 14 3. OK foods-refused to provide 4. Cutty Sark-annexure 15 5. Take Note T/A Impilo Enterprize-annexure 16(The tender document was submitted to AG together with a valid tax clearance certificate and they signed for taking and returning it and furthermore forensic auditors took the same tender documents and AG requested the tax clearance certificate of the same tender document again and forensic auditors emailed it to them. 6. Majestic Hiring-annexure 17 Future Solution i) We have opened files for all suppliers whom we have traded within 2013/2014. We have issued an invitation to suppliers to update their database information.



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
5.	Section 36 deviation from SCM not done and reported to council nor disclosed in annual financial statements for supplier	Management oversight in ensuring that all SCM deviations are approved by the CFO/Designated official, submitted for council approval and included in the AFS disclosure	SCM	Finance	Noma Mzobe	Sanelisiwe Mhlophe	Backward correction No correction necessary since this was already corrected and produced as part of final version of 2012/2013 financial year submitted to AG. Future Solution A deviation register book will be used for recording all approved deviation requests forms. Approved Deviation forms will be filed in date order by SCM unit.	30 Mar 2013	Backward correction AFS was corrected-check note number 34 for an amount of R224 632 which includes R1300 of unrecovered petty cash annexe 18, Future Solution All applications for deviation are now approved by the Municipal Manager. The deviation register had been created.
6.	Tender awards made without following normal processes	Tender awards were made by special resolution which is not in line with the SCM regulation	SCM	Finance	Noma Mzobe	Sanelisiwe Mhlophe	Backward correction No further action necessary unless advised otherwise Future Solution Refer Council to SCM regulations on the role of councillors in procurement of goods and services of the municipality. To keep records of council resolutions safely.	Immediately	Backwards correction Council decision of awarding Izingodla Engineering (PTY)LTD a tender amounting to R5mil was disclosed on 2012/2013 Annual Financial statement as irregular expenditure, annexe 19(AFS note 34) Future Solution The barring of councillors from SCM will be emphasised during work-shopping of SCM policy



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
7.	Suppliers in the service of the state	The suppliers indicated no in terms of any connections with the bidder (presently employed by the state)	SCM	Finance		Sanelisiwe Mhlophe	Backwards Correction To stop doing business with those identified by Auditor General. Future Solution Half yearly updated database shall be given to AG	30 Mar 2014	Backwards correction 1. Human Scale Printers has now been blocked-annexure 20 2. Masakhukulunge Project Managers, the owner was never employed by the state-annexure 21 3. Mlethi Catering has now been blocked-annexure 22 4. Nethisa Trading Enterprise has now been blocked-annexure 23 5. Suemel Glass and aluminium has now been blocked-annexure 24 6. Emhlophe Investment cc has now been blocked-annexure 25 7. Cousin City Entertainment Events Management has now been blocked-annexure 26 8. Tsakothabo Transport cc has now been blocked-annexure 27 9. Velinah Trading Enterprise has now been blocked-annexure 28 Future Solutions Auditor General committed to check data base of service providers on their system free of charge and at any time.
8.	Community not given 21 days to comment on the draft IDP	Lack of coordination of IDP activities	PMS & IDP	PMS & IDP	Pinky Bhengu	MM	For the 2013/14 IDP Review this issue has been rectified, an advert was published on the	Rectified for 2013/14 FY	
9	No Performance Management System in place	No PMS financials in place	PMS framework	PMS & IDP	Pinky Bhengu	MM	A PMS framework was adopted on the 09 th May 2013 together with PMS policy on the 28 th June 2013	Rectified for 2013/14 FY	Rectified for 2013/14 FY



No.	Findings	Root Cause	Concise Root Cause	Responsible Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
10	Non submission of audit report on the review of the PMS by audit committee	Delays in conducting quarterly review	PMS quarterly review	PMS& IDP	Pinky Bhengu	MM	The Audit Committee chair will make the report to council and meet on regular bases as required by the act.	2013/2014 Financial year starting from the February 2014.	Submitted to the Audit committee
11	1 st and 2 nd quarter internal audit report not adequately performed for AOP0	Lack of alignment of targets	Proper reviewing of quarterly report	PMS& IDP	Pinky Bhengu	MM	The 1 st Quarter review was conducted on the	Rectified in 2013/13	Our quarterly reviews were conducted timeously and submitted to internal auditor
12	No budget allocation per development objective	Lack of separation of PMS objectives (Operational) that will be done in-house	Alignment of budget allocations	PMS & IDP	Pinky Bhengu	MM	For 2013/14 PMS (objectives) mainly those of service delivery indicated their budget allocation, and those that are operational where indicated as in-house if the KPI will be performed within the municipality.	Rectified for 2013/14 FY	Budget allocated for 2013/14
13	Performance targets not measurable	Lack of alignment of performance targets	Non measurable targets	PMS & IDP	Pinky Bhengu	MM	For 2013/14 Cogta PMS and IDP coordination was part on the municipal Strategic planning session on the 09 & 10 May 2013. On the 2014/15 IDP Review cycle Cogta will also play a major facilitating role	Already rectified and for the review February 2014	12 & 13 March 2014



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
14	Planned and reported key performance indicators not well defined and verifiable	Indicators not well defined and verifiable	PMS	PMS & IDP	Pinky Bhengu	MM	For 2013/14 Cogta PMS and IDP coordination was part on the municipal Strategic planning session on the 8, 09 & 10 May 2013. On the 2014/15 IDP Review cycle Cogta will also play a major facilitating role	Already rectified and for the review February 2014	12 & 13 March 2014
15	Inconsistencies between planned indicators/measures and reported indicators/measures	No PMS framework	PMS Framework	PMS & IDP	Pinky Bhengu	MM	For 2013/14 this finding has been rectified, by not only developing PMS Framework/Policy, there is an SDBIP and Scorecard aligned to the IDP, which will also be looked at specifically in following review for PMS.	Rectified for 2013/14 FY	Rectified for 2013/14
16	Reported information not reliable	No PMS framework	PMS framework	PMS & IDP	Pinky Bhengu	MM	For 2013/14 this finding has been rectified, by not only developing PMS Framework/Policy, there is an SDBIP and Scorecard aligned to the IDP, which will also be looked at specifically in following review for PMS.	Rectified for 2013/14 FY	Rectified for 2013/14



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
17	Inconsistencies between planned and reported targets, targets not specific and time bound	Alignment of scorecard and SDBIP	PMS	PMS & IDP	Pinky Bhengu	MM	For 2013/14 this finding has been rectified, by not only developing PMS Framework/Policy, there is an SDBIP and Scorecard aligned to the IDP, which will also be looked at specifically in following review for PMS.	Rectified for 2013/14 FY and it will have on-going monitoring	Rectified for 2013/14 and it will have on-going monitoring
18	Projects not registered in the register of construction contract in the CIDB (Construction Industry Development Board) website	Oversight from Management		Technical	Noma Mzobe	Sanelisiwe Mhlophe	Backward correction We will make sure that all projects are registered at CIDB websites Future Solution Since this is compliance, in future we will make sure that all compliance is adhered to.	Immediately	Backwards looking- We will make sure that all projects are registered at CIDB websites Forward looking /solution This will be effective as from 01 July 2014 once we commence with new FY projects



No.	Findings	Root Cause	Concise Root Cause	Responsible Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
19	General	The accounting officer did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial reporting	Filing, vat, journals and cashflow management Strategy	Finance	Ayanda Mvelase and Pretty Gumede	Nkululeko Nhlumayo	Backwards correction Provide invoices to Auditor General for auditing, Devise Cashflow Management Strategy Future Solution Raise vat on vat vendors only. Keeps copies of JNLs on numerical sequence.	Immediately	Backwards correction 1. Purchase order for inv 912750663 The missing invoice was found , attached herewith as annexure 29 2. Christmas cake for senior citizen The missing voucher was found , attached herewith as annexure 30 3. Donation land housing ward 10 Missing document was found and attached herewith as annexure 31 4. Ms office Missing document was found and attached herewith as annexure 32 5. Toilets plumbing Missing document was found and attached herewith as annexure 33 6. External Hardrive Missing document was found and attached herewith as annexure 34 7. Catering Missing document was found and attached herewith as annexure 35 8. Cashflow management strategy The requested document have been developed , to be approved by council on 29 May 2014 and attached herewith as annexure 36 9. Vat Unusual Missing journal have been found and attached herewith as annexure 37 10. A listing of all journals processed Journal files were given to AG during audit. Annexure 38 where AG signed for receiving them. Future Solution Journals and payment vouchers are filed in a numerical order



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20	Leave days greater than 48(excessive)	Reconciliation of leave days	Leave days not reconciled	Corporate	M.bodlani	G.M Corporate	The HR Department will write letters to all the employees that have days in excess of 48 and ensure that the letters have a cut date	28 February 2014	Done Relevant employees did take leave the only employee that was left the driver of the Mayor
21	Annual Report review: administrative matter	Management oversight in ensuring that the complete, valid and accurate reflection of the financial affairs of the municipality.	Annual Report	Finance	Jabu Cele	Sanelisiwe Mhlophe	Backwards correction Annual Report to be corrected Future Solutions Produce half yearly and quarterly financial statements, in order to finish drafting AFS by end of July so that drafting of annual report may resume earlier.	August 2014	Backwards correction Annual report was corrected, presented to council for approval before submitted to COGTA and Auditor General, annual report was presented as evidence. Annexure 39 Future Solution Half yearly financial statement was produced and is ready to be audited.
22	Draft AFS review: GRAP non – compliance	Management oversight in ensuring that the draft annual financial statements and annual reports are a complete, valid and accurate reflection of the financial affairs of the municipality.	AFS and Annual Report	Finance	Jabu Cele	Sanelisiwe Mhlophe	Backwards correction No corrective action necessary. Future Solutions Finishing Annual Financial Statements by end of July is the key that will enable Audit committee to make quality comments more especially on GRAP compliance state of the Draft AFS.	31 August 2014	Backwards correction Prior period balances and opening balances were corrected before closure of annual audit and evidence is hereby attached as annexure 40.(audit report) Future Solution AFS for 2013/2014 financial year will be compiled and completed in July and audit committee review AFS on second week of August.



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
23	Property Register not displayed on Municipal-ity's website	Website not functionally	Website	Corporate	Allen Mseleku	GM. Corporate	Creation of a new website has been requested. Once the website is created all these will be addressed	30 January 2014	Done Website has been updated with all required documents
24	Required information not placed on municipality website	Website not functionally	website	Corporate	Allen Mseleku	GM. Corporate	Creation of a new website has been requested. Once the website is created all these will be addressed	30 January 2014	Done The website has been updated with all required documents
25	Lack of insurance cover for community and infrastructure	Lack of adequate finding	finding	Corporate	M. Bodlani	GM. Corporate	To ensure that there is cover for the municipality assets	30 January 2014	Done We currently have the insurance on all our assets
26	Fixed Asset Register does not have the required fields(not adequate)	Inadequate control measures in place by the accounting officer to ensure that the fixed asset register is complete.	FAR	Finance	Noma Mzobe	Sanelisiwe Mhlophe	Backwards correction Column for Method of financing assets on assets register will be activated by service provider. Future Solutions Bar code reader shall be used to improve on physical counting of assets.	30 March 2014	Backwards correction That required fields will be activated by service provider before end of June 2014 together with full assets verification exercise that will take in the same month Future Solution Bar code readers have been purchased, staff have been trained



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
27	Additions listing for PPE per the Fixed Asset register does not reconcile to the AFS	Management oversight in ensuring that the additions listing per the AFS agrees to the fixed assets register.	FAR	Finance	Noma Mzobe and Jabu Cele	Sanelisiwe Mhlophe	Backwards correction No corrective action necessary. Future Solutions Fixed Assets Ledger accounts will be reconciled to Fixed assets register and regular quarterly financial statements.	30 January 2014	Backwards corrections The general ledger for fixed assets as at 30 June 2013 reconciled with AFS for 2012/2013. Annexure 41 (audit report) Future Solution We reconcile and report on assets to Finance Committee monthly showing opening balance as at 1/7/13, accumulated additions and depreciation to arrive at net book value as at each reporting month.
28	VAT 201 not submitted timeously to SARS	Lack of controls in place by the accounting officer to ensure that Vat returns are filed timeously to comply with the VAT Act 89 of 2001	VAT	Finance	Jabu Cele	Sanelisiwe Mhlophe	Backwards correction No correction necessary. Future Solutions VAT 201 submission form will be submitted to SARS before 25th of every month. Submitted form will be filed together with a copy of ledger VAT control account.	Immediately	Backwards corrections 1. March return was submitted late because of system crash.. IT report bears evidence and attached as annexure 42 2. Feb 13, April 13 may 13 and June 13 were all within the permitted time frame for submitting vat return using e filing since it opens until last day of the month. SARS case number 133381903 attached herewith as annexure 43a and 43b(SARS statement) bears evidence. Future Solution Vat 201 are submitted one filling before last day of each month. Annexure 44a to j (SARS statement)
29	VAT not appropriately accounted for	Management oversight in ensuring that Vat is captured correctly in the accounting records	VAT	Finance	Ayanda Mvelase	Nkululeko Nhlumayo	Backward correction To pass correction journals. Future Solutions Raise vat on registered vat vendors for variable items only.	Immediately	Backward correction Correction Journals were prepared and attached herewith as annexure 47 Future Solution We try by all means to control raising of vat to only vat vendors and only for variable commodities.



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30	Grants excluded from AFS however included in the reconciliation prepared	Inadequate preventative controls and measures in place by the accounting officer to ensure that all grants received are duly disclosed at year end.	AFS	Finance	Jabu Cele	Sanelisiwe Mhlophe	Backwards correction No corrective action necessary Future Solutions Grants, subsidy and donation register shall be kept and updated monthly. Its reconciliation will be reported monthly to Finance Committee and disclosed as such on AFS	Done	Backwards correction The KZN Human settlement grant in question was not merely a grant but it was a subsidy for which it was part of accruals for 2011/2012 financial year. See attached annexure 45 (accrual statement for 2011/2013) Future Solution Grants, subsidy and donation reconciliation register is prepared and reported to Finance portfolio committee monthly.
31	New employees listing not incomplete			Corporate			A need to have on listing of all employee	30 January 2014	We currently have two systems the engagement listing and the termination listing, when a person resigns, within the financial year. He only appears on the termination
32	Discounting of debtors	Management oversight in ensuring that interest is charged on long outstanding debtors and that discounting is properly applied.	Debtors	Finance	Pretty Gumede	Nkululeko Nhlumayo	Backwards correction No action necessary Future Solutions Improve debt collection and write off bad debts	30 Apr 2014	Backwards correction Provision was made in 2012/2013 AFS. See annexure 46 (note 7 of 2012/2013 AFS) Future Solution We won't able to charge interest until address collection program is completed. Council resolution for discounting debtors for 2013/2014. The consultant have been appointed to assist municipality with collecting customer addresses and cleansing of ratepayers database.



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
33	Assets expensed incorrectly instead of capitalisation	Management oversight in ensuring that items that meet the definition of assets are capitalized and recorded as such in the general ledger and disclosed in the annual financial statements appropriately.	Payments	Finance	Ayanda Mvelase	Nkululeko Nhlumayo	Backward correction Journals will be provided Future Solutions Every item with a lifespan of more than 12 months shall be capitalized.	2012/ 2013 AFS	Backwards correction Correction journal number 204 was passed before audit ended. See attached annexure 50 Future Solution BTO have put more effort in ensuring that all goods having life span of more than 12 months get capitalized.
34	SCM documents not submitted for audit	The accounting officer has not exercised oversight to ensure that SCM policy is applied effectively in the municipality.	Filing	Finance	Noma Mzobe	Sanelisiwe Mhlophe	Backwards correction Prepare monthly and quarterly reports on implementation of SCM policy for Accounting Officer to sign and submit to Council for 2012/2013 financial year. Future Solutions Prepare monthly and quarterly reports on implementation of SCM policy for Accounting Officer to sign and submit to Council for 2013/2014.	30 Apr 2014	Backwards correction 1. Accounting officer's council report on SCM implementation. Municipal Manager was given a reporting template with specific areas to complete and submit to council for 2012/2013 SCM implementation. See annexure 51 2. Accounting officer's quarterly reports on SCM implementation Municipal Manager was given a reporting template with specific areas to complete and submit to the Mayor on 2012/2013 SCM implementation. Future Solution i) Accounting officer's council report on SCM implementation 30 days after year end. Municipal Manager was given a reporting template with specific areas to complete and submit to council for 2013/2014 SCM implementation. ii) Accounting officer's quarterly reports on SCM implementation Municipal Manager was given a reporting template with specific areas to the Mayor on 2013/2014 SCM implementation.



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35	SCM declaration not provided	The Accounting officer did not ensure sufficient availability of staff in order for an efficient delivery of information	Filing	Finance	Noma Mzobe	Sanelisiwe Mhlophe	Backward correction Provide signed supplier declaration of interest for Emhlophe Investment cc and Velinah Trading Enterprise Future Solution Ensure that all suppliers complete and sign supplier declaration of interest on tender/proposal document	30 Mar 2014	Backward correction Declaration forms were found and attached as annexure 52 Future Solution During tender adjudication, we ensure that we check declaration form if it was completed and signed or not.
36	Non compliance with SCM policy- Bids not published on website			Corporate			Creation of a new website has been requested. Once the website is created all these will be addressed	31 January 2014 Subject to turn around time from finance	Done The website has been updated with all required documents
37	Procurement threshold amounts increased without proper supporting documents	Inadequate review and monitoring by accounting officer to ensure that procurement threshold amount are not increased.	Policy	Finance	Noma Mzobe	Sanelisiwe Mhlophe	Backward correction No possible action. Future Solution SCM Policy shall always be kept in line with the SCM Regulation	30 Mar 2014	Backward correction No way that the reviewed SCM policy for 2012/2013 financial year could be reviewed and approved in 2014. Future Solution Reviewed SCM policy will be approved by Council on 29 May 2014



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
38	Non compliance with SCM regulations	Non compliance with SCM Regulations	Petty Cash Policy	Finance	Noma Mzobe	Sanelisiwe Mhlophe	Backwards correction No possible action Future Solutions Petty cash policy shall list items to be allowed and those to be disallowed purchase out of petty cash. Future Solution Reviewed petty cash policy will be adopted together with 2014/2015 Annual Budget on 29 May 2014.	30 Mar 2014	Backward correction No policy for 2012/2013 financial year shall be approved in 2013/2014 financial year and be valid. Future Solution Reviewed petty cash policy will be adopted together with 2014/2015 Annual Budget on 29 May 2014.
39	Inappropriate application of section 36 deviation	The section deviations approved do not meet the criteria as tabled in the SCM regulations.	Compliance	Finance	Noma Mzobe	Sanelisiwe Mhlophe	Backward correction No action necessary Future Solutions Accounting Officer will be advised to approve deviations only if meets criteria as set out in the SCM regulation.	Immediately	Backward correction It was included in the schedule of irregular expenditure on Final AFS for 2012/2013 financial year. Future Solution Accounting officer satisfy himself with the criteria before endorsing deviation
40	Projects not completed within the specified period as per SLA	Lack of forward planning .Contractors were appointed late	SCM process	Technical	Owen	GM-Technical	Backward correction There was no proper monitoring of SLA form the previous FY since some of the contractors did not finish the projects in time Future Solution We will make sure that project are completed within specified period as per SLA , failing wish we will impose penalties	Stated already	Backwards looking All terminated contract , remaining scope of work has been quantified and re advertised Forward looking /solution All the SLA for this current FY has been completed within specified period



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41	SAP license fee paid even though system is no longer in use	Management oversight in ensuring that they pay for services they use.	Wasteful expenditure	Finance	Noma Mzobe	Sanelisiwe Mhlophe	Backwards corrections No action necessary. Future Solution Register of wasteful, fruitless expenditure shall be kept and disclosed on AFS. Minimise misallocations.	Immediately	Backward correction Transaction in SAP license vote was for IT related items but not license and were moved out to proper vote before Final 2012/2013 AFS. Future Solution Acting Budget Manager was assigned a task of monitoring and fixing transactional misallocations timeously.
42	Suppliers displaying no physical address in the supplier database- only PO Box numbers are displayed	Inadequate reviews performed on the supplier database to ensure that the supplier's information was complete/ properly filled in, in the municipality database and is updated periodically as per SCM regulation.	Database	Finance	Noma Mzobe	Sanelisiwe Mhlophe	Backwards correction During the process of implementing Supplier rotation system, supplier database will be updated and improved. Future Solutions Every database forms will be scrutinized and rejected if found not to have PO box numbers	30 Apr 2014	Backward correction Suppliers were requested to update their records and those who still not updated were blocked from the system. Supplier blocking system display was attached as annexure 52 Future Solution We reject data base form if it does not display PO Box number



No.	Findings	Root Cause	Concise Root Cause	Responsible Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
43	Suppliers on the database without Vat numbers	Inadequate reviews performed on the supplier database to ensure that the supplier's information was completely/ properly filled in , in the municipality database and is updated periodically as per SCM regulation.	Database	Finance	Noma Mzobe	Sanelisiwe Mhlophe	Backwards correction During the process of implementing Supplier rotation system, supplier database will be updated and improved. Future Solution During capturing and updating of supplier database the vat number will be captured.	30 Apr 2014	Backward correction Previously our procurement system was not equipped with a field for vat number. We have now procured advance system which is equipped with VAT field and now we are busy capturing vat information as recommended by AG. Future Solution We are now capturing vat numbers for all those suppliers who declared to be vat vendors.
44	No community participation	No records of issues raised by community	Record keeping/ minutes taking	Corporate	B. Khanyile	GM Corporate	To ensure that community participate fully on the IDP		Done Advert was placed on the newspaper comments from the public including Mayor's response are being recorded
45	Mid-year and budget performance assessment not conducted	Insufficient information submitted to Council	MID-year performance	PMS/IDP	Pinky Bhengu	MM	For 2013/14 the municipality in the process of conducting the mid-year budget/ performance assessment review, as stipulated in the PMS framework and the municipality is already in preparation of this exercise and anticipates proper compliance with legislated timeframes.	30 January 2014	11 December 2013



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
46	Annual Performance reports not tabled to Council for review and adoption	Lack of monitoring activities of performance by management	PMS	PMS/IDP	Pinky Bhengu	MM	The municipality did prepare the APR and it was submitted to the Audit committee 28 August 2013, and was submitted to both National and Provincial Treasury on the 30 th August 2013. However, it will be tabled to council for the 2013/14 FY	30 August 2014	30 August 2014
47	No specific measures taken to improve performance included on the Annual Performance Report	No quarterly reviews conducted	PMS	PMS/IDP	Pinky Bhengu	MM	For 2013/14 FY this will be rectified in the APR	30 August 2014	30 August 2014
48	Prior year targets and performance not disclosed in the annual performance report	Lack of alignment of PMS	PMS	PMS/IDP	Pinky Bhengu	MM	For 2013/14 FY this will be rectified in the APR	30 August 2014	30 August 2014



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
49	Quarterly performance report are not conducted for the period	Quarterly reviews not done timeously	PMS	PMS/IDP	Pinky Bhengu	MM	For 2013/14 FY the municipality has already conducted it 1 st Quarter Review, on the 21 st October 2013 the MM conducted sessions with HOD's and on the 28 th October 2013 there was a PMS Review with Mayor and EXCO members on the 28 th October 2013, it has been tabled to Council, prior to that it was also a standing item in the IDP Rep Forum on the 25 th November 2013. For 2 nd Quarter the review was conducted on the 11 th December 2014.	01 July 2013- 30 June 2014	
50	Unrealistic and inappropriate target set and reported on the annual performance report	Lack of alignment of targets	PMS	PMS/IDP	Pinky Bhengu	MM	For 2013/14 this finding has been rectified and will be looked at specifically in the APR	Rectified for 2013/14 FY, if further needs arise to rectify further the PMS/ SDBIP will be reviewed accordingly.	Rectified for 2013/14



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
51	No performance of service providers included in the annual performance report	Lack of oversight from management	PMS	PMS/IDP	Pinky Bhengu	MM	In the 2013/14 APR report this will be rectified	30 August 2014	30 August 2014
52	Budget estimate for 2012/2013 did not include the budget projections for the next three years	Lack of good reviews and monitoring process for information recorded in the integrated development plan	Budget vs IDP	Finance	Ayanda Mvelase	Nkululeko Nhlumayo	Backward correction No possible action Future Solution Budget for 2013/2014 was prepared on MFMA	Achieved	Backward correction We could not approve 2012/2013 budget in 2014 Future Solution 2013/2014 annual budget was approved on schedule A format which catered for two outer years as
53	IDP objectives and indicators not included in the annual performance report	Lack of oversight role from management	PMS	PMS/IDP	Pinky Bhengu	MM	In the 2013/14 APR report this will be rectified	30 August 2014	30 August 2014



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
54	The municipality did not properly implement IDP	Target that are not in our control	PMS	PMS/IDP	Pinky Bhengu	MM	For 2013/14 the municipality has conducted numerous IDP Rep forums, we will implement our sector plans and ensure spending on grants.	30 January 2014	30 January 2014
55	Performance targets not achieved	Non - explanation of reasons for not achieving	PMS	PMS/IDP	Pinky Bhengu	MM	In the 2013/14 APR report this will be rectified	30 August 2014	30 August 2014
56	SDBIP not approved within 28 days	Oversight from Management	PMS	PMS/IDP	Pinky Bhengu	MM	For the 2013/14 financial year the municipality has developed both its Organisational Scorecard and SDBIP within legislated timeframe and has advertised for the public, Adopted on the 28 th June 2013 by Council and published on the 9 th July 2013 for public.	Rectified	Advert Rising Sun 9 th July 2013
57	Annual budget 2012/2013 tabling								



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
58	Annual budget and SDBIP not made public			PMS/IDP			For 2013/14 SDBIP the municipality has made its SDBIP public on the 9 th July 2013 to rectify this finding and will continue doing so in the next review (2014/15 FY).	Rectified by 2013/14	
59	Approved SDBIP not submitted to National Treasury	Oversight from management	PMS	PMS/IDP	Pinky Bhengu	MM	For the 2013/14 FY the draft and approved SDBIP was approved and submitted to both National and Provincial treasury on the set time-frame	Rectified for 2013/14	
60	Monthly budget statements not reconciled to SDBIP	Management oversight in ensuring that the monthly budget statement includes material variances from the SDBIP	Report vs SDBIP	Finance	Jabu Cele	Sanelisiwe Mhlophe	Backward correction No possible action Future Solution Monthly Income and expenditure report shall explain material variance and reported to Finance Committee	30 Mar 2014	Backward correction We could not prepare monthly reports for 2012/2013 financial year in 2014. Future Solution Income and expenditure reports submitted to Mayor on monthly bases display variances against monthly budget.
61	Super User Access-Camelsa	No service level agreement in place	Service level agreement	Corporate	Allen Mseleku	GM-Corporate	To put mechanism in place to avoid super access.	30 January 2014	Done This has been covered ,SLA was developed which outlined everything.



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
62	No service level agreement with service provider Camelsa	Non- appointment of service provider through SCM	SCM	Corporate	Allen Mseleku	GM-Corporate	To have an SLA in place	30 January 2014	SLA with Camelsa is now in place and user has been addresses (Done)
63	IT Backups not stored in a secured offsite storage facility	No sector department with reliable storage facility	Off-site storage of back- up	Corporate	Allen Mseleku	GM-Corporate	A waiting the conclusion of the negotiations with Umdoni Municipality	28 February 2014	We have finalised the negotiations they have agreed to secure our data in their offsite storage facility-renishaw
64	No approved IT disaster recovery plan	No budget to develop one	funding	Corporate	Allen Mseleku	GM-Corporate	This will be resolved when the adjustment budget is done, since we did not budget for it in this financial year	31 March 2014	Not done, 31 July 2014
65	Roads no policy in place for road infrastructure	No policy developed for road infrastructure		Technical	Owen	GM-Technical	Backward correction Since this policy was not in place in the last previous years Future Solution it will be included on next financial year as part of municipal maintenance /asset policy	30 March 2014	Backwards looking In future we will adhere to all necessary legislation requirements by improving current and future policies Forward looking /solution Maintenance policy has been developed what's left is to be workshop and adopt .The planned approval date is June 2014



No.	Findings	Root Cause	Concise Root Cause	Responsible Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
66	Roads-the municipality did not budget for planned maintenance	Insufficient funding to budget for maintenance	Lack of funding	Technical	Owen	GM-Technical	Backward correction Due to insufficient funding to our budget we did not budget for the following Future Solution Municipality has now but aside 7% of its own annual budget for the maintenance purposes'	30 June 2014	Backwards looking Due to nature and constraints in our budget, our municipality did not budgeted for the following Forward looking /solution Municipality has now but aside 7% of its own annual budget for the maintenance purposes'
67	Roads-the municipality did not spend MIG funding as per the allocation statement	Lack of forward planning. Contractors were appointed late	Lack of planning	Technical	Owen	GM-Technical	Backward correction Contractors were terminated due to poor performance Future Solution This current financial year we have introduced Method 4 which will select contractors with more experience	01 July 2014	Backwards looking All terminated contract remaining scope work has been quantified and re-advertised Forward looking /solution we will advertise five months prio starting of upcoming of FY and this has been already been implemented
68	Roads-the municipality does not have a road maintenance plan in place	Management oversight in developing policy	Policy development	Technical	Owen	GM-Technical	Backward correction Since this policy was not in place in the last previous years Future Solution This will also form part on Road infrastructure Policy	30 March 2014	Backwards looking Since this policy was not in place in the last previous years, we have now developed municipal maintenance plan which we will effective once it has been adopted by the council Forward looking /solution Maintenance policy has been developed what's left is to be workshop and adopt. The planned approval date is June 2014



No.	Findings	Root Cause	Concise Root Cause	Responsible Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
69	Roads-the municipality does not have a plan TO ERADICATE BACKLOGS			Technical			<p>Backward correction Our municipality is solely dependent on grant</p> <p>Future Solution There is no approved maintenance plan but however our maintenance to eradicate backlogs is done internal whereby our grader normally spend one week per each ward shaping and glassing a particular road</p>	01 July 2014	<p>Backwards looking we develop the road network plan which we able to enables all network within the municipality</p> <p>Forward looking /solution Once the road network plan has been approved, we will embark on network planning.</p>
70	Roads-the municipality does not have a road asset maintenance system in place	SEE 68		Technical	Owen	GM-Technical	Form part of infrastructure policy	31 March 2014	<p>Forward looking Maintenance policy has been developed what's left is to be workshop and adopt .The planned approval date is June 2014</p>
71	Consultants- no policy in place for the appointment and use of consultants	Lack of oversight from management	Policy Development	MM		MM	Policy to be developed	30 June 2014	



No.	Findings	Root Cause	Concise Root Cause	Respons Dept	Responsible Official	Checked, Confirmed And Verified By Responsible Manager	Proposed Intervention To Correct A Root Cause	Timeframe	Progress To Date
72	Consultants- no need assessment conducted	Lack of oversight from Management	Needs assessment	MM		MM	Needs assessment to be conducted	30 June 2014	
73	Consultants- No contract or service level agreements in place	Lack of proper record keeping	Record keeping	Registry		GM-Corporate	Contracts were signed with MIG consultants	Done	
74	Un-cleared difference in Petty Cash No appropriate audit evidence for commitments were provided	Management oversight in ensuring that petty cash is reconciled properly with supporting documents.	Write off	Finance	Noma Mzobe	Sanelisiwe Mhlophe	Backwards correction Recommendation for writing off of irrecoverable debt of R1300 should be approved by Mayor and Finance Committee Future Solution Vouchers be returned to finance for reconciliation Backwards correction To provide required documents	14 Feb 2014	Backward correction Mayor with finance committee approved write off of petty cash irrecoverable. FBM resolution is hereby attached as annexure 49 Future Solution We ensure that petty cash vouchers are returned to finance timeously otherwise we deduct from responsible official. Backwards Correction Electrification documents which informed commitments which were needed to finalize an amount for commitments are still in possession of forensic auditors.



SECTION I: ORGANIZATIONAL PERFORMANCE MANAGEMENT SYSTEM

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that “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.”

Performance Management, therefore, is not only relevant to the organisation as a whole, but also to the Individuals employed in the organization as well as the External Service Providers and the Municipal Entities. Given this background, it is important that a framework for Performance Management be established, implemented and monitored. This framework therefore describes how the municipality’s performance process, for the organisation as a whole will be conducted, organised and managed. The quality and scope of the PMS has evolved with the recent introduction of further details through the MFMA’s Service Delivery and Budget Implementation Plan. While the two documents have different levels of emphasis in different issues, with SDBIP focusing on financial details and PMS on non-financial aspects of service delivery, they are both tools used by local government to enable Monitoring, Reporting and Evaluation of its work.

Vulamehlo Municipality has developed and adopted an Organisational Performance Management System Framework (OPMS), Policy and Procedure Manual, in-order to comply with legislation and to improve upon good governance and service delivery, it is essential for the municipality to adopt a policy on performance management. This Policy framework will therefore ensure uniformity and the standardised application of performance management processes in-order to ensure that accountabilities, responsibilities, data, and process control points are clear at any stage.

OPMS allows for the Municipal Manager and Heads of Departments to sign performance contracts aligned to the organizational IDP which is monitored on quarterly basis to ensure that their targets are met. Performance Bonuses for Section 57 Managers are only paid once the Municipality has received an unqualified Audit by the Auditor General and the Performance Annual Report has been approved and adopted.

Reviews should and would be conducted on a quarterly basis. Council resolved to have the reviews conducted at the respective portfolio committees for the first and second quarter of the financial year. However as an additional measure the municipality conducts a bi-annual review which is set on a specific date and all councillors are present for the bi-annual and the annual review.

Section 121 of the Municipal Finance Management Act 56 of 2003 requires municipalities to develop annual performance reports for each financial year. This must be prepared within nine months after the end of a financial year.



SECTION J: CAPITAL INVESTMENT PLAN: VULAMEHLO MUNICIPALITY - 2013-2017

PROGRAMME/PROJECTS			PHASED ANNUAL INVESTMENT COSTS							FUNDING
Number	Priority	Location	Total Estimated Cost	2013/14	2014/15	2015/16	2016/17	Cap Costs	Operation & Maint Cost	Government Source of Funding
S1: AREA/WARD BASED MANAGEMENT SYSTEM										
1.1			TBD	TBD	TBD	TBD	TBD			
S2: SUSTAINING THE NATURAL AND BUILT ENVIRONMENT										
2.1		Natural Environment	R –	R –	R –	R –	R –	R –	R –	
2.1.1		Investigate Boundary Expansion of Vernon Crookes	R –	R –	R –	R –	R –	R –	R –	Ezemvelo KZN Wildlife
								TBD	TBD	
S3: CORRIDOR DEVELOPMENT										
3.1		ROADS	R49,416,857.00	R39,132,349.00	R4,897,385.00	R5,387,123.00	R –	R39,039,317.03	R10,377,539.97	
3.1.1		Safety and Maintenance	R2,550,000.00	R2,550,000.00	TBD	TBD	TBD	R2,371,500.00	R178,500.00	DoT
		Pothole Repairs	R1,100,000.00	R1,100,000.00	TBD	TBD	TBD	R1,023,000.00	R77,000.00	DoT
		Guardrail erection and repairs	R950,000.00	R950,000.00	TBD	TBD	TBD	R883,500.00	R66,500.00	DoT
		Regulatory and Warning signs	R100,000.00	R100,000.00	TBD	TBD	TBD	R93,000.00	R7,000.00	DoT
		Roadmarking and Stud	R400,000.00	R400,000.00	TBD	TBD	TBD	R372,000.00	R28,000.00	DoT
3.1.2		Routine Maintenance	R14,736,676.00	R4,452,168.00	R4,897,385.00	R5,387,123.00	R –	R13,705,108.68	R1,031,567.32	DoT
		Blading	R5,627,000.00	R1,700,000.00	R1,870,000.00	R2,057,000.00	R –	R5,233,110.00	R393,890.00	DoT
		Drain cleaning and verge maintenance	R5,627,000.00	R1,700,000.00	R1,870,000.00	R2,057,000.00	R –	R5,233,110.00	R393,890.00	DoT
		Patch Graveling	R3,482,676.00	R1,052,168.00	R1,157,385.00	R1,273,123.00	R –	R3,238,888.68	R243,787.32	DoT
3.1.3		Local Roads	R7,080,181.00	R7,080,181.00	TBD	TBD	TBD	R6,584,568.33	R495,612.67	DoT
		Bhomlandi Road	R750,000.00	R750,000.00	TBD	TBD	TBD	R697,500.00	R52,500.00	DoT
		Thenjani Road	R1,500,000.00	R1,500,000.00	TBD	TBD	TBD	R1,395,000.00	R105,000.00	DoT
		Shluthulel Road	R1,300,181.00	R1,300,181.00	TBD	TBD	TBD	R1,209,168.33	R91,012.67	DoT
		Ntontonto Road	R3,530,000.00	R3,530,000.00	TBD	TBD	TBD	R3,282,900.00	R247,100.00	DoT



PROGRAMME/PROJECTS			PHASED ANNUAL INVESTMENT COSTS							FUNDING
Number	Priority	Location	Total Estimated Cost	2013/14	2014/15	2015/16	2016/17	Cap Costs	Operation & Maint Cost	Government Source of Funding
3.1.4		Causeways	R4,500,000.00	R4,500,000.00	TBD	TBD	TBD	R4,185,000.00	R315,000.00	DoT
		Nsileni	R1,500,000.00	R1,500,000.00	TBD	TBD	TBD	R1,395,000.00	R105,000.00	DoT
		Bhomladi	R1,500,000.00	R1,500,000.00	TBD	TBD	TBD	R1,395,000.00	R105,000.00	DoT
		Gatsheni	R1,500,000.00	R1,500,000.00	TBD	TBD	TBD	R1,395,000.00	R105,000.00	DoT
3.1.5		Betterment & Re-gravelling	R15,750,000.00	R15,750,000.00	TBD	TBD	TBD	R14,647,500.00	R1,102,500.00	DoT
		P77	R3,600,000.00	R3,600,000.00	TBD	TBD	TBD	R3,348,000.00	R252,000.00	DoT
		A2677	R4,500,000.00	R4,500,000.00	TBD	TBD	TBD	R4,185,000.00	R315,000.00	DoT
		P529	R1,800,000.00	R1,800,000.00	TBD	TBD	TBD	R1,674,000.00	R126,000.00	DoT
		L1099	R2,025,000.00	R2,025,000.00	TBD	TBD	TBD	R1,883,250.00	R141,750.00	DoT
		A912	R1,800,000.00	R1,800,000.00	TBD	TBD	TBD	R1,674,000.00	R126,000.00	DoT
		A917	R2,025,000.00	R2,025,000.00	TBD	TBD	TBD	R1,883,250.00	R141,750.00	DoT
3.1.6		Concrete Work	R4,800,000.00	R4,800,000.00	TBD	TBD	TBD	R4,464,000.00	R336,000.00	DoT
		D962	R1,200,000.00	R1,200,000.00	TBD	TBD	TBD	R1,116,000.00	R84,000.00	DoT
		D1114	R800,000.00	R800,000.00	TBD	TBD	TBD	R744,000.00	R56,000.00	DoT
		A919	R2,800,000.00	R2,800,000.00	TBD	TBD	TBD	R2,604,000.00	R196,000.00	DoT
S4: NODAL DEVELOPMENT/SERVICE CENTRES			TBD	TBD	TBD	TBD	TBD	TBD	TBD	
4.1		Formalisation of Dududu (Administrative and planning)	R –	R –	R –	R –	R –	R –	R –	KZNCOGTA
4.2		Imfume Densification Strategy	R –	R –	R –	R –	R –	R –	R –	KZNCOGTA
S5: CONTINUUM OF SUSTAINABLE HUMAN SETTLEMENTS			R90,044,272.00	R17,031,914.40	R17,031,914.40	R17,031,914.40	R17,031,914.40	R83,741,172.96	R6,303,099.04	
5.1		HOUSING AND HUMAN SETTLEMENT								
		Vulindlela Rural Housing	R76,045,487.00	R15,209,097.40	R15,209,097.40	R15,209,097.40	R15,209,097.40	R70,722,302.91	R5,323,184.09	DoH
		Vulamehlo (ward 5 & 7)	R4,884,700.00	R9,769,400.00	R9,769,400.00	R9,769,400.00	R9,769,400.00	R4,542,771.00	R341,929.00	DoH
		Vulamehlo (ward 8, 9 & 10)	R4,884,700.00	R976,940.00	R976,940.00	R976,940.00	R976,940.00	R4,542,771.00	R341,929.00	DoH
		Thoyane Rural Housing	R4,229,385.00	R845,877.00	R845,877.00	R845,877.00	R845,877.00	R3,933,328.05	R296,056.95	DoH



PROGRAMME/PROJECTS			PHASED ANNUAL INVESTMENT COSTS							FUNDING
Number	Priority	Location	Total Estimated Cost	2013/14	2014/15	2015/16	2016/17	Cap Costs	Operation & Maint Cost	Government Source of Funding
S6: PROTECTION OF AGRICULTURAL LAND			R –	R –	R –	R –	R –	R –	R –	
6.1		Review of the Vulamehlo Agricultural Development Plan	R –	R –	R –	R –	R –	R –		Municipality
S7: SERVICE AND SOCIAL INFRASTRUCTURE					#VALUE!		#VALUE!	R –		
7.1		WATERSERVICES AND MANAGEMENT	R256,992,406.00	R25,725,000.00	R27,011,250.00	TBD	TBD	R239,002,937.58	R17,989,468.42	
7.1.1		Dududu Water Reticulation Infills	R7,881,250.00	R2,625,000.00	R2,756,250.00	TBD	TBD	R7,329,562.50	R551,687.50	MIG
7.1.2		Greater Vulamehlo Water Scheme	R22,067,500.00	R7,350,000.00	R7,717,500.00	TBD	TBD	R20,522,775.00	R1,544,725.00	MIG
7.1.3		KwaMgai and Surroundings	R15,762,500.00	R5,250,000.00	R5,512,500.00	TBD	TBD	R14,659,125.00	R1,103,375.00	MIG
7.1.4		Thoyane Water Project Phases 4 & 7	R31,525,000.00	R10,500,000.00	R11,025,000.00	TBD	TBD	R29,318,250.00	R2,206,750.00	MIG
7.1.5		Kwa Lembe Water Supply	R11,195,000.00	TBD	TBD	TBD	TBD	R10,411,350.00	R783,650.00	DWA
7.1.6		Dududu	R134,600,000.00	TBD	TBD	TBD	TBD	R125,178,000.00	R9,422,000.00	DWA
7.1.7		Kwalembe	R27,500,000.00	TBD	TBD	TBD	TBD	R25,575,000.00	R1,925,000.00	DWA
7.1.8		Cele/Umdoni Water Supply Project	R6,461,156.00	TBD	TBD	TBD	TBD	R6,008,875.08	R452,280.92	DWA
7.1.9		Nungwane Raw Water Aqueduct	R68,580,000.00	R2,500,000.00	R1,500,000.00	R42,000,000.00	R21,580,000.00			Umgeni Water
7.2		SANITATION	R61,355,409.00	R11,500,000.00	R5,512,500.00	TBD	TBD	R57,060,530.37	R4,294,878.63	
7.2.1		Vulamehlo VIP's	R28,012,500.00	R11,500,000.00	R5,512,500.00	TBD	TBD	R26,051,625.00	R1,960,875.00	DWA
7.2.2		Vulamehlo Sanitation Project	R11,325,204.00	TBD	TBD	TBD	TBD	R10,532,439.72	R792,764.28	DWA
7.2.3		Vulamehlo Rural Households Sanitation	R22,017,705.00	TBD	TBD	TBD	TBD	R20,476,465.65	R1,541,239.35	DWA
7.2.4		Municipal Waste Collection	R –	R –	R –	R –	R –	R –	R –	MIG



PROGRAMME/PROJECTS			PHASED ANNUAL INVESTMENT COSTS							FUNDING
Number	Priority	Location	Total Estimated Cost	2013/14	2014/15	2015/16	2016/17	Cap Costs	Operation & Maint Cost	Government Source of Funding
7.3		ENERGY						R –		
7.3.1		Electrification projects	R23,295,000.00	TBD	TBD	TBD	TBD	R18,403,050.00	R4,891,950.00	Eskom
		Mathongwana	R6,000,000.00	TBD	TBD	TBD	TBD	R4,740,000.00	R1,260,000.00	Eskom
		Nkampula Mahwaqa	R6,915,000.00	TBD	TBD	TBD	TBD	R5,462,850.00	R1,452,150.00	Eskom
		Kwa-Rwazi	R6,630,000.00	TBD	TBD	TBD	TBD	R6,165,900.00	R464,100.00	Eskom
		Nkwali	R3,750,000.00	TBD	TBD	TBD	TBD	R3,487,500.00	R262,500.00	Eskom
		Mahlathini	R10,833,583.00	TBD	TBD	TBD	TBD	R10,075,232.19	R758,350.81	Eskom
		Dududu (infills)	R700,000.00	TBD	TBD	TBD	TBD	R651,000.00	R49,000.00	Eskom
		Eishekombo	R15,090,000.00	TBD	TBD	TBD	TBD	R14,033,700.00	R1,056,300.00	Eskom
		Mtoli	R20,100,000.00	TBD	TBD	TBD	TBD	R18,693,000.00	R1,407,000.00	Eskom
		Madudubala	R17,625,000.00	TBD	TBD	TBD	TBD	R16,391,250.00	R1,233,750.00	Eskom
		Mqangqala								
7.6		HEALTH SERVICES	R174,000,000.00	R54,000,000.00	R –	R120,000,000.00	R –	R137,460,000.00	R36,540,000.00	Dept of Health
7.6.1		New Clinics	R54,000,000.00	R54,000,000.00	R –	R –	R –	R42,660,000.00	R11,340,000.00	Dept of Health
		Izimpethuzendlou	R18,000,000.00	R18,000,000.00	R –	R –	R –	R14,220,000.00	R3,780,000.00	Dept of Health
		KwaJoni	R18,000,000.00	R18,000,000.00	R –	R –	R –	R14,220,000.00	R3,780,000.00	Dept of Health
		Thenjane	R18,000,000.00	R18,000,000.00	R –	R –	R –	R14,220,000.00	R3,780,000.00	Dept of Health
7.6.2		Maternal Obstetric Units	R –	R –	R –	R –	R –	TBD	TBD	Dept of Health
		Dududu	R –	R –	R –	R –	R –	TBD	TBD	Dept of Health
7.6.3		Community Health Centers	R120,000,000.00	R –	R –	R120,000,000.00	R –	R94,800,000.00	R25,200,000.00	Dept of Health
		Dududu Clinic upgrade to CHC	120,000,000.00	R –	R –	120,000,000.00	R –	R94,800,000.00	25,200,000.00	Dept of Health
7.7		EDUCATION AND SKILLS DEVELOPMENT	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
7.7.1		Fakazi Creche	TBD	TBD	TBD	TBD	TBD	TBD	TBD	Dept. of Social Development
7.7.2.		Qhumbu Creche	TBD	TBD	TBD	TBD	TBD	TBD	TBD	



PROGRAMME/PROJECTS			PHASED ANNUAL INVESTMENT COSTS						FUNDING	
Number	Priority	Location	Total Estimated Cost	2013/14	2014/15	2015/16	2016/17	Cap Costs	Operation & Maint Cost	Government Source of Funding
7.8		SPORT, RECREATION & COMMUNITY FACILITIES								
7.8.1		Dududu Library	R –	R –	R –	R –	R –	R –	R –	MIG
7.8.2		Vulamehlo Cultural Village	R –	R –	R –	R –	R –	R –	R –	MIG
7.8.3		Mshiwase Resource Centre	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.8.4		Mfume Sports Field	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.8.5		Mandudubala Community Hall	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.8.6		MPCC Thenjane Skills Centre	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.8.7		Ngwadini Sport Grounds	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.8.8		Ngangeni Sport Grounds	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.8.9		Dumayo Community Hall	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.8.10		Mphabanyoni Community Hall	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.8.11		Bhewula Community Hall	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.8.12		Shukumisa Sport Grounds	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.8.13		Buhlebezwe Community Hall	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.8.14		Qwembe Community Hall	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.8.15		Hlafuna Sport Field	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.8.16		Harrington Community Hall	TBD	TBD	TBD	TBD	TBD	TBD	TBD	MIG
7.9		Transportation Facilities	R –	R –	R –	R –	R –	R –	R –	MIG
7.9.1.		Taxi Rank Shelters	TBD	TBD	TBD	TBD	TBD	TBD	TBD	COGTA / Municipality District Municipality



PROGRAMME/PROJECTS			PHASED ANNUAL INVESTMENT COSTS							FUNDING
Number	Priority	Location	Total Estimated Cost	2013/14	2014/15	2015/16	2016/17	Cap Costs	Operation & Maint Cost	Government Source of Funding
S8: UNLOCKING ECONOMIC POTENTIAL								R –	R –	
8.1.		LED Strategy Review	R400,000.00	R80,000.00	R80,000.00	R80,000.00	R80,000.00			Municipality
8.2		Tourism Strategy Review	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
S9: SUSTAINABLE INTEGRATED SPATIAL PLANNING SYSTEM			R7,114,000.00	R7,114,000.00	R0.00	R0.00	R0.00	R7,114,000.00		
9.1		Formalisation of Dududu (Scheme)	Technical Support	TBD	TBD	TBD	TBD	TBD	TBD	KZNCOGTA
9.2		Development Information Services (DIS)	R3,557,000.00	R3,557,000.00				R3,308,010.00	R248,990.00	KZNCOGTA
9.2.1		DPSS/Imagery	R3,300,000.00	R3,300,000.00				R3,069,000.00	R231,000.00	KZNCOGTA
9.2.2		MPRA	R8,000.00	R8,000.00				R7,440.00	R560.00	KZNCOGTA
9.2.3		Business Intelligence	R83,000.00	R83,000.00				R77,190.00	R5,810.00	KZNCOGTA
9.2.4		Municipal Websites	R83,000.00	R83,000.00				R77,190.00	R5,810.00	KZNCOGTA
9.2.5		PSDS	R83,000.00	R83,000.00				R77,190.00	R5,810.00	KZNCOGTA



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